

HOUSING INTERNAL CONTROLS – S151 UPDATE

Relevant Portfolio Holder	Cllr Matt Dormer
Portfolio Holder Consulted	-
Relevant Head of Service	Jayne Pickering
Ward(s) Affected	All
Ward Councillor(s) Consulted	N/A

1. SUMMARY OF PROPOSALS

- 1.1 This report provides members with the 6 monthly update for the Internal Audit reports which identified failings in the internal controls present in the Councils Housing Service. This report seeks to provide assurance to members that the actions as recommended by the auditors are being undertaken.

2. RECOMMENDATIONS

- 2.1 That Members review the actions undertaken to meet the recommendations as detailed in the Appendices.

3. KEY ISSUES

Financial Implications

- 3.1 As Members are aware as a result of Internal Audit reports in 2016/17 relating to Housing Capital and Post Contract appraisal functions a significant number of failures in contract compliance, contract management and procurement processes were identified. Following initial internal review the degree of seriousness this resulted in a number of staff being suspended. Members are advised that all employment matters relating to the staff have now been finalised.
- 3.2 The Internal Audit reports contained a number of recommendations that were to be implemented to ensure that internal processes and procedures were robust and compliant.
- 3.3 This report aims to ensure Members have assurance that all recommendations from the Audit team are being implemented within the agreed timelines.

Legal Implications

- 3.4 The Council has a number of statutory duties to fulfil as a social landlord. Officers are also required to comply with a number of corporate policies including financial regulations and contract procedure rules. The action plans as included at Appendix A and B detail the recommendations as reported to this Committee in October 2018 and an update on the actions undertaken.

Service / Operational Implications

- 3.6 Audit Standards and Governance Committee needs to be assured that the internal controls and governance arrangements that are in place ensure service effectiveness. This report seeks to provide an update within which the Council can be assured that lessons have been learned in respect of the matters identified in the internal audit findings and for the committee to support the processes that have been established to ensure robust financial conduct and internal control of the Housing Service and its associated Housing Revenue Account.
- 3.7 Key recommendations that have been implemented and are detailed in the Appendices include:
- Procurement guidelines and procedures updated
 - Comprehensive training for all staff in relation to procurement and contract procedure rules
 - Commencement of Stock Condition Survey
 - Improvements in budget monitoring
 - Improvements in contract management
- 3.8 Appendix A details the update to March 2019 for all of the actions either implemented or with a clear timeline of delivery for the Capital Programme Audit
- 3.9 Appendix B details the update to March 2019 for all of the actions either implemented or with a clear timeline for delivery of the Post Contract Appraisal Audit.

Customer / Equalities and Diversity Implications

- 3.10 The improvements as recommended within the Internal Audit reports and the recent detailed operational and structural report to Executive will ensure that tenants receive a service that is compliant, safe and delivers good customer care.

4. RISK MANAGEMENT

- 4.1 The detailed action plan contained within the operational and structural report together with the actions from the internal audit reports are included in the Councils corporate risk register and is updated on a regular basis by the management team.

5. APPENDICES

Appendix A - Housing Capital Programme
Appendix B - Post Contract Appraisal

AUTHOR OF REPORT

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