

The background of the slide features a large, light blue watermark of the University of Alberta crest. The crest is a shield divided into four quadrants. The top-left quadrant shows a cross with a chevron. The top-right quadrant shows a stag's head with antlers. The bottom-left quadrant shows a sailing ship on wavy lines. The bottom-right quadrant shows a beaver. Above the shield is a crown with four maple leaves. Below the shield is a banner with the motto 'ANNE FOR A'.

Agenda Item 4

Internal Audit Progress Report

Falkirk Council

Title: Internal Audit Progress Report

Meeting: Audit Committee

Date: 12 December 2016

Submitted By: Internal Audit Manager

1. Purpose of Report

1.1 The purpose of this report is to provide an update on:

- progress with completing the 2016/17 Internal Audit Plan;
- the Internal Audit Section's performance; and
- Internal Audit Recommendations Outstanding.

2. Recommendation

2.1 It is recommended that the Committee notes progress being made with completing the 2016/17 Internal Audit Plan and with other workstreams.

3. Background

3.1 The 2016/17 Internal Audit Plan was agreed by Audit Committee at its 18 April 2016 meeting. The Plan set out a total of 21 assignments to be completed by the team during the year. At its meeting in September, Committee noted that good progress was being made with completing the Plan.

4. Progress With Completing 2016/17 Internal Audit Plan

4.1 A summary of planned assignments, along with the current status of each, is attached as **Appendix 1**. This includes the following, additional, assignments added to our work programme over the course of the year:

- Carbon Reduction Commitment (CRC) Energy Efficiency Scheme Audit;
- Contact Centre – Data and Information Security;
- Social Work Intermediary Accounts;
- Residential and Non Residential Charging – Debt Management; and
- LEADER Funding.

4.2 Final Reports have now been issued in respect of 10 assignments. The findings arising from two of these (CRC Energy Efficiency Scheme Audit, and Contact Centre – Data Security and Practice) were previously reported to Committee in September. A summary of the scope of, and findings arising from, the remaining eight are set out at **Appendix 2**.

5. Internal Audit Performance

5.1 Internal Audit measures performance against the following five Key Performance Indicators (KPI).

Key Performance Indicator	2016/17 to date	2015/16 (at same time last year)
Complete 85% of main audit programme	42%	42%
Have 90% of recommendations accepted	100%	100%
Spend 75% of time on direct audit work	76%	76%
Issue 75% of draft reports within 3 weeks of completion of fieldwork	100%	89%
Complete (to issue of final report) 75% of main audits within budget	80%	100%

5.2 Performance is as expected, and is comparable with the same point last year. On that basis, I am confident that Internal Audit will meet, or exceed, target for each of the five KPIs.

6. Internal Audit Recommendations Outstanding

6.1 A total of 16 Internal Audit recommendations are currently outstanding beyond their agreed Implementation Date. These relate to the following assignments:

- Sundry Debtors (1 Rec);
- Business Continuity Planning and Recovery (1 Rec);
- Business Gateway (3 Recs);
- Non-Domestic Rates (1 Rec);
- Pension Administration and Pension Fund Governance (1 Rec);
- Employment and Training Unit (3 Recs);
- Members' Services: Civic Events and Receptions, Training, Allowances and Expenses (1 Rec);
- Mobile Device Security Arrangements (3 Recs);
- Social Work Intermediary Accounts (1 Recs); and
- Redundancy and Severance Arrangements (1 Rec).

6.2 Details of each of these recommendations are set out at **Appendix 3**. Internal Audit continues to work with Services to ensure that appropriate, and proportionate, action is taken to address all recommendations made by the team.

7. Implications

Financial

7.1 The role of Internal Audit is to provide assurance on the Council's arrangements for risk management, governance, and control. This includes controls which are designed to help safeguard the finances of the Council.

Resources

- 7.2 Recommendations or advice from Internal Audit may impact on the way in which resources are deployed and utilised.

Legal

- 7.3 Internal Audit may, on occasion, comment on the legality of transactions, activity, or processes.

Risk

- 7.4 The role of Internal Audit is to provide Members with assurance on the Council's arrangements for risk management, governance, and control. Recommendations made by Internal Audit aim to reduce or mitigate risk to which the Council may be exposed.

Equalities

- 7.5 An equality and poverty impact assessment was not required.

Sustainability / Environmental Impact

- 7.6 A sustainability / environmental assessment was not required.

8. Conclusions

- 8.1 Good progress is being made with planned Internal Audit work, and performance against each of the five Key Performance Indicators is as expected. Internal Audit will continue to work with Services to ensure that all recommendations are fully and timeously implemented.

Internal Audit Manager

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Date: 02 December 2016

APPENDICES

- **Appendix 1** – Internal Audit Plan 2016/17 – Progress at December 2016;
- **Appendix 2** – Summary of Key Findings Arising From Assignments Complete to Final Report – Not Previously Reported to Committee; and
- **Appendix 3** – Internal Audit Recommendations Outstanding.

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:

- None.

INTERNAL AUDIT PLAN 2016/17 – PROGRESS AT DECEMBER 2016

Planned Assignments (as per 2016/17 Internal Audit Plan)			
	Service	Assignment	Status
1.	All Services	Code of Corporate Governance	Not Started
2.	All Services	Compliance with Financial Regulations	Not Started
3.	All Services	Welfare Reform	Not Started
4.	All Services	Corporate Purchasing and Contract Monitoring	Final Report Issued – Substantial Assurance
5.	All Services	Serious Organised Crime / CONTEST / PREVENT	In Progress - input at national and local level on-going
6.	All Services	Building Security (Council Buildings)	Final Report Issued – No Assurance
7.	Corporate and Housing / All Services	Redundancy and Severance Arrangements	Final Report Issued – Substantial / Limited Assurance
8.	Corporate and Housing / All Services	Payroll – Temporary and Permanent Adjustments	Final Report Issued – Substantial Assurance
9.	Corporate and Housing	Integrated Housing Management System – Security and Management	In Progress – fieldwork underway
10.	Corporate and Housing	Housing Rents	In Progress – fieldwork underway
11.	Corporate and Housing	ICT Service Desk and Support	In Progress – fieldwork underway
12.	Corporate and Housing / Children's / Adult Social Work	Procurement of Services from External Providers of Social Work Services	Not Started
13.	Development	Refuse Collection	Final Report Issued – Substantial Assurance
14.	Development	Financial Vetting, Insurance, and Performance Bonds	Draft Report Issued
15.	All Services	National Fraud Initiative	Ongoing Participation – all required data submitted October 2016. Matches released 26 January 2017.
16.	All Services	Continuous Auditing	Ongoing Reporting – Creditors Duplicate Payments of £8.7k identified to date and being recovered

Planned Assignments (as per 2016/17 Internal Audit Plan)			
	Service	Assignment	Status
17.	Corporate and Housing	Reciprocal Audit Review with West Lothian Council (WLC)	Not Started – WLC's Audit and Risk Manager will follow up his 2015/16 review of Falkirk Council's Risk Management Arrangements
18.	Internal Audit	External Quality Assessment – Participation in External Quality Assurance Programme	Not Started – This review will be undertaken by South Ayrshire Council's Chief Internal Auditor during 2016/17
19.	Falkirk Pension Fund	Falkirk Pension Fund	Not Started
20.	Falkirk Integration Joint Board	Falkirk Integration Joint Board	In Progress – via support to IJB Chief Internal Auditor, and in line with IA Plan approved by IJB in August 2016
21.	Falkirk Community Trust	Falkirk Community Trust	In Progress – in line with IA Plan approved by Trust Audit and Performance Sub-Group in August 2016

Additional Assignments			
	Service	Assignment	Status
1.	Development	CRC Energy Efficiency Scheme Audit	Final Report Issued – Substantial Assurance ¹
2.	Corporate and Housing	Contact Centre – Data and Information Security	Final Report Issued – Limited Assurance ¹
3.	Adult Social Work	Social Work Intermediary Accounts	Final Report Issued – Substantial Assurance
4.	Corporate and Housing / Children's / Adult Social Work	Residential Charging and Non Residential Charging – Debt Management	In Progress – fieldwork underway
5.	Development	LEADER Funding	Final Report Issued – to support annual submission to Scottish Government

¹ **NOTE** – the findings arising from these reviews were previously reported to Committee in September and so have not been included in Appendix 2 of this report.

**Summary Of Key Findings Arising From Assignments Complete to Final Report
– NOT PREVIOUSLY REPORTED TO COMMITTEE**

No.	Assignment Area and Service	Assurance and Key Findings
1.	Corporate Purchasing and Contract Monitoring All Services	<p>Substantial Assurance</p> <p>The Council's Financial Regulations and Contract Standing Orders provide a framework for the procurement of goods and services, with the aim of demonstrating fairness, consistency, transparency, and best value.</p> <p>On a weekly basis, Internal Audit receive a report setting out suppliers who have been paid in excess of £10k in the preceding week. We review a sample of payments to assess whether appropriate tendering / market testing was undertaken, as well as arrangements for subsequently ensuring compliance with (and monitoring) compliance with contract terms and conditions.</p> <p>Over the course of the year to date we have found that, in general, goods and services are procured from contracted suppliers, with market testing undertaken prior to incurring expenditure from 'other' suppliers.</p> <p>We also found that the terms and conditions agreed with suppliers during market testing were, in the main, being applied, with appropriate action being taken to re-tender (or, where appropriate extend) contracts nearing their expiry.</p> <p>To further enhance the framework of control, and ability to monitor expenditure on a self service basis at contract and supplier level, consideration is to be given to building on existing finance system functionality.</p>

No.	Assignment Area and Service	Assurance and Key Findings
2.	<p>Building Security</p> <p>All Services</p>	<p>No Assurance</p> <p>The purpose of this assignment was to evaluate and report on the controls in place to ensure that the Council's buildings and contents are secure. Findings were based on visits to a sample of operational buildings to review physical security measures, as well as arrangements for monitoring, recording, reporting, and investigating security incidents. The sample of buildings visited included schools, an operational depot, a care home, and a headquarters building.</p> <p>We found that, at the time of the audit, there was significant scope for improvement. In particular:</p> <ul style="list-style-type: none"> • unauthorised entry was gained to six operational buildings via, eg unlocked doors, open fire exits, and unattended receptions; • at a corporate level no Officer has overall responsibility for developing, disseminating, and enforcing building security standards; and • clear and comprehensive guidance was not available to Premises Managers setting out key security controls and the process for recording, investigating, and reporting security incidents / breaches. <p>Since issuing this report a significant body of work has been undertaken to address the issues identified.</p> <p>The Council's Corporate Risk Management Group has taken ownership of the report and has put in place an action plan for addressing corporate and building specific findings. Building Security will remain a standing agenda item for that group until the issues identified in this report are addressed.</p> <p>Revised and updated guidance on building security has been put in place and is available to staff on 'Inside Falkirk'. Related to that, a poster campaign has been rolled out to raise awareness, and the Premises Managers' Handbook is being reviewed and updated to provide better guidance on building security. All Premises Managers will be required to attend a training workshop on the key requirements of the (updated) Premises Managers' Handbook.</p> <p>In addition, a security expert has been identified to undertake risk assessments in higher risk premises, including a Primary School, a Secondary School, and a care home. Once complete, these will form the basis of templates to be used across other locations.</p> <p>All Services are taking forward actions specific to their buildings (in conjunction with Building Design – Facilities team), and all Premises Managers have been asked to undertake a check of security arrangements to ensure they are proportionate and working effectively.</p> <p>Internal Audit will undertake further unannounced spot checks in high risk premises to ensure that agreed actions are being implemented.</p>

No.	Assignment Area and Service	Assurance and Key Findings
3.	<p>Redundancy and Severance</p> <p>Corporate and Housing / All Services</p>	<p>Substantial / Limited Assurance</p> <p>Internal Audit reviewed policies, procedures, roles, and responsibilities within, and between, Services, Human Resources, Payroll, Pensions, and Accountancy Services; application, assessment, and approval arrangements; the accuracy and consistency of entitlement calculations; arrangements for the payment of entitlements; and the accurate and timely production of management information.</p> <p>We were able to provide Substantial Assurance in relation to the Severance Policy (including roles and responsibilities) and Limited Assurance in relation to the level of compliance with the Policy.</p> <p>All staff consulted were clear about their roles and responsibilities, with adequate segregation of duties in place between the assessment and approval of applications and the calculation and payment of compensation entitlements.</p> <p>While there was a Policy in place there was some scope for improving this by, eg including formal timescales for the completion of each stage of the process, and setting out more detail on how pension benefits have been affected by changes to the Scottish Local Government Pension Scheme.</p> <p>Our work on compliance with the Policy highlighted that limited checking is undertaken to confirm the accuracy of compensatory payments and pension strain costs. While the error amounts identified by our sample checking were not significant, inadequate checking could, potentially, lead to incorrect decisions on whether (or not) to approve a voluntary severance request.</p> <p>We also found instances where the audit trail was incomplete, and where there was delay in amending / deleting posts previously occupied by employees who have left via the severance process. Documentation to terminate an applicant's employment was not always provided to Payroll Section on a timely basis by Services, resulting in the delay of payment of compensatory entitlements.</p>
4.	<p>Payroll – Temporary and Permanent Adjustments</p> <p>Corporate and Housing / All Services</p>	<p>Substantial Assurance</p> <p>Work focussed on policies, procedures, roles and responsibilities; controls over the authorisation and processing of Payroll changes, including new appointments, leavers, and salary changes; and service standards and performance monitoring.</p> <p>We found that the operational controls associated with the processing of Payroll changes were working effectively, and that all staff consulted during the review were clear about their roles and responsibilities.</p> <p>We made a small number of recommendations aimed at further enhancing operational controls, the recovery of any overpayments, and the checking of monthly payroll reports.</p>

No.	Assignment Area and Service	Assurance and Key Findings
5.	Refuse Collection Corporate and Housing Services	<p>Substantial Assurance</p> <p>We reviewed the roles and responsibilities of those involved in the day to day domestic refuse collection, trade waste, and special uplift arrangements managed and operated by the Council; financial control arrangements; and performance monitoring and the accurate and timely production of management information.</p> <p>We found that all staff consulted were clear about their roles and responsibilities, and that management and supervision of refuse collection crews well controlled. Management information was comprehensive and up to date.</p>
6.	Continuous Auditing All Services	<p>N/A – Ongoing Assurance</p> <p>Work has focussed on Creditors duplicate payments. To date, duplicate payments with a total value of £8,700 have been identified. All amounts have been, or are being, recovered.</p>
7.	Social Work Intermediary Accounts Adult Social Work Services	<p>Substantial Assurance</p> <p>The Council acts as ‘appointee’ for some Social Work clients who either live in the community or in long term care, and has authority to collect these clients’ benefits on their behalf. It administers and manages these clients’ funds in ‘intermediary’ bank accounts, operated from Area Offices. At the time of this review around £1.3m was being administered on behalf of clients.</p> <p>This review focussed on visits to three Area Offices to review operational controls.</p> <p>We were content that each of the sample of transactions reviewed had been authorised and accurately recorded (with appropriate supporting documentation). There was, however, scope for introducing a regular programme of management checks on the day to day operation of the accounts, and for ensuring that senior managers are provided with regular management information (on, eg balances and number of clients with accounts).</p> <p>There was also scope for establishing criteria to evidence the decision to apply for appointeeship.</p>

No.	Assignment Area and Service	Assurance and Key Findings
8.	LEADER Funding Development Services	<p>Not Applicable</p> <p>LEADER is a national programme using European funds to deliver community led local rural development projects. It is delivered through partnerships between the Scottish Government and Local Action Groups responsible for developing a Local Development Strategy and for distributing funds against that Strategy.</p> <p>Falkirk Council acts as the 'Accountable Body' for the Kelvin Valley and Falkirk (KVF) 2014-2020 LEADER Programme. As Accountable Body, Falkirk Council has overall responsibility for the delivery and cash flow of the KVF LEADER Programme – a service Level Agreement (SLA) between Falkirk Council and the Scottish Government defines this role.</p> <p>In June 2015 the Scottish Government confirmed an indicative allocation to KVF LEADER of c£2.8m (over the life of the programme).</p> <p>The SLA requires an annual Internal Audit of the functions and services undertaken by the Accountable Body, including review of compliance with SLA terms; clarity of LAG / AB governance and management processes; LEADER administration processes (including application and award); and the LEADER administration grant claim process.</p> <p>In overall terms we found arrangements to be sound, with the main requirements of the SLA being adhered to, and a revised and updated Business Plan being prepared for submission to the Scottish Government. The respective roles and responsibilities of the LAG and AB were clear and well understood.</p> <p>We did, however, make a number of recommendations relating to demonstrating full compliance with the SLA, updating the KVB Business Plan to reflect current processes, and enhancing some elements of the audit trail.</p>

INTERNAL AUDIT – RECOMMENDATIONS OUTSTANDING

No.	Target Imp Date	Service	Audit Name	Assurance Level	Recommendation Details	Responsible Officer	Agreed Management Action	Revised Imp Date	Latest Update Position
1.	31 Dec 2013	Corporate and Housing Services	Sundry Debtors	Substantial	A debt recovery policy for Sundry Accounts should be developed.	Revenues Manager	The draft Corporate Debt Policy has been prepared. Once agreed, the debt recovery policy for Sundry Accounts will link to this.	31 Dec 2015	Corporate Debt Policy is being finalised, with a single issue to be addressed regarding how the Housing Revenues Account (HRA) debts (house rent in particular) are integrated into Corporate Debt approach. There has been progress on this issue and, subject to consultation with HRA tenants, it is hoped that a policy will be considered by Executive early in 2017.
2.	31 Dec 2014	Development Services	Business Continuity Planning and Recovery	Substantial	A corporate Business Continuity Plan should be prepared.	Civil Contingencies Coordinator	A draft Corporate Business Continuity Management Plan, that meets Civil Contingencies requirements and the Council's BCM Policy, will be developed and approved by CMT.	31 Dec 2015	The Executive has approved the Business Continuity Management Policy.
3.	31 Oct 2015	Development Services	Business Gateway	Limited	The Adviser's Guide should be formally agreed and rolled out, and should take into account the recommendations made in this report.	Growth and Investment Manager and BG Contract Manager	Progressing on plan. Cannot be progressed further until National Business Gateway provide Service Specification to all providers.	01 Dec 2015	National Service Spec has been commissioned by Business Gateway National Unit and awarded to EKOS (Jan 2016). Unable to progress until this concluded. Stage 2 operational application remains to be approved nationally by Scottish Government. Action cannot be progressed as outwith FC control.

No.	Target Imp Date	Service	Audit Name	Assurance Level	Recommendation Details	Responsible Officer	Agreed Management Action	Revised Imp Date	Latest Update Position
4.	31 Oct 2015	Development Services	Business Gateway	Limited	Consideration should be given to more specifically recording and accounting for Falkirk Business Gateway provision (as well as related ERDF 60% match funding and Business Support). This should include ensuring that management fee spend is broken down and accounted for separately.	Growth and Investment Manager and BG Contract Manager	Part achieved. ERDF unit cost methodology to be finalised by Scottish Government. Unable to progress until this is done.	30 Apr 2016	Scottish Government now no longer progressing with Unit Cost and Flat Rate Direct Staff Costs has been agreed. Awaiting Stage 2 Operational Approval from Scottish Government before this can be completed. Outwith FC control.
5.	31 Oct 2015	Development Services	Business Gateway	Limited	Invoice overhead charge arrangements should be reviewed and streamlined.	Growth and Investment Manager and BG Contract Manager	Progressing, however National Business Gateway spec is awaited.	30 Nov 2015	National Service Spec has been commissioned by Business Gateway National Unit and awarded to EKOS (Jan 2016). Unable to progress until this concluded. Stage 2 operational application remains to be approved nationally by Scottish Government. Action cannot be progressed as outwith FC control.

No.	Target Imp Date	Service	Audit Name	Assurance Level	Recommendation Details	Responsible Officer	Agreed Management Action	Revised Imp Date	Latest Update Position
6.	31 Dec 2015	Corporate and Housing Services	Non-Domestic Rates (including TIF)	Substantial	The Council's discretionary policies on NDR should be subject to formal review.	Revenues Manager	It is accepted that discretionary policies require to be updated and to be approved by Members, and work has started on this. The date proposed is provisional, and may be impacted by the absence of the Depute CFO.	31 Dec 2015	A review has been carried out and a draft policy has been prepared. However, before seeking approval for this policy it is essential that we fully evaluate the impact changes in the policy could have on individual ratepayers. This evaluation cannot be carried out until the revised 2017 Revaluation values are known (November 2016) and Scottish Government announce their intentions regarding changes to relief schemes and thresholds (Between December 2016 and March 2017).
7.	31 Mar 2016	Corporate and Housing Services	Pension Admin and Pension Fund Governance	Substantial	A Register of Interests should be established to record details of any actual / potential conflicts relating to members of the Committee and the Board. The Register should be published on the Fund's website.	Pensions Manager	Recommendation Accepted.	31 Mar 2016	Register of interest report has been prepared but, following consultation with Governance, have agreed to combine with Conflicts of Interest Policy document and take both proposals to the Pensions Committee in due course.

No.	Target Imp Date	Service	Audit Name	Assurance Level	Recommendation Details	Responsible Officer	Agreed Management Action	Revised Imp Date	Latest Update Position
8.	29 Feb 2016	Development Services	Employment and Training Unit	Substantial	Concise and written guidance, incorporating process flowcharts, should be developed for Employment and Training Unit staff.	Employment and Training Unit Manager	Appropriate processes will be pulled into a Manual. A review of processes will be undertaken and potential changes risk assessed prior to implementation. Written guidance and process flowcharts will clearly articulate all policies and procedures relating to day-to-day operations. Operating rules and compliance documents for external programmes will be referenced as part of written guidance.	29 Feb 2016	The installation of VISIO was delayed and this action is now being taken forward.
9.	31 Mar 2016	Development Services	Employment and Training Unit	Substantial	A Procurement Strategy for training programmes should be developed and implemented along with a standard checklist of payment evidence requirements. An approved Training Providers Framework should be developed.	Employment and Training Unit Manager	Employment and Training Unit will take these points forward in partnership with the Corporate Procurement Unit.	31 Mar 2016	This is ongoing with Procurement Unit, and has been linked to budget process and external contracts which has delayed progress.
10.	31 Dec 2015	Development Services	Employment and Training Unit	Substantial	A run through of each initial grant start up process should be undertaken prior to commencing the project.	Employment and Training Unit Manager	In advance of the start of the European Social Fund programme in January 2016 a meeting will be held with Scottish Government European auditors.	31 Dec 2015	Meetings still ongoing with Scottish Government and the timescale is outwith our control but we are hoping for final clarification by the end of May 2016. The project will be required to start in April 2016, and a full risk assessment will be undertaken accordingly.

No.	Target Imp Date	Service	Audit Name	Assurance Level	Recommendation Details	Responsible Officer	Agreed Management Action	Revised Imp Date	Latest Update Position
11.	31 Mar 2016	Corporate and Housing Services	Members' Services: Civic Events and Receptions, Training, Allowances and Expenses	Substantial	The points relating to procedural guidance should be addressed.	Business and Members' Services Manager	Develop an action plan and implement the recommendations listed in the report.	31 Mar 2016	Business and Members' Services work plan now contains the schedule of tasks for development by 31 December 2016. Induction training planning has also commenced in conjunction with the production of Elected Members' Notebooks, covering a range of topics from the first few weeks in office, to the roles of Members at Ward and Council level, to national policy and legislative content. The Members' Development Portal has been updated to link with the Improvement Service, where useful information on becoming a Councillor is available and will continue to expand.
12.	31 Aug 2016	Corporate and Housing Services	Mobile Device Security	Substantial	The Information Security Policy should be reviewed and updated.	Technology and Infrastructure Manager	Recommendation Accepted.	31 Aug 2016	Acceptable Use Policy (AUP) and Information Security Policy (ISP) have been discussed and agreed with the Information Governance Manager. The existing policies will be jointly reviewed and updated by 31 December 2016.
13.	31 Aug 2016	Corporate and Housing Services	Mobile Device Security	Substantial	The Acceptable Use Policy should be reviewed and updated.	Technology and Infrastructure Manager	Recommendation Accepted.	31 Aug 2016	AUP and ISP have been discussed and agreed with the Information Governance Manager. The existing policies will be jointly reviewed and updated by 31 December 2016.
14.	31 Aug 2016	Corporate and Housing Services	Mobile Device Security	Limited	The remote standard build should be tested before installing on ipads / tablets and mobile phones.	Improvement Manager / Technology and Infrastructure Manager	Recommendation Accepted.	31 Aug 2016	Consultants are currently working on the automation (17 / 18 November). We will quality control check the work and provide a further update w/c 05 December.

No.	Target Imp Date	Service	Audit Name	Assurance Level	Recommendation Details	Responsible Officer	Agreed Management Action	Revised Imp Date	Latest Update Position
15.	01 Oct 2016	Adult Services	Social Work Intermediary Accounts	Not Applicable	Criteria should be established to evidence Social Work's decision to apply for appointeeship.	Head of Social Work Adult Services	<p>Criteria have now been finalised and implemented. Any new appointeeships must also be authorised by Service Manager.</p> <p>The service is hoping to transfer appointeeships to providers from 01 Oct 2016.</p>	01 Oct 2016	<p>Criteria have now been finalised and implemented. Any new appointeeships must also be authorised by Service Manager.</p> <p>Teams are reviewing their number of appointeeships prior to transfer to providers. This will be completed by the end of March 2017.</p>
16.	30 Nov 2016	Corporate and Housing Services	Redundancy and Severance Arrangements	Substantial / Limited	Compensatory lump sum and pension benefit / strain calculations should be subject to robust accuracy checks, with supporting documentation certified to confirm completion of these checks.	HR Systems and Payroll Manager	<p>System to be updated to include double check of HR calculations.</p> <p>In relation to the compensatory lump sum, the relevant staff will be reminded about the importance of ensuring that the calculation is undertaken in accordance with the instruction from HR regarding any regular allowances and an additional check will be introduced on the employee's age.</p> <p>Evidence of checking on pension strain estimates and payments needs to be reinforced, however, the errors alluded to were the result of differences in the way Altair calculated the strain payment as compared to the old in-house system (both approaches had been deemed reasonable by the Fund Actuary).</p>	30 Nov 2016	Procedures are in place and currently being followed, and staff have been reminded. System changes being progressed and will be complete by 31 December 2016.