APPENDIX 3 – Executive Summaries finalised since last update to Accounts, Audit & Risk Committee September 2022

Health & Safety 2022/23

Overall conclusion on the system of internal control being maintained	A

SYSTEMS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions
Governance, Roles & Responsibilities	A	1	9
Risk Identification & Management	A	0	8
Management Information & Communication	A	0	2
		1	19

Opinion: Amber	
Total: 20	Priority 1 = 1 Priority 2 = 19
Current Status:	
Implemented	4
Due not yet actioned	4
Partially complete	4
Not yet Due	8

The corporate Health & Safety function is in the process of being reviewed following the decoupling from Oxfordshire County Council. There had been joint arrangements in place whilst Cherwell District Council was working in partnership with Oxfordshire County Council, but following the decoupling, the corporate health & safety assurance role is being covered by one member of staff. Work is ongoing to recruit a Health & Safety Manager. The current circumstances provide an opportunity for the Council to review and update current arrangements and ensure that they are fit for purpose.

Governance, Roles & Responsibilities – The Interim Assistant Director HR & OD, prior to the start of the audit and as part of the annual review of governance arrangements across the Council, had identified the need for a full review of health and safety to ensure that current arrangements meet statutory duties and are able to provide appropriate corporate assurance on organisational compliance. The review will require specific health & safety expertise and so it is intended that it will be completed as soon as a Health & Safety Manager is appointed.

Although there is a health & safety policy in place which covers all the key areas expected, it requires review. The audit noted some areas where updates are required to reflect current arrangements particularly in relation to management oversight and governance. Whilst audit testing noted that there is an awareness of health & safety issues, existence of risk assessments at service level etc, it was noted that mechanisms which feedback

from service areas through the management structure on health and safety arrangements and compliance are unclear.

The role of the corporate health & safety function also requires review in order to ensure that the best use is made of the corporate resource. There is a lack of internal guidance for the corporate health & safety function on key areas of responsibility including completion of health & safety audits, performance reporting and the recording and reporting on accidents, incidents and near misses. Pending appointment of the Health & Safety Manager role, current corporate health & safety activity is undertaken by the Health & Safety Supervisor. There is a risk that in his absence, without clarity over the key processes in place, it would be difficult for others to cover these tasks. The health & safety audit process, in terms of coverage, reporting arrangements and follow up requires review to ensure that the outcomes from this work are able to contribute to management assurance over the health and safety arrangements in place in their area of responsibility and to facilitate improvements in approach and process where required.

It is positive to note that there is a clear approach to all staff and manager mandatory training in relation to health & safety with reasonable completion rates. However, there is a lack of monitoring, reporting and follow up on non-completion of the required courses. Whilst it is the responsibility of individual members of staff and their managers to ensure that the required training is completed, senior management are accountable for establishing that appropriate health & safety training is taking place.

In relation to the delivery and monitoring of role specific health & safety training, progress is being made in this area with work ongoing to standardise recording processes, recording training centrally on the iTrent system which will also mean that reminders can be issued via workflow where refresher training is required. Further work is needed to ensure that all relevant training is covered, that managers are aware of what information is available in this area and on provision of assurance to senior management that role specific health & safety training in place is appropriate.

First aider and fire warden arrangements in Council buildings have been reviewed with the return to office working following the covid-19 pandemic. Health & Safety, Facilities Management and Learning & Development have worked together to ensure that there are appropriate first aid arrangements in place in Council buildings, identifying first aiders, ensuring that they are trained and that this training is up to date and that first aider payments are made as appropriate. First aider status is now recorded on iTrent which enables monitoring of training, identification of when renewal of training is required and administers first aider payments as appropriate. Work is ongoing to ensure that there is also appropriate fire warden coverage in key buildings as staff work in an increasingly agile way.

Risk Identification & Management – Corporate risk management arrangements in relation to health & safety specific risks have now been reviewed as part of a wider review of corporate risk management across the Council following the decoupling from Oxfordshire County Council. Directorate level health and safety specific risk management should also be reconsidered as part of the review of corporate health & safety arrangements discussed earlier in this executive summary.

Staff awareness of the required process for the reporting of accident, incidents and near misses requires review. Audit testing noted a low level of reporting along with one example where an accident had not been reported. Increased staff awareness of the required reporting process should help to ensure that the corporate health & safety team is made

aware of all relevant issues and can take the appropriate action to ensure compliance with statutory reporting requirements and to take preventative action to avoid reoccurrence.

Management Information & Communication – There is currently a lack of routine management reporting in relation to health & safety compliance and arrangements. Whilst historically senior management received quarterly updates, these are no longer being produced. Clarification is required on what senior management want and need in terms of assurance and reporting from the corporate health & safety function.

Review of KPI reporting completed as part of this audit noted some ambiguities in current indicators as well as some issues with the accuracy of performance reporting.

Temporary accommodation 2022/23

Overall conclusion on the system of internal control being maintained	G

SYSTEMS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions
A: Policies & Procedures	G	0	0
B: Operational Processes	G	0	0
C: Finance	A	0	4
D: Management Information	G	0	0
		0	4

Opinion: Green	
Total: 4	Priority 1 = 0 Priority 2 = 4
Current Status:	
Implemented	2
Due not yet actioned	0
Partially complete	0
Not yet Due	2

Under the Homelessness Reduction Act 2017, each local housing authority in England must provide information and advice on a number of areas, including preventing homelessness and securing accommodation when homeless. The Act goes on to state that if the authority is satisfied an applicant both is homeless or threatened with homelessness, and is eligible for assistance, reasonable steps must be taken to help the applicant secure suitable accommodation. Overall, the audit found a strong system of internal control in place to ensure this is carried out effectively.

Policies & Procedures

At a high level, the Council's Housing Strategy and Homelessness and Rough Sleeping Strategy are both up to date and accessible, setting out the Council's priorities and plans in relation to housing, and at an operational level, appropriate guidance exists within the Temporary Accommodation Team covering the management of referrals and allocation of suitable accommodation.

Operational Processes
Sample testing of 15 placements carried out as part of the audit confirmed referrals had been dealt with promptly, and it could be demonstrated consideration is given to the appropriateness and safety of placements provided. All supporting documentation could be provided upon request, including signed licence agreements in which the service user agrees to the terms and charges of the placement.

Finance
On the financial side, a review of budget performance found the service to be operating within budget, with established processes in place to closely monitor this. A variety of procurement methods were seen to be used to ensure value for money within the service, including use of a block booked hotel, social housing stock assigned to temporary accommodation, and the use of business accounts to secure discounts on hotel bookings. In practice, allocations were found to be made in line with the priority system reported to audit, utilising block booked provision (where appropriate, dependent on the service user's situation), before making spot purchased placements.

Payments to providers for the provision of accommodation were found to be accurate and timely, however some weaknesses were noted in the charging of service users, with input or formulae errors in the spreadsheet used to record, calculate, and monitor payments resulting in inaccurate charges. Service users are responsible for covering any shortfall between their assessed housing benefit and the maximum eligible amount (determined by Government allocated Local Housing Allowance (LHA) rates), however a review of the 15 sampled placements found that of the 8 in which there was a shortfall, 4 had been charged incorrectly. One of these was due to manual error, which led to an inflated shortfall and resulted in the service user being overcharged £30 for the duration of their placement (a refund is now being arranged by the team), and the other 3 were found to be a result of reassessments to housing benefit entitlement (following a placement change or receipt of new evidence) not being updated on the spreadsheet (identified overcharges/undercharges were all less than £150). As these individuals' have not paid these charges, no refunds are due. A further review of the spreadsheet identified other errors in formulae causing mis-reporting of some placement costs and of charges to service users. No eligible refunds were identified as part of this; in the instances in which service users had been overcharged, their amount owed exceeded these amounts.

In regard to debt collection, outstanding payments for 2021/22 and 2022/23 to date total approximately £14k. While the team have implemented reasonable measures to ensure this is paid, in discussion with the relevant officer, it was reported any further recovery action would not be financially viable, due to the administrative cost of chasing debts versus the likely return should the service user be reached, and repayment plans be agreed. As a procedure for writing off debt has not been established, all old debt remains outstanding on the spreadsheets.

Management Information
A review of management information confirmed data returns to the Department for Levelling Up, Housing & Communities have been submitted as required, with comparison of the latest data set against South East and National averages showing Cherwell to be

significantly below average in terms of the percentage of the population for which temporary accommodation has been required. Further review of management information showed the area is included within internal Key Performance Indicators (KPIs), with the number of households in temporary accommodation included in monthly reporting to Members and officers.

IT Disaster Recovery 2022/23

Overall conclusion on the system of internal control being maintained	A

SYSTEMS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions
IT Business Continuity	A	0	1
Corporate IT Priorities	G	0	0
IT Disaster Recovery Plans	A	0	2
Testing	A	0	2
		0	5

Opinion: Amber	
Total: 5	Priority 1 = 0 Priority 2 = 5
Current Status:	
Implemented	1
Due not yet actioned	2
Partially complete	0
Not yet Due	2

As organisations place an increasing reliance on IT systems and services to support the delivery of their key functions, it is important that disaster recovery plans are in place to respond to any major system outage. The audit has found that the council has identified its priority services and disaster recovery is in place for critical IT systems. There are some areas where disaster recovery planning can be improved, mainly around documentation and testing. Details of these are provided below.

IT Business Continuity:

For the purpose of business continuity, all service areas are required to perform a Business Impact Analysis (BIA) to identify their critical services and how quickly they need to be recovered following a major incident. We found that a BIA has not been performed for IT Services, which could result in an interruption to the delivery of their services in the event of a major incident.

Corporate IT Priorities:

The organisation's priority services were agreed as part of the corporate Business Continuity Strategy (2018) and it was used to identify all critical IT systems. Critical IT systems and their Recovery Time Objective (RTO) are also identified as part of the BIA process. All BIA's are currently being reviewed. This work is being overseen by the Business Continuity Steering Group, which includes membership from IT Services. The list of critical IT systems includes Revenue and Benefits, Planning and Building Control, Finance, HR/Payroll and Elections.

IT Disaster Recovery Plans:

There is a documented IT Business Continuity Management System (BCMS) that provides an overall framework for IT business continuity. Sitting alongside this is a separate Disaster Recovery Plan, which is a technical document for recovering critical IT systems and services that are hosted in the Microsoft Azure cloud service and managed by IT Services. The disaster recovery plan is in draft and is currently being reviewed and updated.

For technical disaster recovery, a secondary data centre is available in Microsoft Azure and located in a different geographical region to the primary data centre. The secondary data centre is where a recovery of IT systems would be performed, and our testing confirmed that critical IT systems are replicated to this data centre.

An IT Response Team has been identified and comprises of four roles, although two of these are performed by the same person and hence there is a key person dependency. Secondary officers have not been identified to fulfil the roles should any of the primary officers be unavailable and the specific responsibilities of team members are also not explicitly defined.

Testing:

The IT BCMS and Disaster Recovery Plan both acknowledge the need to carry out test exercises. To date, the testing of disaster recovery has been limited to an annual test of the Elections system. The last test was performed in April 2022, but no formal report was produced to confirm what was tested and if the objectives were met, although there is confirmation from the business area that it was successful.

A number of critical IT systems are now externally hosted by third-parties and they are responsible for performing a disaster recovery test of these IT systems. There is no formal defined responsibility for confirming that these annual tests are performed and hence a lack of assurance that recovery time objectives can be met for these IT systems.

Revenues and Benefits 2022/23

Overall conclusion on the system of internal control being maintained	G

SYSTEMS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions
Benefits/Payments (New Housing Benefit Applications)	G	0	0
Debt Recovery (Revenue)	A	0	5
Management Information & Quality Assurance	G	0	1

		0	6

Opinion: Green	
Total: 6	Priority 1 = 0 Priority 2 = 6
Current Status:	
Implemented	6
Due not yet actioned	0
Partially complete	0
Not yet Due	0

The audit of Revenues & Benefits for 2022/23 focused on the new working arrangements following the decoupling from CSN Resources, the effectiveness of the implementation of the actions agreed from the 2020/21 audit, as well as reviewing several targeted areas within the Revenue & Benefits service. This included the processing of new Housing Benefit applications, the Council Tax and Business Rates debt management process, and a review of management information and quality assurance checks.

It is acknowledged that, at the time of audit testing, there were still a number of vacancies at officer level across the service however a recent recruitment exercise has resulted in new starters beginning in September 2022 however there are still vacant posts.

There has been good progress in implementing the actions agreed in the 2020/21 audit with improvements noted in the availability of guidance for staff and prompt training provided where a risk of incorrect benefit awards has been identified. Improvements were also noted in the monitoring of arrears for Council Tax and Business Rates, providing management with timely information on recovery performance. Quality assurance checks are now in place for Housing Benefit Overpayments (HBOP) in addition to the checks carried out for Revenues and Benefits.

Benefits and Payments
Sample testing on new Housing Benefit applications found that claims had been processed both accurately and promptly. The claims sampled were all processed within the agreed KPI timescale and customers had been notified of the outcome of their claim. Appropriate verification checks on ID, based upon the risk score allocated, had been undertaken and evidence saved.

Debt Recovery (Revenue)
The audit carried out sample testing on the debt recovery process, reviewing identification of new and defaulted debt and the resulting recovery action undertaken. The process for identifying debt was found to be operating effectively, with activity in line with established timescales. Testing on the write off process, in addition to review of a sample of write offs, included review of the outcome of an exercise reviewing and resolving outstanding HBOP debt. Testing confirmed that the correct process had been followed with appropriate approvals in place for the sample reviewed.

Sample testing was also carried out on historic Council Tax and Business Rates debt, to ensure recovery action was progressing appropriately. This testing identified some examples of delays in recovery action, due in part to the absence of regular reporting to enable identification of such cases, as well as some historic system issues in which cases had been omitted from reports and so had been overlooked.

In discussion with the service, it was acknowledged that reports were not being run as regularly as required. Following this being raised during the audit, the Revenue Services Manager has implemented a work programme identifying each required report and the

frequency at which it should be run. In addition, following identification of the system issues noted, a new report showing all cases with outstanding debt has been run by the team. This is being worked through case by case by officers, to confirm there are no further exceptions similar to those identified during audit testing.

The audit also reviewed Attachment of Earnings (AoE), a debt recovery process in which deductions are made from an individual's earnings to pay their debt. It was established that as employers send AoE remittances through on an ad-hoc basis, a report should be run from Academy approximately every 4 months to highlight all AoE's where there have been no payment for 30 days so that this can be followed up. The audit identified that in the past year, the report had been run in October 2021 and February 2022, and it could not be evidenced that the lists had been fully worked through by officers. As a result, the Revenue Services Manager has now implemented an audit trail to evidence the list has been checked and actioned.

Management Information & Quality Assurance
The audit reviewed the quality checking processes in place to provide assurance on the accuracy of Housing Benefit claims processed, confirming that quality checks are taking place against set criteria for the Benefits and Revenues Teams. It was noted that the volume of quality checks in regard to the Benefits Team for April, May, and June had not been at the volume expected, reportedly due to a combination of other pressures within the team, and absence in the Systems Performance Team. Review of more recent quality checks show these have been carried out in full, with an appropriate focus on new starters and temporary staff.

Quality checks have also recently been introduced for Housing Benefits Overpayments (HBOP). A review of the checks carried out found that there is no consistent follow up to ensure amendments are made as requested. For example, one financial error picked up through the quality checks was not acted upon for 2 months. This was followed up on as a result of the audit and had resulted in an overpayment of Housing Benefit of around £400.

Follow up
The audit undertaken in 2020/21 resulted in an agreed management action plan with 9 actions to address the weaknesses identified. This audit has confirmed that 8 are fully and effectively implemented and 1 has not been implemented effectively (review of quality checking processes, with weaknesses identified as noted above), a new management action has been agreed.