

Internal Audit Tracker – Overdue and High Priority  
September 2024

Audit Year (Date Report Issued)	Rec Ref	Original Recommendation	Priority	Managers Original Response	Responsible Officer / Service Director	Original Imp Date	Revised Imp Date	Status Update from Management	Status
<p><b>Procurement and Contract</b> Issued January 2022</p>	3	<p>(a) Procurement Rules are revised to clarify that the Procurement team should be notified before officer's sign contracts on behalf of the Council.</p> <p>(b) The introduction of monitoring processes by marketplace contract expenditure reports and supplier expenditure reports from the general ledger would highlight high value expenditure by supplier. This would also ensure that the Procurement and Contract team is aware of the Council's signed contracts and that purchase orders are raised contract extensions.</p>	Med	<p>Amendments to the Rules can take some time to implement due to the Governance process.</p> <p>Provided access to the appropriate systems is provided, the Team will perform periodic checks (bi-annual or quarterly) to look for anomalies or high value spend, as long as resource is available within the team.</p>	Team Manager – Procurement and Contract Management	31/03/23	<p><del>31/03/24</del> 31/12/24</p>	<p><b>Jun 23:</b> (a) This change has not yet been made. The Rules were only changed in January 2022 and therefore more time is needed to formally review and amend Procurement Rules.</p> <p>(b) Procurement and Contract Development Team have used Marketplace reports to attempt to identify high value spends that require contracts and ensure they are in place. Enquiries have been made to gain access to Business Objects to obtain more accurate supplier expenditure information, however, the request has not yet been actioned.</p> <p><b>Nov 23/Jan 24/Mar/Jun/Aug 24:</b> The process of updating Procurement Rules is still to be completed. Some additional amendments are required as part of a larger piece of work to align the Council with other authorities within the Shared Procurement Service which have not yet fully been determined, and these changes will be made at the</p>	Overdue

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								same time as part of a single Governance process.	
<b>Treasury Management</b> Issued May 2022	1	Treasury Management risks and the associated control framework are detailed within the Finance Risk Register or a separate Treasury Management Risk Register. The risk and mitigating controls be linked to the CIPFA Treasury Management practice notes.  Risks need to include the absence of adequate business continuity planning arrangements.	Med	The absence of a Service Risk Register reflects the Council's current Risk Management Framework and is consistent with other services. The recommendation is supported and, at the time of responding to this report, the Corporate Risk Management Working Group is considering a range of measures designed to strengthen current Risk Management arrangements; especially the management of operational risk and is likely to recommend the widespread introduction of Service Risk Registers.	Interim Chief Financial Officer and Deputy S151 Officer & Principal Accountant.	31/12/22	30/06/23 31/03/24 31/12/24	<b>Feb/Jun 23:</b> Risk management training by Zurich is being rolled out corporately in February 2023 following which service risk registers will be developed. Treasury management risks will be included in the finance risk register.  <b>Nov 23:</b> The service risk register is currently being developed.  <b>Feb/Mar/Jun/Aug 24:</b> Management Risks and their mitigation are identified as part of the Council's Treasury Management Strategy every year and are monitored through the treasury management report to the Audit and Governance Committee. The service risk register is still to be completed.	Overdue
<b>Qualis Property Solution- KPIs and Payment Mechanisms</b> Issued June 2023	2	An independent review of Qualis Property Solutions should be commissioned, and the Service Level	High	The Housemark benchmarking report reviewed these areas, the findings from which require a further deep dive with a view to making amendments to form, function and	Interim Housing & Property Director/ Interim Head of Assets	31/03/24	31/03/25	<b>Nov 23:</b> Progress is being made on reviewing the Housemark report and drawing up an improvement action plan.  <b>Feb/Mar 24:</b> A review of the SLA is currently underway	Overdue

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		<p>Agreement (SLA) revisited.</p> <p>The review should include determining the actual proportion of standard to non-standard charges for 2021/2022 to check whether the basis of the costs in the SLA is fair.</p>		<p>process. An improvement action plan will arise from the Housemark report with items, including this, for action.</p>				<p>and involves EFDC and QPS colleagues. The price structure for 2024/25 is already in place. The revised SLA aims to set pricing structure for 2025/26 following collation of Housemark data during 2024.</p> <p><b>Jun/Aug 24:</b> A review of the SLA is in progress. The SLA will be drafted ahead of the budget setting process in the Autumn 2024 and expected to be in place for the 2025/26 financial year.</p>	
<p><b>Qualis Property Solution- KPIs and Payment Mechanisms</b></p> <p>Issued June 2023</p>	4	<p>The methodology for the determination of service credits should be agreed and applied as necessary.</p>	Med	<p>A review of the SLA is taking place via the EFDC Procurement and Contracts Management team. The review will address this recommendation.</p>	Interim Housing & Property Director/ Interim Head of Assets	31/03/24	31/03/25	<p><b>Jun/Aug 24:</b> The revised SLA will look to move away from service credits, this approach has not worked, and we will be looking at a partnered / improvement plan approach rather than a service credit. There are additional KPI's in place and greater scrutiny of performance in place.</p>	Overdue
<p><b>Qualis Property Solution- KPIs and Payment Mechanisms</b></p> <p>Issued June 2023</p>	5	<p>To successfully manage such a significant contract, the Council should ensure there is sufficient capacity assigned to the client-side function and that the staff are suitably experienced and/or trained for the</p>	Med	<p>This has already been addressed in part with the involvement of the Procurement and Contracts team with expertise in contract management. However, a longer-term solution that is resourced effectively needs to be found which will come as</p>	Chief Operating Officer/ Interim Housing & Property Director/ Acting Contracts and Procurement Director	31/03/24	31/03/25	<p><b>Jun/Aug 24:</b> The work associated AMS (Rec 1 above) has a commitment to review the resource/structure required to deliver the AMS. Within this approach, a strengthening of the client function and business analyst activity will be made. This work is being explored with a</p>	Overdue

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		role, with oversight provided by an officer with the appropriate seniority.		part of a restructure in housing assets.				new structure to be in place during 2024/25.	
<b>Qualis Property Solution- KPIs and Payment Mechanisms</b> Issued June 2023	6	To ensure expectations are met, Terms of Reference should be developed for both groups to provide a clear understanding of the roles and responsibilities of both parties.	Med	New SLAs are currently being finalised after which new ToRs can be agreed for the different levels of monitoring groups.	Interim Housing & Property Director/ Acting Contracts and Procurement Director	31/03/24	31/03/25	<b>Jun/Aug 24:</b> New SLA being developed for Housing/Asset Management. Overarching Service Level Agreement for EFDC/Qualis in place. (linked to Rec 2 above)	Overdue
<b>Qualis Property Solution- KPIs and Payment Mechanisms</b> Issued June 2023	8	The Council should introduce a qualitative measure around the resolution of complaints.	Med	This will be included as part of the review of the SLA.	Interim Housing & Property Director	31/03/24	31/03/25	<b>Jun/Aug 24:</b> New EFDC Complaints Policy and Handling Code in line with Ombudsman requirements. Further work being undertaken to ensure robust approach to learning from complaints.	Overdue
<b>Qualis Property Solution- KPIs and Payment Mechanisms</b> Issued June 2023	9	The Council should build on the networking event held with Qualis Group employees in November 2022 and consider having regular meetings between key people in the company and the Council.	Low	The Council will look to develop a joint comms plan/approach with Qualis. Culture piece also needs to be developed following on from Housemark report.	Chief Operating Officer/ Interim Housing and Property Director	31/03/24	31/12/24	<b>Jun/Aug 24</b> Joint event held in Sept 2023 of QPS and EFDC senior staff and managers to start culture building process. Commitment to follow-up work between EFDC and QPS in place, culture workshops to be commissioned. Aim for autumn 2024.	Overdue
<b>Cash and Banking</b>	1	To assist officers, and to provide a document to refer to	Med	Cash handling procedure notes are	Team Manager-Payment Solutions and	31/03/24	31/12/24	<b>Jun/Aug 24:</b> Responsibility for this has been reallocated as the officers (Team	Overdue

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<p>Issued September 2023</p>		<p>in the event of staff absence or for new staff, the Council should develop separate cash handling procedures to expand on the rules in Financial Regulations, as it currently does not have any. These should include safes procedures.</p>		<p>currently in development.</p>	<p>Accounts Payable</p>			<p>Manager-Payment Solutions and Service Manager-Customer Services) originally responsible have left the Council.</p>	
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