

**EXETER CITY COUNCIL
AUDIT AND GOVERNANCE COMMITTEE**

PROGRESS OF 2020/21 AUDIT PLAN TO DATE (3rd Quarter)

Please note that this is a summary of remedial action agreed, as to include all actions agreed from each audit report in detail would result in a lengthy document. Members may request a full copy of any report once finalised or alternatively meet with the Audit Manager to discuss specific audits further.

Audit Review	Report Status	Overall Opinion	Direction of travel since last audit	No. of Findings & Remedial Action Agreed (High Risk only)	Summary (where completed within this quarter)
IT / Strata	In progress				
Main Accounting	Final	N/A	N/A	N/A	Reported last quarter
Income Management	Final	Satisfactory Assurance	No previous audit	6 Medium	Reported last quarter
Procurement	Q3				
Creditors	Final	Satisfactory Assurance	No previous comparable audit	1 High 6 Medium 1 Low	Reported last quarter
Corporate Credit Cards	Final	Satisfactory Assurance	↓	3 Medium	Reported last quarter
Treasury Management	In progress				
Insurance	Q3				Postponed to 21/22
People Management	In progress				Postponed to 21/22
Health & Safety	Q4				Postponed to 21/22
Private Sector Landlord Services	Q3				Postponed to 21/22
Better Care Fund	Final	Substantial Assurance	↑	1 Medium	Reported last quarter
Sport England	Q3				Postponed to 21/22
Homecall	Q3/4				

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Corporate Property Assets	Final	Substantial assurance	↔	3 Medium 1 Low	<p>The Estates Services Team is part of the Corporate Property Unit and are responsible for the management of the Council's commercial and industrial property portfolio and a number of City Centre ground leases. Estates currently has more than 300 commercial properties in its portfolio. The Property Records part of the team hold the lease information and deeds of the Council's property ownership.</p> <p>In response to the Covid pandemic the Council offered commercial tenants a package of rent deferrals and concessions.</p> <p>The scope of this audit included a review of the following areas:</p> <ul style="list-style-type: none"> • Analysis on the level of income reduction for commercial rents since the start of the Covid crisis • Review of the strategies used for the collection of rent • Analysis of the effect the withdrawal of major rent grants from community/arts organisations has had on the collection of commercial rents <p>Remedial action has been agreed for all findings. The medium risk findings related to monitoring of arrears and the legal wording used on letters to tenants.</p>
Communications – social media	Q4				
Housing Benefits – student exemptions	Final	Substantial assurance	↔	0	No matters arising
Council Tax	Final	Satisfactory assurance	↔	7 Medium 3 Low	<p>Council tax is the system of local taxation used to part fund the services provided by local government. It was introduced in 1993 by the Local Government Finance Act 1992. Each residential property is allocated one of eight bands (A-H) on the basis of its assumed capital value. Each local authority sets a tax rate expressed as the annual levy on a band D property inhabited by two liable adults. This decision automatically sets the amounts levied on all types of households and dwellings.</p> <p>The scope of the audit included a review of the following areas:</p> <ul style="list-style-type: none"> • Out-of-date cheques process • Identification of new and amended properties (including completion notices) • Reconciliation of property control totals to the Valuation Office listings • Billing and liability system parameters

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					<ul style="list-style-type: none"> • Eligibility for discounts and exemptions • Bill suppressions • System access rights <p>Remedial action has been agreed for all findings. The medium risk findings related to exemptions; empty properties and bill suppressions.</p>
Sundry Debtors	In progress				
Housing – Right to buy	In progress				
Corporate Governance	In progress				
Equalities and Diversity	Q4				Postponed to 21/22
Risk Management	In progress	N/A			Work has been ongoing to assist services with review of their operational risk registers
Business Continuity Management	In progress				
Contract Management	In progress				
Commercialisation and project management	In progress				
Review of hospitality/disclosures	Q4				
Disabled Facilities Grants	Final	Substantial Assurance	↔	2 Medium 1 Low	Reported last quarter
Unplanned Additional Audit Work 20/21 and loss of audit days					
<i>The following areas of additional work have been undertaken during the year by Internal Audit, which has required some of the amendments to the plan.</i>					
Gov't Covid Business Grants – administration and award of grants	Complete and ongoing	N/A		N/A	The Audit Managers are continuing to assist the business rates team in the administration of the Covid Business Grants. One member of the team is now also assisting with the processing of the business grants.

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Covid Business Grants – post award assurance	Complete and ongoing				<p>The Government requires post award checking of the Covid Business grants. As the Audit Managers were involved in the administration process this has been allocated to another member of the audit team to provide some independence.</p> <p>The assurance work on the first grant schemes has been completed and there were no significant matters arising. The Council has adopted an effective applications process to help prevent fraudulent applications.</p> <p>Further assurance work will be required for the numerous business grant schemes that have now been implemented.</p>
Support for Leisure Contract in-house	Complete				The Audit team undertook the inventory checks at the Leisure facilities to assist with the transfer of these facilities to be run in-house following the end of the current Leisure contract with Parkwood Leisure.
Re-deployment of staff to Exeter Community Hub	Complete				Two team members were deployed to the Exeter Community Hub for 12 hours per week for the total of 9 weeks.
Furlough of staff	Complete				One member of the team was furloughed for 6 weeks (24 days lost from audit plan)
Income Compensation Scheme for lost sales, fees and charges	In progress				At the request of the Director of Finance, Internal Audit will be auditing the claims submitted to government in respect of this scheme to ensure that the claim complies with the government guidelines. The time to undertake this audit is outside of the audit plan and will be resourced by a member of staff working overtime.