

REPORT TO: Audit and Governance Committee

MEETING DATE: 29 November 2016

BY: Depute Chief Executive – Resources & People Services

SUBJECT: Internal Audit Follow-up Reports

1 PURPOSE

- 1.1 To inform the Audit and Governance Committee of the recent follow-up work undertaken by Internal Audit.

2 RECOMMENDATION

- 2.1 That the Audit and Governance Committee note the findings of Internal Audit's follow-up work on Musselburgh Burgh Primary School, Bad Debt Write-offs, Waste Management and Out of Authority Placements.

3 BACKGROUND

- 3.1 As part of the audit plan for 2016/17 Internal Audit has followed up the recommendations made in previously issued audit reports to ensure that they have been implemented as agreed by Management. Our findings are detailed below.

Musselburgh Burgh Primary School

- 3.2 Internal Audit's report on Musselburgh Burgh Primary School was issued in November 2015. Our follow-up review has highlighted that of the 13 recommendations made, 12 have been implemented and one recommendation is currently outstanding. Details of Management's response and the revised date of completion are attached in Appendix A.

Bad Debt Write-offs

- 3.3 Internal Audit's report on Bad Debt Write-offs was issued in November 2015. Our follow-up review has highlighted that of the seven recommendations made, four have been implemented, one has been partly implemented and two recommendations are currently outstanding. Details of Management's response and the revised dates of completion are attached in Appendix A.

Waste Management

3.4 Internal Audit's report on Waste Management was issued in November 2015. Our follow-up review has identified that of the six recommendations made, five have been fully implemented and one has been partly implemented. Details of Management's response and the revised date of completion are attached in Appendix A.

3.5 Out of Authority Placements

Internal Audit's report on Out of Authority Placements was issued in January 2016. Our follow-up review has highlighted that all seven recommendations made have been implemented.

4 POLICY IMPLICATIONS

4.1 None

5 INTEGRATED IMPACT ASSESSMENT

5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

6 RESOURCE IMPLICATIONS

6.1 Financial - None

6.2 Personnel - None

6.3 Other - None

7 BACKGROUND PAPERS

7.1 None

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DATE	17 November 2016

Appendix A

Musselburgh Burgh Primary School

Our follow-up review has identified that of the 13 recommendations made, 12 have been fully implemented and one is currently outstanding. The recommendation that is currently outstanding is detailed below, together with Management's response.

PARA REF	RECOMMENDATION	GRADE	RESPONSIBLE OFFICER	MANAGEMENT RESPONSE	REVISED DATE OF COMPLETION
3.2.1	The authorised signatories for the Petty Cash Imprest bank account require to be updated to ensure a minimum of two signatories.	Medium	Head Teacher	Agreed	December 2016

Bad Debt Write-offs

Our follow-up review has identified that of the seven recommendations made, four have been fully implemented, one has been partly implemented and two are currently outstanding. The recommendations that are partly implemented or currently outstanding are detailed below, together with Management's response.

PARA REF	RECOMMENDATION	GRADE	RESPONSIBLE OFFICER	MANAGEMENT RESPONSE	REVISED DATE OF COMPLETION
3.1.1	<u>Currently Outstanding</u> Management should ensure that the draft Bad Debt & Credit Balance Write-off Policy is finalised and formally approved.	Medium	Service Manager – Revenues	Agreed	March 2017

PARA REF	RECOMMENDATION	GRADE	RESPONSIBLE OFFICER	MANAGEMENT RESPONSE	REVISED DATE OF COMPLETION
3.2.1	<p><u>Currently Outstanding</u></p> <p>Management should ensure that debts over £10,000 recommended for write-off are submitted timeously to Cabinet for approval.</p>	Medium	Service Manager – Revenues	Agreed	March 2017
3.5.1	<p><u>Partly Implemented</u></p> <p>For Council Tax, Non-Domestic Rates and Housing Rents, a reconciliation should be undertaken between the approved write-off list and the total amounts written off in the main systems.</p> <p>All differences identified should be fully investigated and appropriate action taken.</p>	Medium Medium	Service Manager – Revenues	<p>For Non-Domestic Rates and Housing Rents, reconciliations have been carried out.</p> <p>Reconciliation for Council Tax is currently in progress.</p>	November 2016

Waste Management

Our follow-up review has identified that of the six recommendations made, five have been fully implemented and one has been partly implemented. The recommendation that is partly implemented is detailed below, together with Management's response.

PARA REF	RECOMMENDATION	GRADE	RESPONSIBLE OFFICER	MANAGEMENT RESPONSE	REVISED DATE OF COMPLETION
3.1.1	<p>Management should ensure that a detailed Waste Management Strategy is developed to ensure the Council meets its legislative requirements and targets.</p> <p>Management should ensure that the Waste Management Strategy is included in the Council Plan as one of the Council's key strategies and plans.</p>	Medium	Service Manager – Waste	In progress, although linked to the Scottish Government Household Waste Charter and Code of Practice. A report is being submitted to the December Cabinet meeting seeking approval to sign the Charter.	Ongoing