



Southern Internal Audit Partnership

Assurance through excellence
and innovation

WEST SUSSEX COUNTY COUNCIL INTERNAL AUDIT PROGRESS REPORT - DECEMBER 2023

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1. Role of Internal Audit

The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body must:

‘Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’

The standards for ‘proper practices’ are laid down in the Public Sector Internal Audit Standards [the Standards – updated 2017].

The role of internal audit is best summarised through its definition within the Standards, as an:

‘Independent, objective assurance and consulting activity designed to add value and improve an organisations’ operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes’.

The County Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the County Council that these arrangements are in place and operating effectively.

The County Council’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisations’ objectives.

2. Purpose of report

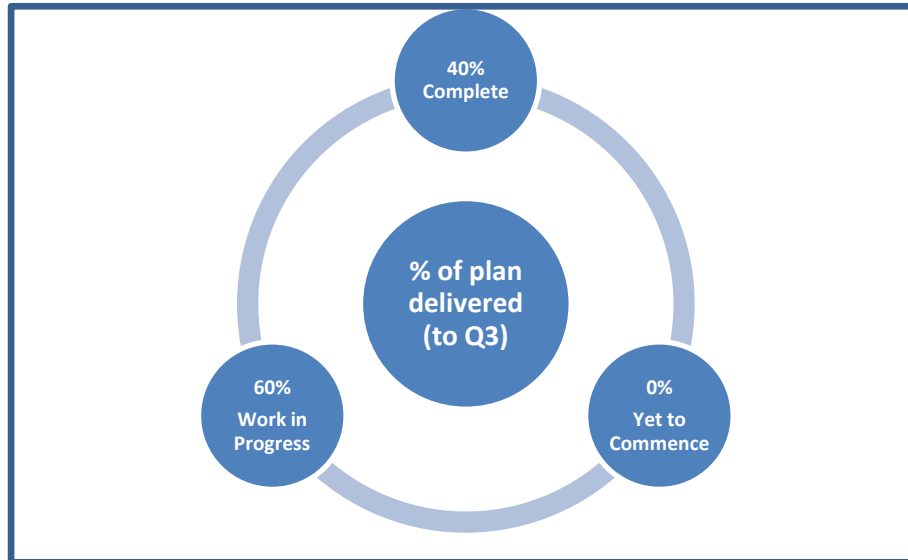
In accordance with proper internal audit practices (Public Sector Internal Audit Standards), and the Internal Audit Charter the Chief Internal Auditor is required to provide a written status report to ‘Senior Management’ and ‘the Board’, summarising:

- The status of ‘live’ internal audit reports;
- an update on progress against the annual audit plan;
- a summary of internal audit performance, planning and resourcing issues; and
- a summary of significant issues that impact on the Chief Internal Auditor’s annual opinion.

Internal audit reviews culminate in an opinion on the assurance that can be placed on the effectiveness of the framework of risk management, control and governance designed to support the achievement of management objectives of the service area under review. Assurance opinions are categorised as follows:

Substantial	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

3. Performance dashboard



Compliance with Public Sector Internal Audit Standards

An 'External Quality Assessment' of the Southern Internal Audit Partnership was undertaken by the Institute of Internal Auditors (IIA) in September 2020. The report concluded:

'The mandatory elements of the IPPF include the Definition of Internal Auditing, Code of Ethics, Core Principles, and International Standards. There are 64 fundamental principles to achieve with 118 points of recommended practice. We assess against the principles. It is our view that the Southern Internal Audit Partnership conforms to all 64 of these principles.'

'We have also reviewed SIAP conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN). We are pleased to report that SIAP conform with all relevant, associated elements.'

4. Analysis of 'Live' audit reviews

Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Management Action(s)	Not Accepted	Not Yet Due	Complete	Overdue		
								L	M	H
Cyber Security (Risk Treatment)	Jul 2021	DFSS	Reasonable	3	0	0	2		1	
Special Schools Funding Thematic	Nov 21	DCYP&L	Reasonable	4	0	0	0	2	2	
WSFRS Operational Training delivery	Jan 22	CFO	Limited	14	0	0	13		1	
WSFRS Working Time Directive	May 22	CFO	No	10	0	0	3		5	2
Adult's Income	July 22	DA&H	Limited	7	0	0	6		1	
Company Governance Framework	Oct 22	DL&A	Reasonable	5	0	0	4		1	
HR Policy Decision Making	Nov 22	DHR/OD	Limited	12	0	0	9		3	
Workforce Planning / Strategy	Jan 23	DHR/OD	Limited	5	0	0	2	1	2	
Procurement (Sub £100K)	Feb 23	DFSS	Limited	18	0	9	2		3	4
Direct Payments	Feb 23	DA&H	Limited	11	0	1	9		1	
Payroll	May 23	DHR/OD	Reasonable	17	0	0	12		2	3
Children's Care Placements	May 23	DCYP&L	Limited	23	0	0	21			2
WSFRS Overtime and TOIL	Jun 23	CFO	Reasonable	6	0	0	4		2	
RIPA Usage	Jun 23	DL&A	Reasonable	9	0	1	0		8	
Accounts Payable	Jun 23	DF&SS	Reasonable	12	0	0	6		6	
WSFRS Safe & Well follow up	Jul 23	CFO	Reasonable	6	0	0	3		3	
SmartCore	Aug 23	DF&SS	Limited	11	0	0	6			5
Risk Management	Sep 23	DF&SS	Reasonable	3	0	2	1			
Retained Duty System Firefighters	Sep 23	CFO	Limited	11	0	11	0			
Contract Management - Public Health	Oct 23	DA&H	Reasonable	8	0	3	4	1		
Joint Fire Control	Oct 23	CFO	Limited	6	0	6	0			
Ball Tree Croft	Oct 23	DA&H	Reasonable	3	0	0	2		1	
Ill Health Retirements	Dec 23	DHR/OD	Limited	5	0	5	0			
Health & Safety – Highways Depots	Dec 23	DPS	Limited	6	0	4	2			
Total								4	42	16

Overdue Management Actions - Direction of travel since August 2023 progress report

-6

+6


+4

Audit Sponsor

Chief Executive
Becky Shaw

Chief Fire Officer	Director of Adults & Health	Director of Children, Young People & Learning	Director of Place Services	Director of Finance & Support Services	Director of HR/OD	Director of Law & Assurance
(CFO)	(DA&H)	(DCYP&L)	(DPS)	(DFSS)	(DHR/OD)	(DL&A)
Sabrina Cohen- Hatton	Alan Sinclair	Lucy Butler	Lee Harris	Taryn Eves	Gavin Wright	Tony Kershaw

5. Executive Summaries of reports published concluding a 'Limited' or 'No' assurance opinion

Retained Duty System Firefighters		
Audit Sponsor	Assurance opinion	Management Actions
Sabrina Cohen-Hatton, Chief Fire Officer	 Limited	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="background-color: green; color: white; padding: 5px; text-align: center;">Low 6</div> <div style="background-color: yellow; padding: 5px; text-align: center;">Medium 5</div> <div style="background-color: red; color: white; padding: 5px; text-align: center;">High 0</div> </div>

Summary of key observations:

The purpose of this review was to ensure that claims for payment made by Retained Duty System (RDS) Firefighters were appropriate, in line with procedures and had been properly authorised. Testing focused on Outside Work and Station Training claims as areas of highest risk.

Testing of a sample of claims confirmed that they were submitted in line with the required deadline each month.


We confirmed that the RDS Payment SOP is current and was approved by the Reference Group Meeting in July 2022. However, our review of the SOP and discussions with key staff identified that it does not contain sufficient guidance around what cannot be claimed for and there were no agreed parameters around areas that can be claimed for leading to inconsistencies across the Service.

Testing of a sample of claims found that there was not always sufficient narrative recorded to support the claim and current recording does not provide an adequate audit trail.

Although dip sampling of claims has recently been introduced by the two RDS Station Managers, this only covered a very small sample of total claims and was not carried out prior to the claims being processed and paid. There was no process in place to recover inaccurate or inappropriate claims which had already been paid.

The overall Response budget of approximately £23m, which includes RDS and Wholetime, is monitored at a high level on a monthly basis, budget monitoring reports are not produced purely for the RDS and there was no budget monitoring carried out at individual station level.

Audit testing has found a number of control weaknesses around the claims process, but also cultural norms which have developed and become common practice, both of which have contributed to the limited assurance opinion. The two new RDS Station Managers are aware of these practices and are proactively challenging them through increased oversight and monitoring. Improvements to the SOP will support them in challenging these norms and setting the standard for what is acceptable. For this to be successful, the Station Managers need the buy-in and support of the Watch Managers who submit the claims for their station and who are pivotal in setting cultural norms and challenging inappropriate practices.

Joint Fire Control (WSFRS)		
Audit Sponsor	Assurance opinion	Management Actions
Sabrina Cohen-Hatton, Chief Fire Officer	 Limited	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="background-color: green; color: white; padding: 5px; text-align: center;">Low 6</div> <div style="background-color: yellow; padding: 5px; text-align: center;">Medium 0</div> <div style="background-color: red; color: white; padding: 5px; text-align: center;">High 0</div> </div>

Summary of key observations:

This review sought assurance over the robustness of the governance framework supporting the effectiveness of the Joint Fire Control in which we reviewed and assessed whether the contractual arrangements, board framework, roles and responsibilities, risk and performance framework were sufficiently robust to provide assurance to WSFRS that the objectives of the Joint Fire Control are being achieved.

The audit has not included a review of the day-to-day operation of the Joint Fire Control as this is managed by Surrey County Council as the Lead Partner under a collaboration / S16 agreement with West Sussex Fire and Rescue Service and East Sussex Fire Service as partners.


The high-level principles and key objectives of working in collaboration with Surrey County Council (SCC (the Lead Partner)), and later with East Sussex Fire Authority were clearly defined in the original Collaboration Agreement (dated December 2019) and the Tri-Partite Collaboration Agreement (dated February 2022).

A Board Framework to provide oversight of the Joint Fire Control has been established comprising three governance boards: the Joint Strategic Board, Tactical Governance Board and the Operational Governance Board. The terms of reference of each board, including their individual roles and responsibilities, representation and frequency of meetings are clearly defined.

A review of the latest agenda, reports and minutes for each of the three Boards confirmed they are being conducted in line with their terms of reference. The Board meetings have been suitably represented by officers from WSCC and are taking place on a regular basis.

Performance against KPI targets is being reported on regularly through the Board framework, however, WSCC are having to place reliance on Vision (the system used by SCC capture performance data) providing accurate results against the KPIs and currently there is no process in place for ensuring or providing assurance regarding the accuracy and integrity of performance data.

There is currently no independent assurance provided to WSFRS over the operation of the JFC including IT systems, business processes and business continuity. The collaboration agreement does not reference or include an assurance clause describing where other sources of assurance will be provided from and which elements it would cover.

Health & Safety in Highways Depots		
Audit Sponsor	Assurance opinion	Management Actions
Lee Harris, Director of Place Service	 Limited	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="background-color: green; color: white; padding: 5px; text-align: center;">Low 0</div> <div style="background-color: yellow; padding: 5px; text-align: center;">Medium 3</div> <div style="background-color: red; color: white; padding: 5px; text-align: center;">High 4</div> </div>

Summary of key observations:

This review sought assurance that arrangements for the overall management of Health and Safety at three depots (Clapham, Drayton and Jobs) together with how responsibility for the operational management of health and safety activities, including tenants, has been assigned. The audit was extended to include Buchan Country Park office.

Each depot had its own operational manual which included the roles and responsibilities for health and safety and manuals were accessible by all staff. The Council has a central reporting channel for incidents and management meets monthly to discuss health and safety matters with actions proposed to deal with any issues identified.


There are no Council officers nominated as first aiders within the depots, nor trained to occupy such a role. Two officers within the Clapham depot are nominated as fire wardens but they have not completed the relevant training. Additionally, Jobs' and Drayton's depot manuals state that all 46 officers occupying the Jobs and Drayton depots should complete the training for fire wardens but only 7 of them have done so.

Induction training was recently provided to staff at the Clapham and Drayton depots to ensure they are familiar with the health and safety requirements, however, there was no procedure in place to ensure all staff have attended the training and offer those who were unable to attend follow-up sessions and supplementary information. There is no induction training carried out at the Jobs depot.

The Corporate Health, Safety, Wellbeing & Fire Safety Policy requires that risk assessments should be undertaken with appropriate risk control measures proposed and implemented. Whilst risk assessments have been performed on a number of risks (fire, access and egress, Legionella in water), not all activities at the depots have been covered, for example, the salt barns at the Clapham and Drayton depots and condemned buildings at Drayton.

Management has recently prepared health and safety checklists for each depot which set out the required health and safety activities (checks, inspections, training etc.), the responsible parties, the previous completion dates and the next completion dates. Although these checklists have been in place since early 2023, we noted that details of the health and safety activities are not fully completed.

In respect of Buchan Countryside Office, similar to the depots, whilst the health and safety checklist is in place, details of the health and safety activities are not fully completed.

III Health Retirements		
Audit Sponsor	Assurance opinion	Management Actions
Gavin Wright, Director of HR and Organisational Development	 Limited	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="background-color: green; color: white; padding: 5px; text-align: center;">Low 0</div> <div style="background-color: yellow; padding: 5px; text-align: center;">Medium 4</div> <div style="background-color: red; color: white; padding: 5px; text-align: center;">High 1</div> </div>

Summary of key observations:

The purpose of the audit was to review the West Sussex process for an occupational health referral leading to a potential ill health retirement. Testing included cases through to the point of entry with the Occupational Health Service Provider (OHSP). This included ill health retirements under the LGPS pension scheme but did not include teachers managed under the Teachers' Pension Scheme. The professional elements of the occupational health provider decisions and subsequent outcomes are to be picked up by an independent expert commissioned by WSCC and therefore not included in this review.

It was confirmed that a Sickness Absence Policy is in place with supporting guidance for ill health retirements. Approval forms were sent with all associated documentation. Since the new process began in January 2023, all cases had the documentation and approval confirmed by both Director of HR & Organisational Development and the Director of Finance & Support Services

Under the Local Government Pension Scheme, the employee must be referred to the Occupational Health Service for an assessment of suitability for ill health retirement by an Independent Registered Medical Practitioner (IRMP) who has not previously been involved in the case. Our testing substantiated this with one exception, where the Chief Medical Officer was involved in the initial case due to the nature of the illness, but also had the role of IRMP.

A copy of the Internal Dispute Resolution Procedure for WSCC was obtained and reviewed. However, the copy seen during this review was not the same version available internally and referred to by the Head of HR Business Partnering & Organisational Change and it contained differing information. Other guidance documentation contained ambiguous wording which could be misinterpreted and lead to the incorrect process being followed.

It was found within the audit that the OH provider generates their own reports and the KPI's and Service Level Agreements stated in the performance reviews do not align with the KPI's and Service Level Agreements within the contract.

On review of two points within the Service Level Agreement with the OHSP it states that cases are to be reviewed within 5 working days from the referral date and that IRMP certificates should be received by WSCC within 5 working days of the case review or the receipt of further medical evidence. We were unable to test to confirm if WSCC receive the certificate within five working days of the case review or receipt of further medical evidence due to the dates of the review not always being specified within the report to carry out a comparison with the date on the IRMP certificate.

***During the period SIAP undertook an investigation into a reported fraud / irregularity within the Financial Adults Safeguarding Team. The outcomes of the review are detailed in the confidential Appendix 1 to this report.**

6. Planning & Resourcing

To ensure internal audit focus remains timely and relevant to the changing needs and requirements of the organisation that SIAP have adopted an approach of quarterly planning. The quarter 1, 2, 3 & 4 plans were approved by the County Council's Executive Leadership Team and the Regulation, Audit & Accounts Committee in March, July, September 2023, and January 2024 respectively.

SIAP will continue to liaise with key stakeholders over the remainder of the year to develop ongoing quarterly plans. The rolling work programme (section 7 below) outlines audit activity during 2023/24 (Q1, Q2, & Q3).

7. Rolling Work Programme

Audit Review	Sponsor	Scoping	ToR	Field work	Draft Report	Final Report	Assurance Opinion	Comment
Contract Management	Corporate	✓	✓	✓	May 23			
Homes for Ukraine	DPS	✓	✓	✓	Sep 23	Oct 23	Reasonable	
Children's Transitions	DA&H	✓	✓	✓				
Joint Fire Control (WSFRS)	CFO	✓	✓	✓	May 23	Oct 23	Limited	
Pension Fund Processes	DF&SS	✓	✓	✓				
Contract Management - Public Health	DA&H	✓	✓	✓	Aug 23	Oct 23	Reasonable	
Risk Management	DF&SS	✓	✓	✓	Aug 23	Sep 23	Reasonable	
Ball Tree Croft (care home)	DA&H	✓	✓	✓	Sep 23	Sep 23	Reasonable	
Group Crewing System	CFO	✓	✓	✓				
School Thematic – Procurement and CSO	DCYP&L	✓	✓	✓	Aug 23	Sep 23	Reasonable	
SFVS – Returns analysis	DE&S	n/a	n/a	n/a	n/a	n/a	n/a	
Overtime (Corporate)	DHR&OD	ü	ü	ü				
Parkside Accounts 21/22	DPS	✓	✓	✓	Aug 23			
Retained Firefighters (New)	CFO	✓	✓	✓	Aug 23	Sep 23	Limited	

Audit Review	Sponsor	Scoping	ToR	Field work	Draft Report	Final Report	Assurance Opinion	Comment
Direct Payments (Children)	DCYP&L	✓	✓	✓				
School Thematic - Recruitment Checks	DCYP&L	✓	✓	✓				
Supporting Families QA review	DCYP&L	✓	✓	✓	Nov 23	Nov 23	Substantial	
Debt Recovery	DF&SS	✓	✓	✓	Nov 23			
Highways Claims	DPS	✓	✓	✓				
Parkside Accounts (22/23)	DPS	✓	✓	✓				
Employer Contributions (Pensions)	DF&SS	✓	✓	✓				
Adult Placements – Waivers	DA&H	✓	✓	✓				
Ill Health Retirements	DHR&OD	✓	✓	✓	Oct 23	Dec 23	Limited	
Financial Adult Safeguarding Team (FAST)	DF&SS	✓	✓	✓	Nov 23			
Ethical Governance (AGS Effectiveness)	DL&A	✓	✓	✓				
Health & Safety in Highways Depots	DPS	✓	✓	✓	Sep 23	Dec 23	Limited	
Right to Work Process	DHR&OD	✓	✓	✓				
Independent Lives (Contract Management)	DA&H	✓	✓	✓				
Public Consultations	DPS	✓	✓	✓				
Health & Safety in Schools (Thematic)	DCYP&L	✓	✓	✓				
School Based Complaints (Thematic)	DCYP&L	✓	✓	✓				
SFVS 22/23 Testing	DCYP&L	✓	n/a					
High Cost Placements (Children's)	DCYP&L	✓	✓					
Adult - Improvement Programme	DA&H	✓	✓					
Pensions – Admissions & Cessations	DF&SS	✓	✓	✓				
Grants & Other 2023/24								
Supporting Families Q2 claim	DCYP&L	n/a	n/a	n/a	n/a	n/a	n/a	
BSOG	ADHTP	n/a	n/a	n/a	n/a	n/a	n/a	
Highways DFT Funding Grant Declaration	ADHTP	n/a	n/a	n/a	n/a	n/a	n/a	
Supporting Families Q3 claim	DCYP&L	n/a	n/a	n/a	n/a	n/a	n/a	
BRG & LTF Grant	ADHTP	n/a	n/a	n/a	n/a	n/a	n/a	

Annexe 1

Overdue 'High Priority' Management Actions

WSFRS Working Time Directive- No

Observation: Opt-out status

The WSFRS Working Time Policy states: 'If the employee agrees to work in excess of 48 hours per week, for whatever reason, they must sign an Opt-Out Form without coercion or enforcement. This should be done as a matter of course for those on more than one contract of employment, whether for WSFRS or another employer.'

We found in our testing that signed opt out forms were not consistently held on employee files or, where held, forms were out of date; we also found that opt out recording in FireWatch was inaccurate.

Risk: If Employees working over 48 hours a week on average have not signed an opt-out agreement, then WTR are breached.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Opt-out status Workstream to address this through:			
<ul style="list-style-type: none"> Contact all staff to confirm opt out status. Review current process. Process mapping. Gap analysis of information held. Completion of information gaps. 	30.10.22		These elements of the required action have been implemented.
	30.04.24		
	30.04.23	N/A	
	30.04.23		
	30.04.23		
<ul style="list-style-type: none"> Future process embedded. Communications. 	30.04.23	31.01.24	Delay with system changes and enhancements needed to complete the requirements of this project.
	30.04.23	31.01.24	

Observation: Secondary Employment

The Working Hours SOP states: 'Pay & Employment Services (PES) - 3.1 Keep records of Night Workers, any workers who work nights and workers with multiple employments, whether with WSF&RS or not'. Payroll Services (Capita) advised that they do not keep records as stated in the Working Hours SOP.

The Working Hours SOP also states: 'Employees will advise their line Manager of all external employment, all hours worked and any substantial changes.'

In September 2021 People Support sent out an e-mail to all staff stating: 'We are aware that some of the information we hold regarding secondary employment could be out of date and we would like to request that everyone checks that this information is correct on FireWatch.'

Risk: If WSFRS does not have accurate information of employees with more than one job they cannot ensure that employees are not working more than an average 48 hours a week in total across both jobs and may be in breach of the Working Time Regulations.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Secondary Employment workstream to address this through:			
<ul style="list-style-type: none"> Review of process. Process mapping – as is/to be – one central version of the truth. Gap analysis of information held. Completion of information gaps. 	30.10.22 30.04.24	N/A	These elements of the required action have been implemented.
<ul style="list-style-type: none"> Future process embedded. Communications. 	30.04.23 30.04.23	31.01.24 31.01.24	Delay with system changes and enhancements needed to complete the requirements of this project.

Procurement Sub £100k - Limited

Observation: Compliant Spend Reporting

Contracts are currently not set up in the finance system and linked to purchase orders to identify on and off-contract expenditure. Consequently, the Council is unable to accurately demonstrate its compliance with CSO's. Data obtained from the Council's financial system, SAP, showed that 992 suppliers each had PO expenditure of between £5k-£100k between January and December 2021 (with total expenditure of £26m). From these, 515 suppliers (52%) – £11.1m – could not be tied, via Procurement or Legal, to a known contract or waiver / exemption. The extent to which any current / historical contractual and related documentation (such as request for quotes) that may or may not reside at a local directorate/departmental level is unknown.

Albeit the Council's contracts register is regularly updated and made available to the public via the Council website, as required by the Local Government Transparency Code, it does not include contracts which are held locally only and unknown to Procurement / Legal.

Risk: Overall compliance with CSOs cannot be accurately established and the legally required published contracts register is incomplete.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
<p>Continued drive with Directorate commissioners/service leads and contract management staff will progress via ELT and all DLTs to ensure clear awareness of CSO obligations to secure contracts >£5k-£100k via Legal and shared with P&CM to be recorded in the WSCC Contract Management system (Atamis) enabling reporting within the Contracts Register.</p> <p>As an ongoing activity – we will:</p> <ul style="list-style-type: none"> • Report (quarterly) into ELT and DLTs the view of their Contract Register and Pipeline (showing timing of future tenders to ensure structured planning in advance) and their compliance data (spend on/off contract and waivers) • Ask DLTs to identify the barriers to following procurement regs and build actions to address these. • Plan to produce a basic toolkit and training material for 'buyers' that provides them with short and simple guidance on the process and thresholds 	30.04.23	31.10.23 31.03.24	A briefing to remind and build awareness of Standing Order responsibilities for Officers across Directorates that are responsible for contracts and buying activities (in the value range of >£5k-£100k) is in progress of development and will be issued to Requestors, Certifying Officers and shared as a briefing with DLTs.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Consistent and standard Contract Compliance reporting dashboard to be developed and shared on a regular basis with DLTs and Procurement Board (minimum quarterly basis).	30.04.23	31.10.23 31.03.24	Procurement Board have been updated with a quarterly report that includes Contract Compliance as part of it and this will continue on a quarterly basis as a fixed agenda item. A subset of this report has been developed and issued by our Category Leads to most DLTs that they attend (including Place Services, FSS, HROD, ASC and CYP). By March 2024, we will have completed this new reporting suite and ensure that all DLTs (Directors and Assistant Directors) are sighted, also receiving the report on an ongoing quarterly basis.

Observation: Non-Compliant Contracts

We identified 515 suppliers (with CSO applicable expenditure between £5k-£100k) from the finance system that did not have a centrally recorded contract against its name. We managed to trace and get a response from a council officer for 295 of these, however, 206 (£4.1m) provided information that they were in non-compliance with CSOs.

We were unable to obtain any further information for another 220 contracts (£4.9m). Therefore, there was a potential non-compliant contract spend of circa £9m (£4.1m+£4.9m) during 2021.

Risk: Sufficient assurances over service levels and value for money cannot be made.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
As above – in addition work with DLTs to improve the quality of the contracts register and fill in any gaps.	30.06.23	31.10.23 31.03.24	Briefings to the Procurement & Contract Management stakeholder group (via our newsletter/virtual meetings) continues to be a regular message item requesting updates to Contract Register. A briefing to DLTs will be issued as a call to action in order to continue the development of the register for all new contracts issued in their services. Data quality will be significantly improved with new system.

Observation: Reporting of Waivers
 The Director of Law and Assurance and Director of Finance and Support Services are responsible for determining any requests to waive procurements requirements as laid out in CSO 52.5, as follows: *‘Procurement and Contracts Services shall provide quarterly summary reports of all requested waivers to these Standing Orders, whether approved or not, to all Directors and Assistant Directors of the Council.’*

 We were only able to evidence this quarterly reporting to the Directors of Children Young People and Learning (CYP&L) and not for any other directorates within the Council.

Risk: The extent of current and / or expired waivers to CSOs is unknown

Management Action	Original Due Date	Revised Due Date	Latest Service Update
SO Waivers and Single Tenders reported to Procurement Board and DLTs on quarterly basis. This data to be included within ELT/DLT and Procurement Board dashboard of contract compliance	30.04.23	31.10.23 31.03.24	Procurement Board have been updated with a quarterly report that includes Waivers/Single Tenders as part of it and this will continue on a quarterly basis as a fixed agenda item. A subset of this report has been developed and issued by our Category Leads to most DLTs that they attend (including Place Services, FSS, HROD, ASC and CYP). By March 2024, we will have completed this new reporting suite and ensure that all DLTs (Directors and Assistant Directors) are sighted, also receiving the report an ongoing quarterly basis.

Payroll - Reasonable

Observation: Key Performance Indicators

Strategic KPIs were in place as part of the Council's contract with Capita prior to Payroll moving back in-house in June 2022. However, our enquiries established that there is no system of formal KPI measurement currently in place for operational Payroll activities.

Key Performance Indicators (KPIs) are linked to critical success factors and are used to tangibly measure progress being made towards operational and strategic payroll objectives. It also allows management to formulate and track remedial actions in order to correct any poor performance highlighted as part of a KPI reporting package.

Risk: Payroll business objectives are ultimately not met.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Report key performance indicators as part of quarterly HR&OD performance review meetings.	30.09.23	30.11.23 31.01.24	HRSS was delayed.

Observation: Staff Overpayments

There is a lack of assurance that all staff overpayments are being processed in a complete, accurate, and timely manner. Staff overpayments can be caused by a variety of reasons, but most prevalently this is caused by Payroll receiving late notifications from (Core/School) clients that staff are leaving or have left employment.

Risk: Overpayments not fully recovered from staff and incorrect tax amounts are sent to / recovered from HMRC

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Approval of revised overpayments process	30.06.23	31.12.23	Process has been reviewed, and it is a reasonable process but we identified a significant lack of management oversight. Our focus has become more about improving management oversight and have moved to weekly reviews. There is improvement in the process that might be worth contemplating but this is not straightforward and will require some organisational agreements and potentially policy change so the delivery dates for these will be end of December 2023. We are comfortable that there is sufficient control in place that with the extra management oversight and that this is sufficient to address the risks / concerns in the meantime.
Implement revised overpayments process and train staff on process.	31.07.23	31.12.23	

Children's Care Placements - Limited

Observation: Placement Requests

The Service Development Lead, Data and Performance Team, and Children's Commissioning & Interim Service Manager for PFT advised that a Care Referral UNDER 16 Form CYP765 should be completed before the Placement Finding Team initiate a search. However, our testing showed that for 11 of 15 children in our sample (Family Safeguarding) there was either:

- no CYP765 Form (Care Referral under 16) showing in Documents in Mosaic (4),
- Step status on Forms and Letters tab in Mosaic showing as 'incomplete' (4) or
- a form with one or more sections not ticked as 'section completed' (3).

Missing or incomplete sections/forms could mean there is insufficient information to initiate a search or delay the process; there could also be implications for reporting.

The referral form includes a section for desired outcomes and development needs and requirements for this section are included in the guidance; for two forms in our sample section 8 was not ticked as complete and for one form section 8 had not been completed.

Risk: Inappropriate/unsatisfactory placements

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Design and implement new referral process and form (to include new Needs Assessment Tool) – for both under 16yr and post 16yr referrals. Guidance document and briefing to be provide to teams across the service as required	30.06.23	30.09.23 30.03.24	Draft referral has been shared with stakeholders and co production finalised. Engagement events have now been completed the form will go live on the ICS across Q4.
A new 'Care' referral form is being devised which will also be embedded on the Mosaic platform. It is felt the launching of the new form provides the team with a good opportunity to reset the practice expectations for the completion of referrals and ensuring that these are both needs led and child centred. The new form will therefore be accompanied by updated flow diagrams to aid ease of completion, the provision of exemplars of 'outstanding' referrals and bespoke training on referral completion which will be available on various platforms.	30.06.23	30.09.23 30.03.24	Key stakeholders have been met with as part of the review process, and benchmarking has taken place with 4 other LA's to date. Feedback has been incorporated into final draft template which has also been reviewed with SW teams and providers. The upskilling of the Children's Placement Team re: best practice in referral writing has been completed and now forms part of our BAU processes. The form will go live on the ICS across Q4.

SmartCore - Limited

Observation: Programme Plan

During our initial discussions with the then SRO and the Adviser to the Sponsors in November 2022, we were advised that an iterative programme plan was in place and was at the best place that it had been to date. However, review of the plan found that it was not fully resourced or costed and it was confirmed by the Co-Sponsor in April 2023 that a fully resourced, costed and deliverable plan was not in place. We were advised that this was due initially to the ongoing commercial discussions and subsequently issues identified around data migration.

It is imperative that a plan to enable successful delivery of the programme is agreed, providing clarity around goals, roles, timescales (and milestones), resourcing, costing, communication, and deliverables etc. with all key stakeholders as a matter of priority.

Risk:

Management Action	Original Due Date	Revised Due Date	Latest Service Update
A new Programme Director has been appointed and a revised programme plan is being developed that will be fully resourced and costed.	Autumn 2023	31.03.24	Work on the revised business case is ongoing and a draft is expected by mid-December 2023 which will incorporate the feedback from the recent PWC review on the suitability of Oracle as an ERP for West Sussex. Key decision on revised business case and programme plan expected Spring 2024.
A revised budget is being constructed based on the revised programme plan and timescales. Any increase will be subject to scrutiny by P&F and approval by the Cabinet Member for Economic Development and Support Services.	Autumn 2023	31.03.24	The revised business case that is currently being prepared will take account of the recent lessons learnt workshop, include a revised programme plan and timescales and an updated budget all of which will be subject to a key decision by the Cabinet Member for Support Services and Economic Development. The key decision will be subject to scrutiny by P&F in advance. Expected at either the January or March 2024 P&F.

Observation: Budget			
The initial budget for the programme of £2.6m was increased to £7m in March 2021. This increase was approved by the Cabinet Member for Economy and Corporate Resources. Approval for a further budget increase to £14m was requested and granted by the Cabinet Member for Support Services and Economic Development in October 2022. This budget approval was based on a programme completion date of April 2023.			
In accordance with the production of a clear programme plan it is inevitable that a further budget increase will be required, and this should be calculated, and approval sought as soon as possible.			
Risk:			
Management Action	Original Due Date	Revised Due Date	Latest Service Update
Work to develop a revised budget requirement based on latest agreed Programme Plan and resources required to implementation and 'after care'.	Autumn 2023	31.03.24	The revised business case that is currently being prepared will include an updated full programme budget for both implementation and 'after care' all of which will be subject to a key decision by the Cabinet Member for Support Services and Economic Development. Expected Spring 2024.
Any increase in budget requirement subject to scrutiny by P&F before approval by Cabinet Member for Economic Development and Support Services	November 2023	31.03.24	The key decision will be subject to scrutiny by P&F in advance. Expected at either the January or March 2024 P&F.

Observation: Risk Registers			
Our review of the Corporate risk register found that there are no risks relating to the SmartCore Programme recorded. Review of the Finance and Support Services risk register found that a risk relating to the SmartCore Programme was closed in 2022 and there are currently no open risks relating to the programme documented. Given the corporate significance of the programme, in our opinion the risks and mitigations relating to the successful implementation of the programme should feature on both of the above risk registers and be reviewed and updated on a regular basis by senior management.			
Risk:			
Management Action	Original Due Date	Revised Due Date	Latest Service Update
The delivery of the programme will also be included on both the Finance and Support Services and HR and OD departmental risk registers and risk management actions monitored accordingly.	November 2023	31.12.23	Finance and Support Services – risk currently being drafted and will be completed by December 2023 and monitored monthly through the FSS departmental risk register. HR & OD risk also currently being drafted to same timescale.

Annexe 2

Overdue 'Low & Medium Priority' Management Actions (December 2023)

Audit Review	Report Date	Opinion	Priority		Due Date	Revised Due Date
			Low	Medium		
Cyber Security (Risk Treatment)	Jul 2021	Reasonable		1	31.12.22	30.09.22 30.06.24
Special Schools Funding Thematic	Nov 2021	Reasonable		1	31.03.22	31.03.23 31.01.24
				1	31.03.22	31.03.23 31.01.24
			1		31.03.22	31.03.23 31.01.24
			1		31.03.22	31.03.23 31.01.24
WSFRS Operational Training	Jan 22	Limited		1	28.02.22	30.09.22 28.04.23 31.12.23 30.04.24
Working Time Directive	May 22	No		1	31.12.22	31.12.23 31.03.24
				1	30.04.23	31.01.24 31.03.24
				1	30.04.23	31.01.24 30.06.24
				1	30.04.23	31.01.24 30.04.24
				1	30.04.23	31.03.24 30.04.24
Adults Income	Jul 22	Limited		1	31.12.22	30.09.23 31.12.23 31.03.24

Audit Review	Report Date	Opinion	Priority	Due Date	Revised Due Date
Company Governance Framework	Oct 22	Reasonable	1	31.12.22	30.04.23 31.08.23 30.11.23 31.03.24
HR Policy / Decision Making	Nov 22	Limited	1	30.11.22	28.02.23 31.03.23 31.08.23 30.11.23 31.01.24
			1	30.11.22	28.02.23 31.03.23 31.08.23 30.11.23 31.01.24
			1	30.11.22	28.02.23 31.03.23 31.08.23 30.11.23 31.01.24
Accounts Payable	Jun 23	Reasonable	1	31.05.23	30.11.23 31.03.24
			1	30.06.23	30.11.23 31.03.24
			1	30.04.23	30.04.24
			1	30.06.23	30.11.23 31.03.24
			1	30.06.23	30.11.23 31.03.24
			1	30.06.23	30.11.23 31.03.24
Payroll	May 23	Reasonable	1	30.06.23	30.09.23 31.01.24
			1	31.07.23	30.09.23

Audit Review	Report Date	Opinion	Priority		Due Date	Revised Due Date
						31.01.24
Procurement Sub £100k	Feb 23	Limited		1	30.04.23	31.12.23 31.10.24
				1	30.06.23	31.03.24
				1	30.09.23	31.08.24
Workforce Planning / Strategy	Jan 23	Limited		1	31.07.23	31.12.23 31.01.24
				1	30.09.23	31.03.24
			1		30.06.23	31.03.24
WSFRS Overtime and Toil	June 23	Reasonable		1	31.08.23	29.02.24
				1	31.08.23	31.01.24
RIPA Usage	Jun 23	Reasonable		1	30.09.23	31.01.24
				1	30.09.23	31.01.24
				1	30.09.23	31.01.24
				1	30.09.23	31.01.24
				1	30.09.23	31.01.24
				1	30.09.23	31.01.24
				1	30.09.23	31.01.24
WSFRS Safe and Well (Follow Up)	Jul 23	Reasonable		1	31.08.23	31.03.24
				1	31.08.23	31.03.24
				1	31.08.23	31.03.24
Direct Payments	Feb 23	Limited		1	31.10.23	31.03.24
Ball Tree Croft	Oct 23	Reasonable		1	30.11.23	31.01.24
Contract Management (Thematic Public Health)	Oct 23	Reasonable	1		30.11.23	TBC
Total				4		42

Cyber Security (Risk Treatment)

At the time of the audit work there was no Public Services Network (PSN) certification in place. We were informed that the approach and requirement of certification is being evaluated due to needs reducing or system delivery methods changing. The contract to provide a PSN compliant physical connection is in the process of being renewed.

Risk: The Council cannot connect to services which require a PSN compliant connection. Impacting on service delivery.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
IT will continue to monitor the existing situation, where possible working with the business to remove the need for PSN connection. Parallel actions taken by IT through the Future Digital programme will systematically resolve accretor concerns (through Cloud migration) regarding aging systems/services.	31.12.22	30.09.22 30.06.24	Works are continuing at pace, with a number of systems upgraded to newer operating system levels. The second half of 2023 saw circa 200 systems either upgraded, migrated or decommissioned. A small number of high use systems remain outstanding in plan for replacement, works are well progressed in concluding this action with replacement systems now installed, configured and in test.

Special Schools Funding – Thematic 2020/21

Observation: Top-Up Funding - Information to support Bands 1-5

There is no clear and transparent guidance to support the current WSCC banding arrangements, which are based on historical data and underlying assumptions. However, banding descriptors are currently being reviewed with a view to producing professional reference guidance for the service and schools.

The EFSA guide does not differentiate between 'Top-up Funding' and ' Exceptional Needs Funding (ENF) in the way that WSCC Special Schools Funding Guide 2020/21 does. Through discussion with the Principal Lead, Special Educational Needs Assessment Team it is understood that following the current banding review that ENF funding should be covered through the bands, except for pupils with extreme/highly complex needs.

Overall top up funding is agreed through direct engagement with schools to discuss individual pupil needs, although there is no direct correlation to individual Education, Health and Care Plans (EHCPs) to demonstrate that funding is sufficient to secure agreed provision.

Risk: Consistency and fairness of additional top-up funding cannot be demonstrated.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Much of the detailed work around banding descriptors has already been undertaken. Plan is to produce a reference guide alongside the 2022/23 budgets at the end of the current financial year.	31.03.22	31.03.23 31.01.24	This action had been delayed to align with the DfE, Delivering Better Value (DBV) programme. It is anticipated that, in line with the DBV programme, review and consultation will initiate in the calendar year 2024.
Plans to redesignate some of the ENF funding were put on hold whilst the banding review was undertaken. These will be picked up again as part of 2022/23 budget prep in Medium Andy Thorne 31 March 2022 Special Schools Funding - Thematic 2020/21 Page 8 the Autumn. Any future banding model will need to be agreed with the Special School Headteachers.			
Due to the continuing funding pressures on the High Needs Budget there is no guarantee that there is enough funding to meet need. Levels of banding rates will need to be reviewed following the publication of the government's SEND Review.			

Observation: Census data for indicative top-up funding

For one of a sample of five schools (QEII) pupil numbers for top up funding did not initially match the total number on roll in the October 2019 census, although it did match the full list of pupils in the census data provided to the Principal Finance Officer; the difference was that two pupils were classed as subsidiary and as such are not included in the total number on roll, as they are included on their main registration. We were advised that the two subsidiary pupils were allocated two days of top up funding at the special school which is funded pro-rata. The use of the inclusive figure means that the school were initially given additional indicative top-up funding which was subsequently adjusted.

Risk: Indicative funding is overstated.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
<p>For the 2021/22 budget shares, the method of allocating indicative top up in the budget share was changed to reflect the number of pupils 'Expected on Roll' (EOR), rather than using the October census figure. This method accounted for the subsidiary pupils or 'dual placements' on a pro rata basis in the EOR rather than full time as per the census.</p> <p>The EOR basis avoids overstating the indicative top up where possible, but it will always be subject to change throughout the year due to movement of pupils and is still subject to termly adjustments to reflect those movements. We will make this clearer on the budget share statement.</p> <p>Since High Needs top-up funding is adjusted each term based on the current cohort of pupils at our special schools, other than providing greater clarity on the budget share statement in regard to the indicative nature of the top-up funding no further management action is anticipated.</p>	31.03.22	31.03.23 31.01.24	This action had been delayed to align with the DfE, Delivering Better Value (DBV) programme. It is anticipated that, in line with the DBV programme, review and consultation will initiate in the calendar year 2024.

WSFRS Operational Training

Observation: Policy Update

Audit testing found that the latest version, Version 2, of the Training Policy was dated 2nd December 2011. This means that it has been around 10 years since the last recorded revision which, at that point in time, was noted as "Course Changes".

During our review we confirmed that courses change with greater frequency than every 10 years, and the availability of facilities to provide certain training have also changed.

While the Policy reflects key elements of training required, and demonstrates future focus, a more frequent review would enable greater assurance to be taken around it being in date; and therefore a current and active source of control.

Risk: Policy if out of date and does not reflect current requirements.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Reflect this policy review and update in the L&D Prospectus.	28.02.22	30.09.22 28.04.23 31.12.23 30.04.24	With the introduction of a number of Commercial & Enterprise activities associated with the new Training Centre at Horsham the prospectus is being further reviewed to include these elements, with a new target date of April 2024

Working Time Directive

Observation: WSFRS Working Hours Policy and Standard Operating Procedure (SOP)

The WSFRS Working Hours Policy has not been reviewed since July 2010.

There have been numerous amendments to the legislation referenced in the WSFRS Working Hours Policy since the last review, including a number of amendments due to EU Exit in relation to Drivers' hours and tachographs.

The Working Hours SOP has not been reviewed since February 2015 whereas the procedure requires it is reviewed on a 3 yearly basis, or where there is a material change.

We were advised that no reminders have been issued to managers in relation to the existing policy and procedure. We understand that there is a current project to develop a system in line with the appropriate organisational policies/procedures for monitoring the working hours of employees to ensure compliance with the Working Time Regulations, Grey Book, WSCC constitution and associated FR Service SOPs. We understand that a service wide communication will be sent out following approval of changes.

Risk: Policy and procedures do not reflect current legal requirements, resulting in non-compliance and increased risk to health and safety and reputational damage.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Development of a WSFRS Working Hours Policy and Standard Operating Procedure (SOP) <ul style="list-style-type: none"> • Review existing • Rewrite and approval • Publish and implement • Action to be completed once long term solution is in place so policy relates to new process 	31.12.22	30.09.23 31.12.23 31.03.24	Due to the absence of a core member of the team who is leading the developments for this project, the dates have needed to be revised further. We are doing all we can in the interim to work with and involve other members of staff across our service. However, the individual who is off holds unique specialist knowledge and their expected time off has had to be extended due to their recovery. A further action we are taking in the meantime is to increase our communications to managers and colleagues in the service to remind them of their responsibilities.

Observation: Record of overall working hours

The Working Hours SOP states: '5.1 To enable the Service to undertake active monitoring the following recording processes should be complied with:
5.1.1 All core hours that fall within contracts will be recorded in the usual way for pay purposes (see P1A & P1B, Officers Timesheet SOP, Doc 33 SOP, FB511/Doc 42 SOP & SIP, RDS Monitoring SOP, RDS Availability SOP, Trainers rota, Weekday Flexitime SOP & SIP).

5.1.3 Additional hours will be recorded in the usual way for payment via either P1 or Doc42.'

The Management of Overtime SOP states: '4.19 Casual overtime may only be accrued in the following ways and will be recorded on the P1a recording system e.g. incident, extended shift cover.'

Line Managers advised that for wholetime employees, shift patterns are recorded in FireWatch and additional hours are recorded in P1A spreadsheet. The Working Hours SOP lists time recording processes but does not make any reference to FireWatch.

There is no overall record of the number of hours an employee has worked including all regular shifts, full shift and extended overtime. Information from different systems used for recording overall working hours is not readily available to allow active monitoring. We were advised that some timesheets for day duties are provided by Watch Managers but are just kept on file; attendance sheets for support staff are used to add leave/sickness etc to FireWatch but not for monitoring. P1As are completed by the service delivery centre and sent to payroll.

Risk: Failure to adhere to working hours limits.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Record of overall working hours workstream to address this through: <ul style="list-style-type: none"> Data sources – corporate systems, spreadsheets and sops/policy - complete Process mapping – as is/to be – one central version of the truth - complete Gap analysis of information held - complete Completion of information gaps - complete Future process embedded Communications 	30.04.23	31.01.24 30.04.24	Due to the absence of a core member of the team who is leading the developments for this project, the dates have needed to be revised further. We are doing all we can in the interim to work with and involve other members of staff across our service. However, the individual who is off holds unique specialist knowledge and their expected time off has had to be extended due to their recovery. A further action we are taking in the meantime is to increase our communications to managers and colleagues in the service to remind them of their responsibilities.

Observation: Monitoring of flexible duty working hours

Appendix A of the Flexible Duty System SOP states: ‘A requirement of the Working Time Regulations and this duty system is effective monitoring of working hours. To achieve this, each officer will be issued with a spreadsheet that will enable hours to be entered, calculating total hours worked and credits/debits accrued. The completed four weekly working time record sheet, which will have been approved and signed by the line manager, will be forwarded to People Support within one working month and kept for forty years.’ - We were advised by the HR Business Partner that most officers (Station Manager and above) have significant amounts of hours built up on their flexi sheets, however, we understand that People Support no longer regularly receive completed four weekly working time record sheets for monitoring.

The reason for retaining the records for forty years is unknown.

The Flexible Duty System SOP also states in Appendix A: ‘People Support will monitor flexible duty working hours. They will conduct an audit of the Flexible Duty System Working Time Record Sheets on a quarterly basis. Any discrepancies in flexible duty recording will be reported to the Operations Director.’ - We were advised that an audit spreadsheet was completed up to December 2018 but is no longer used as it did not provide meaningful outcomes, however, the SOP has not been updated to reflect this. We understand that the reference to the position of 'Operations Director' in the SOP is out of date. The completion and review of working time record sheets and audit by People Support also formed part of actions in relation to recommendations made in a report following a Health and Safety incident in 2016.

The Flexible Duty System SOP further states: ‘Officers should work an average of 72 duties of 24 hour ICS and urgent managerial duties cover a year.’ - One Flexi Duty Officer in our sample had 98 x 24 on call duties showing in FireWatch, not including overtime or swaps.

Risk: Working hours are not effectively monitored leading to breaches of Working Time Regulations.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Monitoring of flexible duty working hours workstream to address this through: <ul style="list-style-type: none"> Data sources – corporate systems, spreadsheets and sops/policy - complete Process mapping – as is/to be – one central version of the truth - complete Gap analysis of information held - complete Completion of information gaps - complete Future process embedded Communications 	30.03.23	31.01.24 31.03.24	Due to the absence of a core member of the team who is leading the developments for this project, the dates have needed to be revised further. We are doing all we can in the interim to work with and involve other members of staff across our service. However, the individual who is off holds unique specialist knowledge and their expected time off has had to be extended due to their recovery. A further action we are taking in the meantime is to increase our communications to managers and colleagues in the service to remind them of their responsibilities.

Observation: Secondary employment as a legally defined commercial driver

The Working Hours SOP states that Employment as a legally defined commercial driver, covered by the EC Drivers' Hours rules, will only be sanctioned as an additional employment if the additional limits and breaks required can be accommodated within their duty system.

We understand that line managers should be aware of employees who have 'other' (RDS) or 'secondary' (WT) employment as a legally defined commercial driver. FireWatch does not specifically flag secondary employment as a commercial driver so it is unclear how WSFRS would access information for monitoring compliance.

Risk: If employees who have another job as a driver are unaware of implications and work for WSFRS or are on call during legally set breaks, Working Time Regulations would be breached.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Secondary employment workstream to include the commercial driver aspects, to address this through: <ul style="list-style-type: none"> Review current process - complete Process mapping – as is/to be – one central version of the truth - complete Gap analysis of information held - complete Completion of information gaps Future process embedded 	30.03.23	31.01.24 30.04.24	Due to the absence of a core member of the team who is leading the developments for this project, the dates have needed to be revised further. We are doing all we can in the interim to work with and involve other members of staff across our service. However, the individual who is off holds unique specialist knowledge and their expected time off has had to be extended due to their recovery. A further action we are taking in the meantime is to increase our communications to managers and colleagues in the service to remind them of their responsibilities.

Observation: Quarterly reports

The Working Hours SOP states: *'5.3 Quarterly reports will be available to Group and/or line management on request from Pay & Employment Services, to monitor hours worked and any potential risks.'* Payroll Services were unaware of quarterly reports referred to in the Working Hours (SOP).

The Group Crewing SOP section on Audit & Performance Review states: *'6.1 The Station Manager will audit the records for their station and ensure general compliance with the SOP, in particular that:*

- *personnel are working their 151 or 154 shifts*
- *Watch Managers are proactively engaging with the management of crewing,*
- *FireWatch is accurate and up to date. A quarterly report will be sent to the Operational Group Manager.'*

Group Managers do not receive quarterly reports from Station Managers as required by the SOP.

We were advised that although Group Managers monitor immediate staff hours via monthly submission of timesheets and Station Managers monitor additional hours generated within their teams which can then be converted to pay via a P1A submission or be taken as TOIL, the overall monitoring of hours across contract types is not supported by the IT infrastructure as there are many staff that have multiple contracts. In addition, the IT does not support the shift systems worked in the wholetime arena and does not report accurately on the shifts worked or owed.

Risk: Contravention of working time legislation leading to health and safety incidents, prosecution and enforcement action.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Quarterly reports workstream to address this through: <ul style="list-style-type: none"> • Information sources • Data Models • Target setting – Service Measure for each process • Future Core Measure to be considered once supporting SMs in place. • Annual review • Continuous Improvements – Legislative change monitoring. 	30.04.23	01.03.24 30.06.24	Due to the absence of a core member of the team who is leading the developments for this project, the dates have needed to be revised further. We are doing all we can in the interim to work with and involve other members of staff across our service. However, the individual who is off holds unique specialist knowledge and their expected time off has had to be extended due to their recovery. A further action we are taking in the meantime is to increase our communications to managers and colleagues in the service to remind them of their responsibilities.

Adults Income

Observation: Timeliness of Financial Assessment Completion

Guidance to customers / clients stipulates on the website that the full assessment process should be completed with 20 working days.

Audit testing confirmed that 9 of our sample of 24 financial assessments, having been allocated, were completed within the target period of 20 working days. Of the remaining 15

- one was not applicable as the assessed service had not been taken up.
- 14 others took over 20 working days to complete the financial assessment process, of these, 13 were caused from factors which were external to the WBA team, with the longest of those delays extending to 219 days *[this customer had not returned a signed acknowledgement accepting potential liability to assessed charges. Please refer to observation two for further information]*.
- One delay had no case notes on the file to explain the reason for the delay.

Risk: Delay creating complaint, reputational damage and financial loss.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Review arrangements for chasing customers who have not engaged or provided information and find a solution, within the terms of the Care Act, for finalising an assessment in such circumstances.	31.12.22	30.09.23 31.12.23 31.03.24	<p>Good progress has been made and an external organisation has been commissioned over the last 6 months to support with the processing of the backlog cases. The work is expected to be completed by March 2024. For new cases performance has improved and is closer to the target time of 20 working days. Performance reporting is being put in place that will enable regular reporting of performance and action to be taken early where performance standards are falling.</p> <p>In order to encourage clients to provide sufficient information to move to an accurate funding model, a new process is in place whereby applications will be processed on a full costing model following three attempts to obtain appropriate information from clients. The service can then work with clients to move to the correct funding arrangements.</p> <p>In addition, the service continues to look to improve the service and have implemented electronic forms for use in most cases in order that assessments can be turned around more quickly and the next stage will be the use of the customer portal within the first half of this calendar year and automation of the production of letters directly from the case system.</p>

Company Governance Framework

Observation: Accounting Arrangements

Although governance arrangements are being progressed there are currently no written financial or procurement procedure in place for Edes Estates.

The Council has outsourced the financial management arrangements for Edes Estate to a local firm of Accountants who will produce monthly management accounts and prepare the annual statement of accounts. The Joint Venture has recently prepared their annual statement of accounts, however, there has been no approval of expenditure through the shareholder board and consequently no transactions to be recorded.

Risk: Financial transactions not being appropriately recorded

Management Action	Original Due Date	Revised Due Date	Latest Service Update
The arrangements now in place will be formally recorded in the records of Edes Estates rather than relying on the record of action within the Council. The arrangements for the procurement of external advice and other services will be set down in a set of procurement rules for approval by the Board. The JV has completed outline business cases which are currently being reviewed by Edes Estates consultants. The costs of this review will be recorded in the accounts of Edes Estates.	31.12.22	31.08.23 30.11.23 31.03.24	All recommendations are complete with the exception of the formal approval of the procurement rules and procurement of external advice for Ede's Estate and the County Council.

HR Policy / Decision Making

Observation: Payment of relocation expenses

An offer of relocation expenses is usually made at the time of appointment, and an offer letter is issued by HR with the amount available to the employee and the requirement to provide receipts to support the amount claimed.

The requirement to repay the relocation expenses payment if the employee leaves the Council within a given period is also included in the letter, and the employee is required to sign an acknowledgement of the conditions of the payment.

For three of the employees in the sample of six tested, the letters offering the relocation payment were not available, consequently we were unable to confirm that the employees had signed the document to accept the terms and conditions associated with the payment, although one of these employees had subsequently emailed their acceptance of the conditions of the reimbursement.

Additionally, we were not provided with receipts to support the payments made in four of the cases tested and as such we cannot confirm that the amounts paid were used for the purpose of relocation.

Risk: Lack of transparency in administration of the scheme and difficulty in enforcing conditions and reclaim payments if no signed agreement held.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Review of process and documentation.	30.11.22	28.02.23	The relocation policy, including the process and documentation, has been reviewed and is being considered by HRLST on 12 December. Depending on how this goes, we will be in a position to finalise implement the revised policy, issue updated documentation and complete training as needed.
Ensure managers approving expenses are aware of the requirement for receipts to be provided.	30.11.22	31.03.23 31.08.23 30.11.23 31.01.24	

Observation: Coding of removal expenses.

We initially selected a sample of five payments of relocation expenses, however, the supporting documentation showed one of the sample had been incorrectly coded.

The payment of £8,000 should have been for relocation expenses, which are not subject to tax and National Insurance, however the payment had been coded to wage type 3653 (RR Retention) which is subject to both tax and National insurance. Depending on the employee's tax bracket, this would have resulted in them having at least £1,600 deducted as tax, plus paying additional National Insurance. Therefore the employee has been adversely affected by this miscoding.

Relocation expenses of £8,000 or less are permitted to be paid without tax deductions being made according to HMRC. Therefore, WSCC will usually pay up to the £8k threshold. Payments over this amount are permitted but the excess over £8k should be subject to deductions.

We noted that one employee in the sample tested had been paid £8,444.81 relocation expenses, with all of it being paid without deductions..

Risk: Tax and NI may be incorrectly accounted for, which could adversely affect the employee or result in HMRC action against the Council.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Train team on process.	30.11.22	28.02.23 31.03.23 31.08.23 30.11.23 31.04.24	Training of the team will take place for implementation of the revised policy.