## Summary of Completed Audits

**Schools Support**

| Opinion: Acceptable | Date of Final Report: 13 August 2013 | |
|---|---|---|
| Total: | Priority 1 = 0 | Priority 2 = 0 |
| Current Status: | | |
| Implemented | N/A | |
| Due not yet actioned | N/A | |
| Partially complete | N/A | |
| Not yet Due | N/A | |

Part A: Resource Allocation

Significant changes have taken place, and continue to take place, nationally around the way funds are apportioned to schools. The Department for Education issued new guidance as to the way funds should be distributed, based on alternative criteria than that previously used. The Technical Finance Team have been proactive in keeping Schools Forum up to date with the new arrangements, how it will affect the schools and how the Council are setting about applying the changes. This has resulted in the new arrangements being applied effectively as per the requirements.

All funds reviewed had been distributed and balanced accordingly.

Part B: Budget Setting, Submission, Monitoring and Support

Whilst a small number of the schools sampled did not meet the required deadlines, and in one case, a school did not have its deficit validated or approved, there were clear reasons as to why. There was also sufficient evidence to show that the Schools Finance Team were doing everything expected, such as chasing the schools and providing the necessary support, to try and prevent the issue in the first place, and indeed, helping the school to rectify it after it occurred. Findings are detailed further in Table 2 below.

Actions raised in the previous audit have been fully implemented.

The following Tables 1-2 break this conclusion down further in summary form and record the significant risk exposures, and key issues identified. Table 3, Audit Findings and Action Plan, contains the detailed findings including the action plan for improvements. Supplementary issues requiring action but not presenting a material risk are detailed in Table 4.

Annex 1 provides a full definition of the grading for each of the conclusions given. Cut and paste each exec summary

**Transforming Oxfordshire Customer Service Centre**

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| Opinion: Acceptable | Date of Final Report: 24 June 2013 | |
|---|---|---|
| Total: | Priority 1 = 0 | Priority 2 = 1 |
| Current Status: | | |
| Implemented | 1 | |
| Due not yet actioned | 0 | |
| Partially complete | 0 | |
| Not yet Due | 0 | |

The TOCS programme has a Project Initiation Document, a Programme Board, Programme Manager in place and a Programme Sponsor assigned. The programme governance structure is documented in the PID and details the individual groups that contribute to monitoring the overall programme and the individual programme streams. There are meeting minutes available and actions are recorded within the minutes.

There is an overall risk register for the TOCS programme. At the start of the audit work in March, it appeared that the risk register had not been fully reviewed or updated recently. It was therefore unclear whether the risks stated were still relevant or the action taken was mitigating the risk. As part of this phase of the audit, the risk register has been reviewed by each Project Stream Manager and updated. Going forward, the risk register will be reviewed regularly and updated. Where required, risks, issues or concerns will be escalated accordingly.

Throughout the early part of 2013, service commissioning reviews were conducted of those areas within scope of the TOCS programme commissioning exercise. The reviews involved interviews with service managers as well as SLA and KPI information, benchmarking and site visits. The outcome of the interviews was interpreted into a set of scores, which made up a total score for the service areas. This score, along with a RAG rating, determined those services in scope, those potentially in scope and those not in scope. The scores and RAG ratings were reviewed and challenged and subsequently collated into a Service Review Summary document that was presented to the Programme Board on the 22 May 2013. The next stages of the process are to present the outcome of the review to CCMT on the 12 June 2013 and Cabinet on the 16 July 2013. In terms of the audit work completed, there are the following observations:

• The RAG rating score key were different for the HR, ICT and Finance service reviews.

• The scoring and RAG statuses were intended to inform the debate and were not designed to be a mathematical exercise for determining scope.

• Certain strategic elements of services (i.e. Insurance) were identified as being separate to the transactional element. These have been reflected accordingly in the Service Review Summary document.

Although the audit was unable to identify a clear mathematical audit trail from service review interviews through to the recommendation to the Programme

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Board, we are satisfied that the necessary challenge and scrutiny has been undertaken throughout the process.

As part of this phase of the audit, testing has been undertaken on documentation to support the delivery of the following streams:

• Procurement Improvements Project (PIP): CMC completed their contract with OCC in March. There are still a number of actions to be completed and there are weekly checkpoint meetings to discuss progress and an action tracker is produced and updated. Actions are due to be completed by September 2013 and progress in implementing the actions is taking place and appears on target.

• HR Self Service: A weekly update report is produced by the approved supplier (Cordis) and progress in delivering the programme is discussed at weekly checkpoint meetings. The first elements of HR Self Service went live on the 29 May (E-pay slips and Amend Personal Details). The Schemes of Delegation are yet to be updated to reflect any changes in existing process.

• Reshaping Finance: The consultation on the finance restructure is currently taking place and is due to be completed by the 12 June 2013, with the new structure due to be implemented by the 2 September 2013. During the audit there was a delay in signing the contract with Methods Consulting, which has now been resolved. Additionally, the project manager is leaving the organisation in June. A replacement has been identified and a two week handover scheduled in. A Work Packages document has been created that lists all the tasks that need to be completed to deliver the Reshaping Finance project. However, the document was created as part of the audit work and does not currently include target completion dates. Work on process changes has commenced with changes to the budget monitoring being collated.

• Dynamics: This is currently being subject to a separate audit.

As part of this phase of the audit, no testing has been undertaken within the Customer Service Centre.

Audit involvement within the TOCS programme will continue throughout the rest of 2013/14, with audit reports and management letters being issued when required, to summarise any work completed. Insert overall conclusion

**Property and Facilities Management Contract (Year End Closedown)**

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| Opinion: Issues | Date of Final Report: 15 May 2013 | |
|---|---|---|
| Total: | Priority 1 = 4 | Priority 2 = 1 |
| Current Status: | | |
| Implemented | 1 | |
| Due not yet actioned | 1 | |
| Partially complete | 3 | |
| Not yet Due | 0 | |

The Capital Programme is a programme of works that is approved by Cabinet. The works are then prioritised by Strategy and Delivery within E&E (in consultation with the relevant Directorate). The officer Governance Board is the Capital and Asset Programme Board (CAPB). The governance process for commissioning work is documented separately, but is summarised as:

• Identification of Need (0a): Produced by OCC, following direction, scope and budget from the Capital Programme and the relevant Directorate.

• Option Appraisal / Project Inception / Briefing (0b): These are produced by OCC, following the direction detailed in the 0a Submission and are subject to the appropriate approvals. They also include site information and condition data from CCS.

• Development of Preferred Option (Stage 1): CCS take the approved 0b document and produce a technical report and Outline Business Case, which includes a provisional "agreed maximum price" (AMP). Stage 1 Task Orders are issued at this point.

• Planning / Detailed Design (Stage 2a): This includes the Outline Business Case, Approved Delivery Budget and the AMP. Stage 2a Task Orders are issued at this point.

• Technical Design to Practical Completion (Stage 2b): Final Business Case approval and Approved Commitment to Spend. Stage 2b Task Orders are issued at this point.

CAPB approvals are sought at the agreed stage throughout the process. The Task Order issue has arisen at each of the three stages when Task Orders should be produced. Certain Task Orders were being drafted and issued at Part A stage, but not progressing beyond that for a variety of reasons, which include the clarity of instruction, on-going dialogue to agree requirements and resource issues. The number of Task Orders having to be generated is exceeding what was anticipated, has proved challenging to those preparing them and for CCS in responding with detailed prices. Several requests were also received from Directorates outside the corporate landlord model. Particularly in these instances, descriptions of work on Task Orders is difficult to define, which leads to difficulty in pricing and thus return of part B. Works have not been delayed and the scope of work has been agreed, but then the Task Order has not been able to be completed for the reasons stated. Therefore, an interim process was operating that was only agreed verbally with CCS, and both OCC and CCS were

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effectively operating outside of the contracted "process provisions". The visibility of work that is being completed and the budget is via the Gateway review process and CAPB.

As at October 2012, there were 53 Task Orders not in place for works being completed. This was escalated to the Contract Operations Board via a report on the 19 October 2012, which detailed the lack of documentation in place. However, since this report, the issues highlighted have not been resolved. Work has been carried out but the instructions that have been issued have occurred outside the formal Task Order process.

As at February 2013, Part A's were in several instances sufficiently defined (as explained above), but there were no Part B's or C's in place for 114 projects. This meant that there were no P/O's on SAP and CCS was therefore unable to issue an invoice to OCC for the works. Due to the need to pay CCS for the work completed during 2012/13, CCS invoiced OCC in February 2013 for approximately £2.65m of works. As there is a lack of agreed documentation to support the invoice, the Contract Management team, with Legal Services, drafted an Interim Payments letter detailing the mechanism and process to pay CCS for the 2012/13 works. The £2.65m was paid on the following principles:

• Projects where there is 100% documentation in place and the work is done, can be paid.

• Projects where work done on site but documentation is not complete, as long as CCS produce a QS signed practical completion certificate, OCC will pay 75% of the costs. 25% will be retained until all documentation is completed.

• Projects where the work is not complete will be paid up to the work done, as long as a QS signed certificate is produced.

At the time of the audit, written evidence was yet to be provided to confirm that CCS had signed up to the Interim Payments suggestion. In terms of validating the content of the £2.65m invoice, OCC are insisting that there is 100% of documentation for each programme available by the end of June. OCC will be checking the documentation provided, including the signed CCS QS certificate, to validate the payments made. As there is visibility of the agreed maximum price and there will be visibility of the actual costs, reliance that the £2.65m is accurate should be achieved. The invoice from CCS for March is yet to be received, but it was stated that this has been accrued for. It was reported verbally that Task Orders are now being issued for all 2013/14 work. Additionally, quality assurance checks have not been completed by OCC during 2012/13. These will be introduced for 2013/14.

During the audit, the following documentation and evidence was requested but is yet to be provided:

• Full list of invoices issued in February 2013 (£2.65m).

• Full list of Task Orders yet to be signed off (114, as at end of March 2013).


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- Example 0a, 0b, Stage 1 (Provisional AMP), Stage 2a (AMP) and Stage 2b documents.


**Mobile Computing**

| Opinion: Issues | Date of Final Report: 5 August 2013 | |
|---|---|---|
| Total: | Priority 1 = 0 | Priority 2 = 11 |
| Current Status: | | |
| Implemented | 2 | |
| Due not yet actioned | 0 | |
| Partially complete | 0 | |
| Not yet Due | 9 | |


There has been growth in the use of mobile devices, such as laptops, tablets and smartphones, as organisations introduce new ways of working and support greater mobility and flexibility in working arrangements. Tablet devices, such as iPads, are currently being trialled by ICT.

There are a number of corporate policies that govern the use of mobile devices and these provide a good level of information. However, an area that needs to be addressed by formal policy is the issue of staff using their personal smartphones for work purposes, also known as 'Bring Your Own Device.' Whilst the current corporate policy states staff should not use their own personal equipment, this is not being applied to smartphones, were some staff are using their own devices to access emails.

There is an inventory of all mobile equipment, although it does not include details of the tablet devices that are currently being trialled. The inventory is not current as it needs to be updated with information collected during the Windows 7 rollout and also reconciled to System Center Configuration Manager (SCCM), which holds details of all equipment connected to the network.

All laptops are encrypted, but the security of other mobile devices needs to be improved. For example, users are not prevented from copying data to unencrypted memory sticks or CD/DVD's, and smartphones are not encrypted and do not have a consistent level of password protection applied to them. However, it is noted that all smartphones and tablets can be remotely wiped if reported as lost or stolen.


**Fees and Charging**

| Opinion: Issues | Date of Final Report: 22 August 2013 | |
|---|---|---|
| Total: | Priority 1 = 3 | Priority 2 = 4 |
| Current Status: | | |
| Implemented | 2 | |


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| | |
|---|---|
| **Due not yet actioned** | 0 |
| **Partially complete** | 0 |
| **Not yet Due** | 5 |

Internal audit identified that the Charging Policy, which is set out in Annex 3a of the 18th December 2012 Cabinet papers, does not contain any documented information on the roles and responsibilities of all relevant officers involved in the fees and charges process. During 2012/13 an issue was identified during the audit of Client Charging where charges were not reviewed on time and responsibility was unclear.

Regarding the setting of fees, it was identified that due to a change in personnel, there was no evidence found of a business case or a financial planning exercise for two services: the setting and approval of pre-planning application charges in Planning and testing fees for verifying weights and measures in Trading Standards.  For the other six service areas reviewed there were varying levels of evidence from fully documented cost models to detailed methodology explained by service heads to support fees set.

In relation to the application of fees and charges, it was identified that Outdoor Learning had changed their fees and charges mid-year without Cabinet approval. Testing of a sample of charges applied across the eight service areas identified two service areas where the revised fees for 13/14 were not applied. It should be noted that for one of these only 1 transaction had been charged incorrectly and this is noted as a supplementary issue, however for the other area 10 of a sample of 20 transactions were applied incorrectly.

There are no previous management actions for follow up.

### Budget Setting

| Opinion: Issues | Date of Final Report: 22 August 2013 | |
|---|---|---|
| Total: | Priority 1 = 0 | Priority 2 = 4 |
| Current Status: | | |
| Implemented | 0 | |
| Due not yet actioned | 1 | |
| Partially complete | 0 | |
| Not yet Due | 3 | |

One example was noted where reporting of an unachievable savings target, although reported earlier in the year, was not evident in subsequent Financial Monitoring & Business Strategy Delivery reports  It was also noted that there is no mechanism to monitor the delivery of savings targets outside of Directorates to enable effective scrutiny and challenge at CCMT level.

Issues were noted with compliance of the deadline for the budget sign off process and no escalation process in place for non-compliance.  Further issues were noted where Cost Centre Managers had requested further clarification in respect

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to their budgets, and ineffective monitoring of the mailbox resulted in queries not being resolved on a timely basis. It should be noted that all sampled budgets requiring further clarification have now been resolved.

**Outdoor Centres Review**

| Opinion: Issues | Date of Final Report: 21 August 2013 | |
|---|---|---|
| Total: | Priority 1 = 0 | Priority 2 = 12 |
| Current Status: | | |
| Implemented | 1 | |
| Due not yet actioned | 0 | |
| Partially complete | 0 | |
| Not yet Due | 12 | |

Following on from last year's audit of the Riverside Centre Shop a meeting was held between Internal Audit, the Service Head and Management Accountancy to undertake a short desktop review of the policies and procedures and operation of the shops that are run by all three out-of-county Outdoor Centres. This was to ensure lessons learnt from Riverside were captured and control weaknesses identified at Riverside were not in existence at the Outdoor Centre Shops.

From the meeting it is evident that the shops are run on a much smaller scale and their prime use is for sale of souvenirs. There were areas agreed at the meeting that needed further clarification. In particular the arrangements, for running separate accounts outside of SAP, the use of E-bay and Paypal, and the sale of second hand equipment, needs to be reviewed. It was also decided that staff should be provided with local procedures to cover the operation of these shops. Management actions were agreed to review and clarify the existing arrangements and address control weaknesses where identified. No detailed audit has been undertaken.

**NHS Information Governance Toolkit Review 13/14**

| Opinion: Issues | Date of Final Report: 15 July 2013 | |
|---|---|---|
| Total: | Priority 1 = 0 | Priority 2 = 5 |
| Current Status: | | |
| Implemented | 1 | |
| Due not yet actioned | 1 | |
| Partially complete | 0 | |
| Not yet Due | 4 | |

There is a nominated Information Governance Manager who is responsible for updating the Information Governance Toolkit (IGT), obtaining and retaining evidence to support each requirement, following up on outstanding actions, and

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completing the annual submission. We understand that following the next submission, responsibility is being handed over to the Adult Social Care team. Work is already underway to conduct this handover to ensure a smooth transition.

Although Information Governance policies and procedures have been drafted, these have not yet been approved or communicated. We understand that review of these policies is due for completion at the end of June 2013, with approval by the Information Governance Group being planned for 3 July. It is imperative that these policies are finalised and approved as soon as possible to ensure effective management in this area.

The 2012/13 IGT was not submitted at the NHS deadline of 31 March 2013. The Information Governance Manager is working towards making the submission at the end of July 2013, following the approval and communication of the Information Governance policies.

Work continues to address the outstanding issues outlined in the IGT and ensure that requirements are met and evidenced. Detailed action plans need to be created which are regularly monitored and reviewed to drive progress forward in this area.

**Thriving Families 13/14**

| Opinion: Issues | Date of Final Report: 25 June 2013 | |
|---|---|---|
| Total: | Priority 1 = 0 | Priority 2 = 0 |
| Current Status: | | |
| Implemented | 0 | |
| Due not yet actioned | 0 | |
| Partially complete | 0 | |
| Not yet Due | 0 | |

An audit review was completed for the Thriving Families results-based payments for the Summer 2013/14 claim. In accordance with the Thriving Families programme, the verification of results based payments should be approved within Internal Audit arrangements and under the authority of the Chief Executive.

Internal audit can provide an overall conclusion of Acceptable on the robustness of systems for data collection from each source based on walkthrough testing completed.

The second results-based payment claim, consists of 225 families where OCC has evidence of successful interventions. Audit reviewed and confirmed the evidence available for a sample of ten families against the parameters of the programme scheme, and can confirm that evidence is available to support successful interventions. It is noted that this claim is made for families where there is evidence of no YOIS, ASB or Probation offences in the last six months.

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