

INTERNAL AUDIT PROGRESS REPORT – MARCH 2019

1 Purpose

1.1 To receive the Internal Audit Progress Report of activity undertaken since April 2018.

2 Recommendations

2.1 The committee is recommended to note the progress report.

3 Supporting Information

3.1 This report provides an update on the progress made against the 2018/19 Internal Audit Plan and includes information on:

- Internal audit reviews completed and in progress
- Changes to the 2018/19 internal audit plan
- Implementation of agreed audit actions

3.2 The Committee requested that all internal audit reports are presented in full. These are included in Appendix 4.

4. Reasons for Recommendations

4.1 Ensuring a proper and effective flow of information to Audit Committee Members enables them to perform their role effectively and is an essential element of the corporate governance arrangements at the Council.

5. Resource Implications

5.1 There are no resource implications to report.

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Background papers: None



Internal Audit Progress Report

March 2019





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1. Activity and progress

The 2018/19 internal audit plan was approved by the Audit Committee in June 2018. A summary of the plan is included in Appendix 2. We monitor progress against the plan during the year and advise the Audit Committee of any changes.

Final reports issued since the previous Committee meeting

<i>Name of review</i>	<i>Risk rating*</i>	<i>Date of final report</i>	<i>No of recommendations made*</i>			
						
			Critical	High	Medium	Low
Aylesbury Vale Estates	n/a	Mar 19	-	-	-	-
Housing Benefits	Medium	Mar 19	-	-	1	6
Parking Services	Medium	Mar 19	-	-	1	5

* See Appendix 1 for the basis for classifying internal audit findings and reports.

The full reports are attached in Appendix 4 and summarised below:

Company Governance - Aylesbury Vale Estates

Aylesbury Vale District Council and Akeman Partnership LLP established Aylesbury Vale Estates (AVE) as a Limited Liability Partnership in October 2009. Each party has a 50% ownership of AVE.

This review has evaluated the effectiveness of the Council's governance of AVE, based on the expectations set out in the "Guide to creation and working with companies in which AVDC has a financial interest" (the Guide), which was recently updated following the independent review of the Council's governance arrangements for Aylesbury Vale Broadband. The Guide is based on language pertaining to the legal structure of companies and the respective roles and responsibilities of shareholders and directors as set out in Company Law. AVE, as a Limited Liability Partnership (LLP) is slightly different. For example, it does not have 'Directors' as distinct from a 'Shareholder' as is the case for a company limited by shares.

The Guide does however, set out many expectations of 'good governance' which are applicable when considering oversight of council spend and operations. Therefore we assessed whether governance arrangements are in accordance with the spirit of the requirements in the Guide. We conclude that governance of AVE is compliant with the significant majority of expectations set out in the Guide. However the review highlighted two areas where the application of governance requirements as set out in AVE's Members' Agreement could be strengthened:

- The Council should work with AVE to clarify who is empowered to discharge certain roles (and functions assigned to those roles) set out in the AVE Members' Agreement. The Council has taken a custom and practice approach to fulfilling these functions but would benefit from clarifying which committees/people are empowered to discharge them in the event of any future dispute.
- The Council should work with AVE to update the Members' Agreement to clarify instances where the Council is required to approve sale, transfer or issuance of shares. This is currently referenced in the Members' Agreement but is worded in a way where it would only apply in certain instances (i.e. should it be required by central government).

In the areas we considered there was evidence that good governance procedures have been undertaken and in accordance with the spirit of the Guide. These are outlined in the report and include:

- Business planning
- Board composition
- Reporting to Council and scrutiny
- Conflicts of interest
- Relationship between the Council and AVE

Housing Benefits

The report is classified as medium risk (9 points). We identified one medium and six low risk findings. Since the prior year high risk report (22 points), continued improvements have been made to processes and controls. These improvements can be attributed to strength in management and a restructure of staff to ensure specialist benefits officers focus on higher risk cases, a further developed training plan and continued monthly quality checks. There is also widespread use of software to data match HMRC details for applicants and targeted projects to undertake 100% checks on identified risk areas.

There has also been improvement in oversight of housing benefit overpayment debt. Additional resource has been employed and this has "more than paid for itself" in terms of recovering old outstanding debts, however the balances outstanding still remain high. As at February 2019, £5.33m was outstanding in overpayments, with £2.34m created since 1 April 2018 (44%).

The audit highlights a number of areas where further improvement is still required.

- Procedures for debt write off need to be confirmed and communicated. For the sample selected, there was no evidence of authorisation for any of the debts written off (Medium)
- Historic "landlord" overpayment cases are yet to be cleared, with circa. 200 unreconciled cases outstanding (Low)

- The mapping exercise to clearly identify responsibilities for the various stages of the housing benefits process was yet to be completed, with actions either yet to be raised to address all issues identified or actions not being allocated to individual officers (Low)
- A record is not maintained to confirm who undertook invoice accuracy checks. Instances noted where no recovery and follow up action was taken for cases where overpayment invoices were raised (Low)
- The overpayments report generated from Northgate recorded a different value to the outstanding overpayment visible on the resident's account per Northgate and Tech1 (Low)
- A Credit Reference Check (CRA) was not found to be used in practice. The Council procedures state it should be however, it was determined the procedure note needs to be updated to confirm it is not a required practice (Low)
- Wider Use of Real Time Information (WuRTI) is not used consistently (Finding 7 – Low).

We also highlight a number of areas of good practice in the report and can confirm that prior year audit actions have been implemented.

Parking Services

This report is classified as medium risk. We identified one medium and five low risk findings.

The Parking Service operates across several teams in order to achieve the various parts of the process. Parking Operations are responsible for Enforcement Officers issuing Penalty Charge Notices (PCNs), maintenance of parking machines and collection of money via oversight of contractors; the Customer Relationship team is responsible for PCN payments, appeals and recovery.

Our findings are summarised as follows:

- There is no overall lead for parking; the process sits across two sectors, with strategy in a third. Current governance arrangements do not allow for a focused discussion of all parking risks and performance, in one forum, across the various Council teams. KPIs have not yet been developed for Parking Operations (Medium)
- Minor improvement needed in the management of the process of reviewing PCN appeals and deciding whether to accept or reject them (Low)
- Improvement needed in the setting up of Direct Debits for Permits; one instance of non-compliance was identified (Low)

- There is no consistent documentation of the acceptance of breaches of the Agreed Variance Levels between the monthly BDI Summary Reports and Parking Machine Totals (Low)
- The current Enforcement Officer's hand held Personal Device Assistants (PDA's), if lost, are not able to be made inaccessible remotely to prevent anyone else using them (Low)
- Chargebacks are not identified to allow accounts to be suspended to prevent fraud (Low)
- Current contract management arrangements are largely informal, undocumented and reactive, although they are considered to be effective to ensure services are maintained. In line with the approved Parking Strategy, the Operations Team are working with the Corporate Contracts Team to procure replacement machines and the intention is to procure a complete package across all AVDC's parking operations. It is anticipated this will be completed in the next 6 months (Advisory).

The report also highlights a number of areas of good practice.

2018/19 internal audit plan work in progress

As at the date of preparing this report the following reviews are in progress:

<i>Name of review</i>	<i>Update on progress</i>
Section 106 Agreements	BDO completing further work in order to finalise the audit report
Billing and debt management	Scoping meeting held. Review will focus on customer billing arrangements, debt management and recover across all income streams. Reporting to Audit Committee in June 2019.
General Ledger and Management Information	Scope agreed and will focus on assessing the robustness of interfaces and effectiveness of the reconciliation. Expanded to also include management information. Reporting to Audit Committee in June 2019.
Connected Knowledge	Work in progress. Reporting to Audit Committee in June 2019

Summary of changes to the 2018/19 internal audit plan

To remain relevant, the annual internal audit plan should be flexible to respond to emerging or changing risks. With budget constraints, there is also a need to ensure prioritisation is given to work which will achieve the greatest value to the organisation. The following changes have been made to the 2018/19 plan since it was approved in June 2018:

<i>Name of review</i>	<i>Comment</i>
Accounts Payable	Focus on follow up of prior year outstanding actions.
Payroll	The original plan included a post-implementation review of the new Payroll/HR system, XCD. The implementation was cancelled in November 2018. Existing processes will remain in place and as prior year audits are low risk, no longer considered an area of risk for audit. Days will be reallocated to other reviews.
Tech One	It was intended to review system integration and data transfer controls to ensure the data held in TechOne is complete and accurate. An IT project is underway to look at Council wide data transfers (Uniflow). System integration aspects will be picked up in work on reconciliations as part of GL review and audit days reallocated.
Waste & Recycling - Contracts	The original plan included review of the contracts for Street Cleansing/ Horticulture and Recycling. Street Scene services are coming in-house and the contract will conclude in January 2020. Due to changes in the recycling market, we no longer receive income but pay for waste to be taken to a MRF through a contract with CasePak. For both contracts, management procedures are in place and not considered a high risk for internal audit review. Audit days will be reallocated to allow for more in-depth reviews of Commercial Waste and Parking Services.

2. Implementation of agreed audit actions





We monitor the implementation of actions and recommendations raised by internal audit reviews to ensure that the control weaknesses identified have been satisfactorily addressed. Actions arising from low risk audit findings are followed up by management and reviewed, but not validated, by internal audit.

A detailed listing of all internal audit actions, together with status update is included in Appendix 3. In total 27 actions were followed up for the March 2019 Audit Committee – this included an update on all actions due for completion by 28 February 2019. 19 out of 27 actions have been completed which equates to 70% (30% in January 2019).

Appendix 1: Internal audit opinion and classification definitions

The overall report classification is determined by allocating points to each of the individual findings included in the report.

Findings rating	Points
Critical	40 points per finding
High	10 points per finding
Medium	3 points per finding
Low	1 point per finding

Report classification	Points
 Critical risk	40 points and over
 High risk	16– 39 points
 Medium risk	7– 15 points
 Low risk	6 points or less

Individual findings are considered against a number of criteria and given a risk rating based on the following:

Finding rating	Assessment rationale
Critical	<p>A finding that could have a:</p> <ul style="list-style-type: none"> • Critical impact on operational performance; or • Critical monetary or financial statement impact [quantify if possible = materiality]; or • Critical breach in laws and regulations that could result in material fines or consequences; or • Critical impact on the reputation or brand of the organisation which could threaten its future viability.
High	<p>A finding that could have a:</p> <ul style="list-style-type: none"> • Significant impact on operational performance; or • Significant monetary or financial statement impact [quantify if possible]; or • Significant breach in laws and regulations resulting in significant fines and consequences; or • Significant impact on the reputation or brand of the organisation.
Medium	<p>A finding that could have a:</p> <ul style="list-style-type: none"> • Moderate impact on operational performance; or • Moderate monetary or financial statement impact [quantify if possible]; or • Moderate breach in laws and regulations resulting in fines and consequences; or • Moderate impact on the reputation or brand of the organisation.
Low	<p>A finding that could have a:</p> <ul style="list-style-type: none"> • Minor impact on the organisation’s operational performance; or • Minor monetary or financial statement impact [quantify if possible]; or • Minor breach in laws and regulations with limited consequences; or • Minor impact on the reputation of the organisation.
Advisory	<p>A finding that does not have a risk impact but has been raised to highlight areas of inefficiencies or good practice.</p>

Appendix 2: Internal audit plan and progress tracker

The 2018/19 Annual Internal Audit Plan was approved by members of the Audit Committee in June 2018. A summary of progress on completion of the plan and changes is reported below.

Review	Description	Status/Comment	Overall Risk Rating
General Ledger	Assurance over control design and operating effectiveness of key financial processes.	Terms of reference agreed. Work planned April 2019	
Accounts Payable		Audit removed - focus on follow up of prior year outstanding actions	-
Payroll	Review payroll processes and controls post new system implementation	XCD implementation cancelled. Existing processes will remain in place. Prior year audits are low risk.	-
Billing, debt management and recovery	Review of processes for billing selected income streams (inc. commercial & garden waste, licensing, property), debt management and recovery	Terms of reference agreed. Work planned April 2019	
TechOne	Review system integration and data transfer controls to ensure the data held in TechOne is complete and accurate.	Discussed with Dir & Corp Finance Manager. Integration aspects will be picked up in work on reconciliations as part of GL review and audit days reallocated.	-
Contracts & Procurement	Corporate processes	Complete	Medium
Health & Safety	Corporate processes	Complete	Medium
Customer comments, compliments & complaints	Corporate CCC process & new Customer Charter	Complete	Low
Section 106 Agreements		Audit work complete and report was due to come to January audit committee – BDO delays in report finalisation - deferred to June	
Housing Benefits	Consider impact of Universal Credit	Complete	Medium
Waste & Recycling - Contracts	Original plan included review of the contracts for Street Cleansing/Horticulture and Recycling. Council recently approved the proposal to bring Street Scene services in-house, the contract will conclude in January 2020. Due to changes in the recycling market, we no longer receive income but pay for waste to be taken to a MRF through a contract with CasePak . For both contracts management procedures are in place and not considered a high risk for internal audit review.		-
Waste & Recycling – Commercial Waste	Focus on customer and commercial aspects of trade waste operations.	Complete	High
Parking services	Review of all the parking service	Complete	Medium
Connected Knowledge	Focus on benefits realisation, tracking and reporting	Work complete, report in June 19	
Company Governance	Assess governance arrangements for the Aylesbury Vale Estates	Complete	Advisory
Follow up audit actions	Validation that agreed internal audit actions have been implemented.	Ongoing	
Disabled Facilities Grant	Grant compliance requirements	Complete	No issues




Appendix 3: Summary of internal audit actions

In total 27 actions were followed up for the March 2019 Audit Committee – this included an update on all actions due for February 2019 or earlier. The previous action dates are shown along with the new revised date.

19 out of 27 actions are complete which equates to 70%. Of these, 4 High risk rated actions are complete with 1 High risk action relating to Safeguarding training outstanding.

There is clear demonstration that the actions arising from Internal Audit reviews are, on the whole, being actively progressed.

In-Progress and Completed internal audit actions are set out in the tables below.

<i>Name of review</i>	<i>Agreed actions due</i>	<i>Outstanding</i>			<i>Completed actions</i>
		 High	 Medium	 Low	
Commercial Waste 2018/19	14	-	3	1	10 (71%) (2H, 5M, 3L)
Contracts and Procurement 2018/19	2	-	-	1	1 (50%) (1L)
Corporate Health and Safety 2018/19	6	-	-	-	6 (100%) (5M, 1L)
Safeguarding 2016/17	1	1	-	-	0 (0%)
Taxi Licensing 2017/18	2	-	-	2	0 (0%)
Housing Benefits 2017/18	2	-	-	-	2 (100%) (2H)
Total	27	1	3	4	19 (70%)

Progress update on overdue/incomplete actions

<i>Name of review</i>	<i>Action</i>	<i>Finding risk rating</i>	<i>Update</i>	<i>Revised Date</i>
Contracts and Procurement 2018/19	Appropriate training content developed in consultation with Learning and Development, including eLearning/face-to-face, as appropriate	L	e-Learning content has been prepared and online training in development; we aim to launch in March; the team are now liaising w/ HR to define if it can be mandatory. As this is still in development and not quite finalise it is classified and incomplete	28/02/19 30/04/19
Commercial Waste 2018/19	Operational and commercial teams should speak with their respective Finance Business Partners to agree financial reporting requirements and agree actions over better report formats	M	This has been raised with the Assistant Director however is still under discussion and therefore deemed incomplete. The Corporate Finance Manager is engaged to ensure action is taken.	28/02/19 31/03/19
Commercial Waste 2018/19	Develop a schedule which checks the response rate for duty of care responses and report compliance levels to the Quarterly Commercial Waste meeting	M	The team have started looking into this, and have been in touch with Bartec (supplier) to try and create an easier solution to the Duty of Care process however there have been some delays with Bartec. Extra resource has been agreed to cover the admin side of the Duty of Care process in the short term. This process will commence in April 2019	28/02/19 30/05/19
Commercial Waste 2018/19	A 100% review of customer accounts should be undertaken to ensure customer payment preferences/rates on Bartec match agreements and match what is on Tech1	L	This is still in progress	31/01/19 30/04/19
Commercial Waste 2018/19	Terms of reference should be developed and approved for each of the five governance groups listed in this finding. This needs to specify the remit of the group, expected attendance and where agenda items are escalated, if required	M	Whilst the meetings now take place and new structure operates and staff feedback is positive a formal terms of reference has not been defined for the different groups to clarify attendees, expected reports and escalation.	31/01/19 30/4/19

Taxi Licencing 2017/18	Licensing Committee Member training should be reviewed to ensure that all requirements in the Councillors Handbook are sufficiently covered	L	From review of the Committee minutes for 21 January 2019 and the agenda for 18 March 2019 we cannot see evidence that this has taken place. It needs to take place at either the 18 March 2019 meeting or the 22 May 2019 meeting as this is long overdue.	31/07/18 30/09/18 30/11/18 28/02/19 30/05/19
Taxi Licencing 2017/18	A summarised hand out of training notes should be provided to Members for future reference.	L	Per above	31/07/18 30/09/18 30/11/18 28/02/19 30/05/19
Safeguarding 2016/17	<p>The training records for each employee and their safeguarding level should be linked to their profile in the HR system.</p> <p>Employees in the Level 4 Exposure list are advised to receive refresher trainings on a more frequent basis (every two years)</p> <p>Monthly reports should be generated and sent to managers to raise awareness of the compliance rate of each unit. Non-compliance with training should be noted in individuals' performance appraisal discussions.</p>	H	<p>It was been agreed at the 7 March 19 Safeguarding Group Mtg that safeguarding training requirements should be aligned to DBS levels – None, Basic, Standard, and Enhanced. An exercise is underway to identify the DBS level for each post - this will then inform SG training needs. At the 12 March, 80% of role profiles have been updated with DBS level and required training.</p> <p>All staff are required to do the safeguarding eLearning – currently 91% have completed this.</p> <p>For Basic, Std and Enhanced, level 2, 3, 4 safeguarding training is required. No suitable off-the-shelf training has yet been identified but we are working with the LEAP Safeguarding Champion to develop bespoke training package.</p> <p>L4 is to be completed by members of the Safeguarding Board. Two have completed the BCC course, but recognise this only focusses on children, and does not adequately include vulnerable adults. A suitable external provider to deliver this training is still to be identified (see above)</p> <p>The process to ensure regular reporting of all mandatory training is not yet in place, but this can be done on an adhoc basis. HR will progress this aspect of the action.</p>	31/12/17 31/05/18 31/08/18 31/12/18 28/02/19 30/05/19

Completed actions

<i>Name of review</i>	<i>Action</i>	<i>Finding risk rating</i>	<i>Update</i>
Contracts and Procurement 2018/19	Complete the review and approval of the CPRs and ensure they are communicated and accessible to all staff	L	This was approved in March 2019 and is now being prepared for communication out to the Council
Commercial Waste 2018/19	Assess resourcing needs to complete all site risk assessments. Determine whether this can be done in-house (capability and capacity), or whether external resource is required	H	External resource has been assessed and is judged not to be required. A tracker was reviewed and found that all site risk assessments have been completed with all renewal dates now ranging from November 2019 to 2021 and therefore current ones are up to date. This was achieved by asking drivers to conduct 5 per day on their rounds and compliance was achieved.
Commercial Waste 2018/19	A site risk assessment needs to be completed for every customer where services are being delivered. Ongoing processes to be established to ensure site risk assessments are in place before waste is collected	H	The site risk assessments have now been completed for all current customers. New processes are established and in operation.
Commercial Waste 2018/19	A schedule to be developed that provides data on when the last site risk assessment was conducted and when the next one is due	M	Complete, a new site risk assessment tracker has been implemented
Commercial Waste 2018/19	A suite of KPIs should be developed and defined covering both operational and commercial activities. These then should be reported to the Quarterly Commercial Waste meeting	M	There has been the first quarterly KPI meeting where KPIs were discussed. These span across the operational side of the Gateway but are primarily focused on business development targets. There is now a discussion on KPI's as to which are important for the depot. These will be included into the quarterly KPI's meetings for review and discussion. As these have been discussed, developed and some have been reported this is deemed complete.

Commercial Waste 2018/19	A list of all staff costs contributing to the delivering of commercial waste whether directly or in-directly (i.e. Business Development Team) should be analysed. It should then be assessed what proportion of this staff time relates to commercial waste activities	M	<p>An exercise has been completed whereby analysis of the costs of all aspects of the Trade Waste Service. This included staff, vehicles, fuel, maintenance and disposal costs. It is now known that the service is covering all costs associated with it, and now the focus is to increase the capacity until the maximum point before the services fixed costs increase.</p> <p>This analysis found that year to date profit was show as £26,767 as of January 2019.</p>
Commercial Waste 2018/19	Re-affirm via email and local meetings the expectations for information sheets and bin delivery completion notifications	M	This process has been amended now so operations have taken control of the scheduling, which means the need for information sheets is diminished – this has been communicated to staff. Also the risk of mistake is reduced.
Commercial Waste 2018/19	Any future price changes should be supported by an assessment and approved by the Quarterly Commercial Waste Meeting and if required, the Commercial Overview Board	M	There is no current planned increased to fees. This has therefore been deemed complete because the finding followed up about setting up a Terms of Reference for the quarterly meeting will pick this up to ensure it is part of their remit
Commercial Waste 2018/19	A letter be sent to every customer explaining the price plan they are on and that remaining on invoices instead of direct debit will cost £10 more per invoice	L	Completed and all on monthly billing now and the team believe all are on the correct price plans. However the Council has not implemented the invoice charge and has instead introduced a strike system for failure to pay. As they are all on monthly and this has been looked into and is a low recommendation this is deemed complete.

Commercial Waste 2018/19	A Net Promotor Score (NPS) survey should be issued to all customers	L	<p>A similar survey to the NPS has been completed and results analysed. This was done via surveymonkey issued in December 2018 sent out to 1051 existing contacts which resulted in 81 surveys completed (7.7% response rate). There was an incentive for completion as it was known that response rate would be difficult. For all questions the average was excellent and good results were 75%+.</p> <p>There was a positive response, and positive feelings towards the service and staff on the whole.</p>
Commercial Waste 2018/19	The NPS survey results should be analysed and reported to the Quarterly Commercial Waste Meeting with appropriate subsequent actions agreed	L	<p>This was reported February Quarterly Commercial Waste Meeting and discussed. It was viewed as positive with room for improvement. It led to a new KPI around bin deliveries to improve based on feedback given. Therefore action was taken and this is deemed complete.</p>
Corporate Health and Safety 2018/19	Post event debriefs and lessons identified should be documented and plans updated regularly to reflect and share learnings	M	<p>This is responsibility of each Event Manager - it has been done for Christmas event and will be reviewed at the next ESMG meeting on 18 March.</p>
Corporate Health and Safety 2018/19	Develop a robust planning framework for events, including those organised by Communities, Town Centre and for the "Chairman". This will be informed and tested during the Christmas events and finalised thereafter	M	<p>Each event has an Event Safety Plan (ESP) in place. A standard template was considered, but it was found to be more effective to ensure each event has a fit for purpose plan in place, updated for lessons learned and new risks as experience continually develops. The ESPs are stored centrally and available for reference. They should be completed in consultation with Corporate H&S and Community Safety Managers for each event - with oversight from ESMG.</p> <p>In addition, an Event Risk Assessment tool has been developed for a high level risk assessment of new events. This is not intended to be a detailed planning tool, but to aid initial decision making about whether or not an event should proceed. It is being presented to the ESMG on 18 March 2019 for approval.</p>

Corporate Health and Safety 2018/19	Review terms of reference and membership for Event Safety Management Group	M	This has been completed.
Corporate Health and Safety 2018/19	Develop a corporate calendar of all events, with clear categorisation of risk	M	This was done as it was included in the security tender.
Corporate Health and Safety 2018/19	Event Safety Management Group to identify corporate level event security needs and develop business case to meet requirements (e.g. procure and external contract, train and develop in-house). This will be reported to the Health and Safety Board	M	The procurement process for an external event security provider concluded on 13 March 2019. Contracts are being drawn up with the successful bidder and arrangements are in place to work with them for the upcoming WhizzFizz event in June, and other events thereafter.
Corporate Health and Safety 2018/19	KPIs to be further developed and reported to Health & Safety Board and Committee. Work with HR (and new system) to identify data sources to support improved reporting. Incorporate KPIs which can quantify the impact of health and safety issues	L	KPIs on accidents and near misses are reported to H&S Strategic Board and H&S Committee based on Hornbill reports. These are reviewed and updated as needed. At the time of the audit, AVDC was planning to implement a new HR system which would have better functionality to report sickness/absence and link this to H&S statistics. However, the new system implementation is no longer going ahead and it is unlikely system functionality to further develop these KPIs will be in place in the remaining lifetime of AVDC.
Housing Benefits 2017/18	When the automatic reconciliation process is established, determine frequency of reporting and investigation of any differences (at least monthly)	H	Monthly reconciliation processes are in place, but these are manual. As reflected in the March 2019 audit report (finding 2 - low), further work is needed to conclude the legacy landlord reconciling items. Whilst there is still a desire to automate the reconciliation, the decision about investing further this this needs to be considered in the wider context of business cases for system improvements.
Housing Benefits 2017/18	Identify sufficient /additional resources to enable effective recovery of housing benefit overpayments. This should include proactive measures such as "attachment to earnings" and profiling of balances to ensure those with most chance of recovery are prioritised. Target recovery rates should be agreed to justify the return on any additional financial investment in resource.	H	There is additional HBOP officer resource and DEA are now run through ASH. The team also receive a weekly report from Tech One of Overdue Invoices and broken payment arrangements. Further action on improving recovery is identified in the March 19 report (finding 4 - low)

Appendix 4: Internal audit reports

The Committee requested to see all internal audit reports in full. Those completed since the last meeting are attached below.

1. Company Governance - Aylesbury Vale Estates
2. Housing Benefits
3. Parking Services