Background

The table below lists systemic control weaknesses which have been identified at either or both councils (SODC and VWHDC), from the internal audit reports issued in final since 1 April 2010. The table will be reviewed and updated by the audit manager, head of finance and the strategic director (section 151 officer) on an ongoing basis, and will be used to inform the annual audit plan and the scope of individual reviews.

Definition

A systemic control weakness is defined for the purpose of this table, as a significant control weakness which has been identified across a number of operational areas.

Methodology

Every recommendation made by internal audit has been logged within a recommendation register according to an Institute of Internal Auditors control type definition, and a point system has been used - 1 point for a low risk recommendation, 2 points for a medium risk recommendation and 3 points for a high risk recommendation. The points have been totalled against each control type, and the top 10% control weaknesses have been listed as a systemic control weakness according to their

Systemic control weaknesses as at 8 March 2012

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	-		role and corporate responsibilties.	All officers/members should be trained in their	an authorising signature.	All supervisory checks should be evidenced by	information should be available.	Comprehensive and accurate management	basis.	Contractors should be monitored on a regular	information/data/items.	There should be regular reconciliation of	owned by a responsible officer.	not comprehensive, up to date and are not	Policies, procedures and guidance notes are	Systemic control weakness
			Joint		Joint		Joint		Joint		Joint		Joint			Council
			27		27		34		35		49		150			Council Rec point total
			01/08/11		08/03/12		04/01/12		04/01/12		01/08/11		01/08/11			Liet Entry Date

RECOMMENDATION LOG

Recommendations have been categorised by control type:

Supervision. Staff and activities should be adequately supervised by someone who understands the process and will detect deviations from accepted practice.

Organisation - There should be a clear organisational structure and all staff should be aware of their notes and responsibilities.

Authorisation and approval - all transactions and decisions should be authorised by a nominated officer.

Physical - There should be suitable controls over access to offices, assets, controlled stationery and computer systems.

Management - Suitable financial and operational management information should be produced, and there should be active use of exception reports, officed review and management enquiry.

Arithmetical and accounting - There should be adequate checking and re-performing, reconciliations, effective costing and processing systems and accounted accounting recorded appointments and onlying training and appraisals.

Personnel - There should be controlled appointments and onlying training and appraisals.

oints Key

Low risk recommendation

Medium risk recommendation

High risk recommendation

	Medium risk recommendation				
3	High risk recommendation				
. SUP	1. SUPERVISION RECOMMENDATIONS				
7	Recommendation Type	Audit Identified in	Council	Points P	Recommendation Point Total
1.1	ould be evidenced by an authorising	General Ledger 1112			
	signature.	Time Management 1011	SODC	2	
		Time Management 1011	VWHDC	2	
		Travel and Subsistence 1112	VWHDC		
		Treasury Management 1011	SODC	2	
		Leisure Centres 1011	VWHDC	ω	
		Car Parks 1112	SODC	2	
		Car Parks 1112	VWHDC	v _	
		Payroll 1112	SODC	_	
		Payroll 1112	VWHDC	, _	
		Waste Mgt & Recycling 1112	SODC		
		Waste Mgt & Recycling 1112	VWHDC	2	
		NNDR 1112	SODC		
		NNDR 1112	VWHDC		
		Establishment Listing 1112	SODC		
		Establishment Listing 1112	VWHDC	1	2
1.2	Control sheets should be utilised to ensure all key process	HR Grievance Procedure 1011	SODC		
	stages have been undertaken.	HR Grievance Procedure 1011	VWHDC	_	
		Treasury Management 1011	SODC	2	
		Licensing 1112	VWHDC	2	
		NNDR 1112	SODC	> -	
		NNDR 1112	VWHDC	, _	
		Car Parks 1112	SODC		_
1.3	Random spot checks should be undertaken.	Car Parks 1112	SODC	2	
		Car Parks 1112	VWHDC	2	
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1.6					
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10					

																												responsible officer.	comprehensive, up to date and are not owned by a	Recommendation Type Dulidar procedures and quidance notes are not	ANISATION RECOMMENDATIONS
Leisure Centres 1011	Stationery System 1112	Gifts and Hospitality 1112	Licensing 1112	Licensing 1112	Mortgage Administration 1011	Car Loans 1011	Cornerstone - BCP, DR and EP 1011	Treasury Management 1011	Treasury Management 1011	Travel and Subsistence 1112	Travel and Subsistence 1112	Time Management 1011	Sundry Debtors 1011	Sundry Debtors 1011	Payroll 11112	TX Recidenters To 1	LD Door import 1011	HR Recruitment 1011	HR Grievance Procedure 1011	Housing & Council Tax Benefits 1011	Housing & Council Tax Benefits 1011	Health and Safety 1011	Health and Safety 1011	General Ledger 1112	General Ledger 1112	Equalities and Diversity 1112	Equalities and Diversity 1112	Creditor Payments 1011	Capital Accounting 1011	Audit Identified in	
SODC	SODC	SODC	VWHDC	SODC	VWHDC	VWHDC	SODC	VWHDC	SODO	VWHOC	SODC	SODC	VWHDC	SODC	SOUC	VWIDO	אמווייי	SODC	VWHDC	VWHDC	SODC	VWHDC	SODC	VWHDC	SODC	VWHDC	SOUC	SODC	VWHDC	Council	
د ی	2	<u>.</u>	3×2	3×1	N	2	1×3 2	1×2	3 x 2	2 % 2	3 × 1	2×3	2	1 × v v v -	2 x 2	2 x 2	2 % 2	ა . → .	-	1×2		1 × 4	1 x 2	2 × 1	2×1	1 x 2	1 × 2			Points Point Total	Recommendation

					210
					2.8
22		SODC VWHDC SODC VWHDC VWHDC	Brown Bins 1112 Brown Bins 1112 Equalities and Diversity 1112 Equalities and Diversity 1112 Equalities and Diversity 1112 Facilities Management 1112 Facilities Management 1112		
	3×22 1 1 3 3	SODC VWHDC SODC VWHDC SODC		Adequate contracts/SLA should be in place for all partnership/supplier arrangements.	2.7
19	2 × 2 1 2 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2	VWHDC SODC VWHDC SODC VWHDC VWHDC SODC VWHDC	1112 1112 1112 11112		
2	22 -1	SODC VWHDC SODC	Health and Safety 1011 Health and Safety 1011 ICT 1011	TOR should be in place for working groups. Clear performance targets should be in place.	2.5
2 6	2 × 2 1 1 2	SODC SODC VWHDC SODC VWHDC	Payroll 1112 Travel and Subsistence 1112 Travel and Subsistence 1112 Waste Mgt & Recycling 1112 Waste Mgt & Recycling 1112 Waste Mgt & Recycling 1112		
	3 1 1 1 1 1 2 2 2	SODC VWHDC SODC VWHDC VWHDC VWHDC VWHDC	Council Tax 1112 Council Tax 1112 Council Tax 1112 Housing & Council Tax Benefits Overpayments 1011 Sundry Debtors 1011 Incessury Management 1011 Licensing 1112 Licensing 1112 Stray Dogs 1011 Cash Office 1112	All T system functionality should be fully utilised:	2.4
26	1 × 2 1 3 3 2 1 1 2 2 1 2 2 2 2 2 2 2 2 2 2	VWHDC VWHDC VWHDC SODC VWHDC	111 M1 2 2 2 112	Effective communication of work instructions.	2.3
3	2	SODC VWHDC		Appropriate IT systems should be in place.	2.2
<u>155</u>		SODC SODC WHHDC WHHDC SODC WHHDC WHHDC SODC SODC WHHDC SODC SODC WHHDC SODC SODC WHHDC SODC	Leisure Centres 1011 Ocolla/Uniform ICT Procurement 1112 Facilities Management 1112 Grounds Maintenance 1112 Grounds Maintenance 1112 Car Parks 1112 Car Parks 1112 Car Parks 1112 Planning Control 1112 Building Control 1112 Building Control 1112 Planning Fees 1112 Brown Bins 1112 Brown Bins 1112 NNDR 1112 NNDR 1112 NNDR 1112 NNDR 1112 NNDR 1112 Waste Mgt & Recycling 1112 Waste Mgt & Recycling 1112		

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и	3. AUTHORISATION AND APPROVAL RECOMMENDATIONS
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2	Recommendation Type	Audit Identified In	Council	Points	Point Total
3.1	made if appropriate authorisation	Creditor Payments 1011	SODC	N -	
		Creditor Payments 1011	VWHDC	ر د د	
	-	Treasury Management 1011	SODC		
		Treasury Management 1011	VWHDC	2 x 2	
3.2	Monetary thresholds should be introduced to govern	Creditor Payments 1011	SODC	_	
	authorisation levels.	Creditor Payments 1011	VWHDC	1	
3.3	Write offs should be undertaken in a timely manner.	Housing & Council Tax Benefits	SODC	2	
		Overpayments 1011			
		Housing & Council Tax Benefits	VWHDC	2	
		NNDR 1112	SODC	2	
		NNDR 1112	VWHDC	2	
		Sundry Debtors 1011	VWHDC	1	
3.4	Access to IT systems should be appropriate and only be		SODC	1	
	given once authorised by a relevant officer.		VWHDC	1	
		Payroll 1112	VWHDC	2	
		Pro-active Anti-Fraud 1011	VWHDC	2	
		Mortgage Administration 1011	VWHDC	ω	
		General Ledger 1112	SODC	2	
		Cash Office 1112	VWHDC	з	
3.5	Authorisation protocols should be built into IT systems to	ICT 1011	VWHDC	3	
	ensure only appropriate officers can undertake certain tasks.	Travel and Subsistence 1112	SODC	-1	
		Travel and Subsistence 1112	VWHDC	2	
3.6	An authorised signatory listing should be maintained.	Payroll 1112	SODC		
		Payroll 1112	VWHDC	_	
		Travel and Subsistence 1112	SODC	1	
3.7					
3.8					
3.9					

4. PHY	4. PHYSICAL RECOMMENDATIONS				
No	Recommendation Type	Audit identified in	Council	Points F	Recommendation Point Total
4.1	ICT back up arrangements should be adequate and tested on ICT 1011	ICT 1011	SODC	2	
	a regular basis.	ICT 1011	VWHDC	2	
	,	Cornerstone - BCP, DR and EP 1011	SODC	2 -	
		Mortgage Administration 1011	VWHDC	3	10
4.2	Documentation should be filed appropriately.	Travel and Subsistence 1112	SODC	1	
		Travel and Subsistence 1112	VWHDC	_	
		Stationery System 1112	SODC	2	
		Stationery System 1112	VWHDC	N	
		ce 1011	SODC	_	
			SODC	1 × 2	
		Grounds Maintenance 1112	SODC	2	
		Payroll 1112	SODC	3 x 2	
		Payroll 1112	VWHDC	3 x 2	23
4.3	Door codes should be changed on a regular basis.	Cash Office 1011	SODC	1	1
4.4	Financial stationary should be tocked securely at all times.	Cash Office 1011	SODC	1	1
4.5	Staff should ensure their physical environment is secure to	Cash Office 1112	VWHDC	2 -1	۰
Ī	Lensure conversations and data are appropriately contidential		SORS	2 L	
4.6	Inventory records should be held of all physical assets.	Comerstone - BCP, DR and EP 1011 Facilities Management 1112	SODO	1 ~	
		Cash Office 1112	VWHDC	N	
		Waste Mgt & Recycling 1112	SODC	ω	
		Waste Mgt & Recycling 1112	VWHDC	3	11
4.7	Adequate key controls should be in place.	Facilities Management 1112	SODC	2	
		Cash Office 1112	VWHDC	. 1	3
4.8	Physical access rights should be reviewed on a regular basis. Cash Office 1112	Cash Office 1112	VWHDC	2	. 2
4.9	Physical access rights should be terminated promptly once an General Ledger 1112 employee leaves	General Ledger 1112	SODC	2	2

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												person market.	Regular montoring meetings should be held to assess									Contractors should be monitored on a regular basis.		companion and monitoring.	Base management information should be recorded to enable	identification of anomalies	Exception reports should be produced to assist in the															STOCKE TO GRANICATIO.	Comprehensive and accurate management information should be available								Management information should be reported appropriately.	Recommendation Type	MANAGE MENT RECOMMENDATIONS
				Waste Mgt & Recycling 1112	Waste Mgt & Recycling 1112	Car Parks 1112	Car Parks 1112	Facilities Management 1112	Facilities Management 1112	Leader Project Assurance 1011	Overpayments 1011	Housing & Council Tax Benefits	Housing & Council Tax Benefits		Grounds Maintenance 1112	Grounds Maintenance 1112	Facilities Management 1112	Lapaid Calman 1011	Leisuro Contror 1011		Leisure Centres 1011	Health and Safety 1011	General Ledger 1112	waste wgr & Recycling 1112	_		Creditor Payments 1011	Waste Mgt & Recycling 1112	Waste Mgt & Recycling 1112	NNDR 1112	Equalities & Diversity 1112		Equalities & Diversity 1112	Brown Bins 1112	Grounds Maintenance 1112	Grounds Maintenance 1112	Leader Project Assurance 1011	Leisure Centres 1011	ICT 1011	Uverpayments 1011	Housing & Council Tax Benefits	Health and Safety 1011	Capital Accounting 1011 Health and Safety 1011		Gifts and Hospitality 1112	Gifts and Hospitality 1112		Travel and Subsistence 1112	Travel and Subsistence 1112	Equalities and Diversity 1112	Equalities and Diversity 1112	Audit Identified In	
			1	VWHDC	SODC	VWHDC	SODC	VWHDC	SODC	SODC		VWHDC	SODC		VWHDC	SODC	SODC		VWIE DO		SODC	SODC	VWHDC	VWIIDC	8000	VWHDC	SODC	VWHDC	SODC	SODC	VWHDC		SODC	SOLO	VWHDC	SODC	SODC	SODC	VWHDC	NA CONTRACTOR OF THE PARTY OF T	SODC	VWHDC	SODC		VWHDC	SODC		VWHDC	SODC	VWHDC	SODC	Council	
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				in.		-								35									5			2		34																22								Point Total	Recommendation

D. AK	HME I ICAL AND ACCOUNTING RECOMMENDATIONS				
2		And destilled to	Council	Doing a	Recommendation Point Total
6.1	Effective budgetary control arrangements should be in place -				
		Waste Mgt & Recycling	SODC	20 1	Un.
6.2	There should be regular reconciliation of information/data/items.	Capital Accounting 1011 General Ledger 1112	SODC	2 x 1	
		General Ledger 1112	VWHDC	2 × 2	
		Housing and Council Tax Benefits 1011	SODC	<u></u> (
		Housing and Council Tax Benefits 1011	VWHDC	_	
		Payroll 1112	SODC	ω	
		Payroll 1112	VWHDC	2	
		Sundry Debtors 1011	SODC	20 100	
		ng 1112	SODC	2	
		Waste Mgt & Recycling 1112	VWHDC	2 2	
		Brown Bins 1112	VWHDC	2 1	
			SODC	2	
		Licensing 1112 Fetablishment 1 isling 1112	SODC	0 X N	
			VWHDC	2 × 3	49
6.3	There should be regular financial reconciliations.		SODC	3	
		Mortgage Administration 1011 Car Parks 1112	SODC	2 × 2	
		Building Control 1112 Building Control 1112	SODC	v v	3
6,4	Data entry should be accurate.	111	SODC	_	
		1112	VWHDC SODC	2	o
6,5	Cases/claims/invoices should be processed in accordance with statutory and council noticy timescales		SODC	ယ	
	This security and coming pointy universities.	Housing & Council Tax Benefits Overpayments 1011	VWHDC	ω	
		edure 1011 edure 1011	SODC		
			SODC	1 × 3 2	
		Licensing 1112 Brown Bins 1112	VWHDC	<u> </u>	
			j (, N.	
		Cash Office 1112	VWHDC	2 1	22
6.6	Incorrectly paid monies should be recovered from officers/members.	Pro-active Anti-Fraud 1011 Travel and Subsistence 1112	SODC	N N	
6.7	Charges should be reviewed on a regular basis to ensure	Pest Control 1011	SODC	3	+
	costs are covered.	Grounds Maintenance 1112	SODC	_	
		Grounds Maintenance 1112	VWHDC	_	
		Brown Bins 1112	SODC	2	
		Brown Bins 1112 Waste Mgt & Recycling	SODC	2 2	
		Waste Mgt & Recycling	VWHDC	2	13
6.8	Checks should be made to ensure that correct fees are charged.	Stray Dogs 1011 Facilities Management 1112	VWHDC	<u>م</u> ا	
		Facilities Management 1112	VWHDC		
		Travel and Subsistence 1112 Travel and Subsistence 1112	VWHDC	2 × 1	
			VWHDC		
6.9	Adomit financial population to the second	Grounds Maintenance 1112	SODC	1 2	12
0.0	l Adequate financial records should be maintained.	adement 1.132	0000	L	

7. PER	7. PERSONNEL RECOMMENDATIONS				
No	Recommendation Type	Audit identified in	Council	Points	Point Total
7.1	Training records should be up to date.	Health and Safety 1011	SODC	2	
	٠	Health and Safety 1011	VWHDC	2	4
7.2	All officers/members should be trained in their role and comparate responsibilities.	Health and Safety 1011	SODC	2 × 2	
		Health and Safety 1011	VWHDC	2 X 3	
		Housing & Council Tax Benefits Overpayments 1011	SODC	_	
		Housing & Council Tax Benefits	VWHDC	_	
		Overpayments 1011			
		HR Recruitment 1011	VWHDC	1	
-		Payroll 1112	SODC	2 1	
		Payroll 1112	VWHDC	2 4	
		Travel and Subsistence 1112	SODC	2	
		Travel and Subsistence 1112	VWHDC	2	
		i reasury Management 1011	VWHDC		ì
7.3	Drofessional staff should be appropriately associated	Hookh and Safaty 1011	SODO		
	in the second se	Health and Safety 1011	VWHDC	1	2
7.4	Staffing levels should be subject to scrutiny prior to each	HR Recruitment 1011	SODC	2	
	recruitment round.	HR Recruitment 1011	VWHDC	2	
Γ		Payroll 1011	SODC	2	6
7.5	Job descriptions should be up to date.	ICT 1011	SODC	2	
		ICT 1011	VWHDC	2	
		Facilities Management 1112	SODC	2	
		Grounds Maintenance 1112	SODC	_	
		Grounds Maintenance 1112	VWHDC		
		Waste Mgt & Recycling 1112	SODC	1	
		Waste Mgt & Recycling 1112	VWHDC	1 2	12
7.6	Relevant employees should have up to date CRB checks.	Leisure Centres 1011	SODC	3	
Γ		Leisure Centres 1011	VWHDC	ယ	6
7.7	Staff performance reviews should be undertaken and	Car Parks 1112	VWHDC	1	1
7.8					
7.9					
7.10					

No	Recommendation Type	Audit Identified in	Council	Points	Council Points Point Total
8.1	A second officer should be present during a cashing up	11	SODC	3	
	process.		20HWA	3	
			SODC	-	
		Facilities Management 1112	SODC	2	
		Cash Office 1011	VWHDC	2	
8.2	Two officers should be present when opening post where	ash and Cheques	DDHMA	3	
		1011			
8.3	Adequate segregation of duties should exist for the	Facilities Management 1112	SODC	. 2	
8.4	Adequate segregation of duties should exist for purchases.	Facilities Management 1112	SODC	1	
8.5					
8.6					
8.7					
8.8					
8.9					
8,10					