

## Audit & Governance Committee Recommendations Tracking

### Recommendations (REFERRALS)

Number	Meeting Date	Item	Recommendation / Referral	To	Response
R3/11	05/10/11	(75/11)	That the audit report 'accounts receivable' be referred to the Adult Social Care Select Committee for scrutiny (with a particular focus on the finding that debts had arisen as a result of recipients of direct payments within ASC, using the money for purposes other than to meet their care needs and improvements in the dunning process).	Adult Social Care Select Committee	<p>An audit of Social Care debt was included in the 'Completed Audit reports' item on the agenda (5 April 2012) and an audit of Direct Payments is included on the 'Completed Audit Reports Item' on the 21 May 2012 agenda.</p> <p>An update on Social Care Debt was considered by the Adult Social Care Select Committee at their meetings on 4 July and 30 November 2012. The Audit &amp; Governance Committee will continue to be kept updated on the outcome of the Adult Social Care Committee's debate through the Bulletin.</p> <p>On 18 March 2013, the Chairman highlighted that the level of social care debt would be a topic for discussion when the Audit and Governance Committee looks at the Council's accounts in June 2013. A Member pointed out that the Chairman of Adult Social Care Select Committee had written to the Cabinet with regard to a spike in social care debt.</p>
R1/12	21/05/12	(36/12) Annual Governance Statement	That the Annual Governance Statement be COMMENDED to Cabinet for publication with the council's statement of accounts.	Cabinet	The Annual Governance Statement was presented to the Cabinet on 19 June 2012. The Cabinet approved the content and authorised the Leader and Chief Executive to sign for inclusion in the Statement of Accounts. The Committee will continue to monitor progress on the implementations of the actions required and report to Cabinet where appropriate.

## Audit & Governance Committee Recommendations Tracking

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R3/12	21/05/12	(38/12) Completed Internal Audit Reports	<p>The Committee recommends that the Adult Social Care Select Committee:</p> <p>Review the Direct Payments audit report and monitor the situation until the policy commitment for annual reviews of the social care needs of the recipients of direct payments is met.</p>	Adult Social Care Select Committee	<p>An officer working group reported to the Adult Social Care Select Committee on 30 November 2012. The Assistant Director for Transformation reported to the Committee that the intention was that the review process would be embedded within the Locality Teams in the future, rather than responsibility of a dedicated team. There would be a review of the Direct Payment Review team in March 2013.</p> <p>A Member Reference Group of the Adult Social Care Select Committee has also been set up to review whether AIS meets the needs of the directorate. The Group's work is ongoing.</p>

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### Recommendations (ACTIONS)

Number	Meeting Date	Item	Recommendation / Action	Action by whom	Action update
A17/12	07/04/12	Completed Internal Audit Reports (21/12)	Traffic Signal Management audit report: Data to be reported to the Committee regarding the level of collection rates.	Audit Performance Manager	An update was annexed to this tracker with the agenda papers for 21 May 2012. Members were concerned that recovery rates were still low and commented on the fact that action had only been taken on 50 cases out of the 71 recorded. It has subsequently been confirmed that the remaining 21 cases are those being actively pursued with companies, insurance companies and individuals.
A33/12	25/06/12	Completed Internal Audit reports (51/12)	An update to be provided on the recommendations made in the Highways Contract audit report.	Projects & Contracts Group Manager (Surrey Highways)	A follow up audit commenced at the end of February, with an audit report circulated in May 2013.
A36/12	25/06/12	Future of External Audit (54/12)	When the new external auditors are in place, the Committee to challenge how the estimated 40% savings will and have been met.	Committee Members	The new external auditors attended the meeting in December 2012. The new District Auditor was confident that the 40% savings could be met, based on the quality of the previous year's accounts.
A39/12	3/09/12	2011/12 Surrey County Council accounts and external audit annual governance report (63/12)	Recommended that Environment & Transport Select Committee should be considering the outcome of the MAXIMO internal audit report	Projects & Contracts Group Manager (Surrey Highways)	A six-month review of the May Gurney contract was considered by the Environment & Transport Select Committee in February 2013. Members were satisfied with the performance figures and supported proposals to improve the highways maintenance programme. A twelve-month review will be considered by the Select Committee in June 2013.

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A43/12	03/10/12	Funding Strategy Update Report (74/12)	Update to be provided on the impact of the Strategic Director for Customers and Communities working part-time with Mole Valley District Council, on the rest of CLT.	Section 151 Officer  Chairman of the Committee	<p>At the meeting in December 2012, the Section 151 Officer assured the Committee that she still had as much access to all the Strategic Directors and that the Strategic Director for Customers and Communities had been presented at all CLT meetings, since taking on the additional responsibilities at Mole Valley District Council.</p> <p>On 18 March 2013, Members queried whether the increased hours that the Strategic Director for Customers and Communities was contracted to provide as Chief Executive of Mole Valley District Council had any impact of the work she did for Surrey County Council. The Chairman agreed to ask the Chief Executive for an analysis of this point.</p>
A54/12	06/12/12	Whistleblowing update (92/12)	Babcock 4S representative to attend the meeting when the next 6 monthly whistleblowing report is presented.	Deputy Head of HR&OD	This is scheduled for September 2013.
A55/12	06/12/12	Completed Internal Audit Reports (95/12)	Further update to be provided on the recommendation that finance staff continue to develop reports for budget holders to analyse all additional payroll costs.	Chief Internal Auditor	Implementation of the Finance Dashboard would enable these reports to be developed but implementation has been delayed due to issues with the suppliers. It was expected that the Finance Dashboard would be in place for the start of the new financial year.

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A58/12	06/12/12	Risk Management Half year report (96/12)	The Chairman to write to the Cabinet Member for Environment & Transport to raise his concern about the outstanding Strategic Director risk register.	Chairman of the Committee	<p>A response was received from the Cabinet Member which read:</p> <p><i>Work has been underway since November to review and revise the 3 Service Risk Registers within the directorate. Once these are completed a revised Directorate Risk Register will be compiled. This is due to be agreed early this month. The new Directorate Risk Register will be reviewed at Directorate Management Team, Directorate Leadership Team and by myself (with DMT) on a quarterly basis.</i></p> <p>At the meeting on 21 February 2013, the Risk &amp; Governance Manager confirmed that she had not yet received the updated risk register. The Chairman subsequently wrote to the Portfolio Holder again. At the meeting on 18 March 2013, the Risk and Governance Manager confirmed that she had still not received the updated risk register.</p>
A59/12	06/12/12	Energy Purchasing Contract (99/12)	The Committee to urge the Leader to write to the Council involved to offer support to amending the terms of reference of the governance panel.	Chairman of the Committee	<p>A letter has been sent from the Leader of the Council to the Leader of the local authority in question, to make the recommendations.</p> <p>On 18 March 2013, the Chairman reported some positive soundings from the Leader of the local authority in question but no detailed response.</p>
A1/13	12/02/13	Business Planning 2013 – 2018 (4/13)	The recommendations from the 1 February Council Overview & Scrutiny Committee to the Cabinet include follow up action by the Committee (see Annex A)	Chairman of the Committee.	The details of these recommendations will be added to the Committee's forward work programme.

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A2/13	21/02/13	External Audit Progress Report (12/13)	Members asked the external auditor how reserves should be shown on the balance sheet. The Engagement Lead (Grant Thornton) explained that for long term planning decisions the holding of reserves was beneficial. He agreed to include consideration of this in the interim work undertaken by the external auditor before the final findings were reported	Engagement Lead (Grant Thornton)	Updates to be provided through the external auditor's progress reports
A3/13	21/02/13	PAMS (13/13)	The Committee to receive a further update and demonstration of the system once it is implemented	Chief Property Officer/Performance Manager	Progress check in June 2013.
A4/13	21/02/13	Completed Internal Audit Reports (14/13)	Committee recommend to Head of Corporate Purchasing that where managers are failing to follow Purchasing Card guidelines, consideration be given to removing cards from use in that department. Chief Internal Auditor and Head of Corporate Purchasing to report on progress against actions to address recommendations in the Corporate Purchasing Cards audit.	Head of Procurement & Commissioning	The Procurement & Commissioning Manager has replied that new guidelines are clear that where there are repeated failures to follow guidelines, then the user's card is withdrawn. Monitoring is in place to ensure this happens. Acceptance of new purchase card guidelines by purchase card holders and budget holders is being monitored. As of the day of the meeting, acceptance of the new guidelines stood at 62%. The new workflow approval process was due to go live on 1 April 2013. Anyone who had not accepted the new guidance by that date would have their purchase card suspended. The Chief Internal Auditor confirmed that a follow-up audit on Purchase Cards was planned for 2013/14.

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Number	Meeting Date	Item	Recommendation / Action	Action by whom	Action update
A6/13	18/03/13	Recommendations Tracker (21/13)	The Committee agreed to explore whether the expansion of Babcock 4S had any benefits for Surrey County Council with the Babcock 4S representative.	Committee	The Babcock 4S representative is due to attend the September 2013 meeting.
A7/13	18/03/13	Effectiveness Review of the System of Internal Audit (22/13)	The Committee to receive an update on progress in implementing the recommendations of the External Review of the System of Internal Audit at Surrey County Council as part of the Annual Internal Audit Report to be presented to the Committee in June 2013.	Chief Internal Auditor	The annual Internal Audit Report is to be considered in June 2013.
A8/13	18/03/13	External Audit – Audit Plan (23/13)	Grant Thornton to discuss interim findings with the Chief Internal Auditor and keep members of the Audit & Governance Committee informed.	Audit Manager/Engagement Lead (Grant Thornton)	The findings of the External Auditors will be reported to the Committee in September 2013.
A9/13	18/03/13	External Audit – Audit Plan (23/13)	Officers to arrange a briefing for members of Audit & Governance Committee in advance of the Committee reviewing the accounts in June 2013.	Chief Finance Officer	A briefing has been scheduled for 20 June 2013.

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A10/13	18/03/13	Self Assessment on Issues Raised in 'Financial Sustainability of Local Authorities' (25/13)	The Chief Finance Officer to provide the Committee with an assessment of whether the Council meets each of the best practice points listed on page 159 of the report.	Chief Finance Officer	The Chief Finance Officer is preparing an assessment as requested.
A11/13	18/03/13	Self Assessment on Issues Raised in 'Financial Sustainability of Local Authorities' (25/13)	The Committee to consider progress on the areas for improvement.	Chief Finance Officer	To be scheduled.
A14/13	18/03/13	Leadership Risk Register (28/13)	The Chief Internal Auditor to find out what controls were being applied to ensure that waste targets are being achieved appropriately and to report back to the Committee for information	Chief Internal Auditor	Officers are reviewing. Update to be provided.



## Audit & Governance Committee Recommendations Tracking

### Completed Recommendations/Referrals/Actions

#### *Recommendations – to be deleted*

A20/12	21/05/12	Recommendations tracker (31/12)	With regards to low recovery rates in cases of damage to county property, the Chairman to write to the Portfolio Holder and ask for his comments on the matter and seek assurance that relevant action was being taken to improve collection rates for damage to county property.	Chairman of the Committee	<p>Following the response to action A17/12 (above), the Chairman determined that it was no longer necessary to write to the Portfolio holder on damage to traffic signals.</p> <p>However, the Chairman has requested further information about other damage to county property. At the meeting in February 2013, the Committee agreed to invite the accountable officer to the next meeting.</p> <p>On 18 March 2013, the Projects and Contracts Group Manager tabled a briefing note providing information on the recovery of costs for damage to council property and attended the meeting to answer questions.</p>
A45/12	03/10/12	Financial Management PVR Update (75/12)	Officers to consider whether early close of schools accounts would help overcome the barrier of schools not using SAP	Deputy Chief Finance Officer	<p>At the meeting in December 2012, the Finance Manager (Assets &amp; Accounting) advised that a mini project on schools accounts closing was underway.</p> <p>A further update was provided at the meetings in February and March. Details can be found in the minutes of those meetings. The timetable for closing school accounts had been revised and it was anticipated that recent improvements would continue.</p>
A53/12	06/12/12	Recommendations tracker	Letter from Chairman to select committee chairmen about importance of internal audit reports	Chairman of the Committee.	The Chairman has written to Select Committee Chairmen on the process for handling Internal Audit reports at Select Committee and had copied in Scrutiny Officers.

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A57/12	06/12/12	Risk Management Half year report (96/12)	The Assistant Chief Executive to attend a future meeting of the Committee to talk about risk management arrangements.	Risk & Governance Manager/Assistant Chief Executive	The Chief Finance Officer is now leading on the strategic risk arrangements and will attend the meeting on 24 June 2013 for the Annual Risk Management Report.
A5/13	21/02/13	Public Sector Internal Audit Standards (15/13)	It was agreed that the terms of reference for the Committee would need to be changed to reflect the adoption of the new standards	Chairman	On 18 March 2013, the Chairman informed the Committee that he had reviewed the Public Sector Internal Audit Standards and the Audit and Governance Committee terms of reference and had concluded that there was no need for constitutional change to the Committee's terms of reference.
A12/13	18/03/13	Internal Audit Plan (26/13)	The Chief Internal Auditor to amend paragraph 22 of the Internal Audit Reporting and Escalation Policy to identify a job role rather than an individual.	Chief Internal Auditor	Completed
A13/13	18/03/13	Internal Audit Plan (26/13)	The Chief Internal Auditor to review wording in the Internal Audit Reporting and Escalation Policy to ensure Plain English is used	Chief Internal Auditor	Completed