

REVIEW OF IMPLEMENTED AUDIT RECOMMENDATIONS – OCTOBER 2017

Rec Ref.	Rec No.	Recommendation	Rec Rating		Management Response	Lead Officer	Date to be Actioned	Action
2.1	1	<p>The filing system in respect of leases information and correspondence should be reviewed to enable documentation and correspondence to be retrieved on a timely basis on request.</p>	Significant	Yes	<p>The current filing arrangement is not a functioning document management system and its inadequacies are acknowledged. We will therefore be seeking guidance on the implementation of a fully functioning system as part of the IT & Digital Transformation Programme.</p>	Steve Law	Sept 18	<p>The filing system has been reviewed and structural improvements made. A programme of progress reviews has been set up and improvements will be ongoing.</p>
		<p>It should be ensured that the correspondence filed on Officer's Microsoft Outlook archives is saved to the shared network drive on a timely basis to ensure that it is readily retrievable.</p> <p>The filing of correspondence and documentation on the</p>			<p>In the meantime, a Key Documents file/folder is to be set up on the current filing system and TF containing the CV report, CV memo, copy of legal document, Finance Credit Check Request Form & periodic income request form A file note system will also be implemented to provide a summary of actions taken.</p>	Mark Salt	July 17	<p>Implemented May 17</p>

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		'Technology Forge' system should be progressed as is practical.			Officers will be reminded to save emails and other correspondence/documents to the filing system. Please note that TF is not a document management system and routine correspondence will not be filed on it, however, it will contain key documents.			
2.2	2	It should be ensured that a finance or credit check is carried out and evidence is retained of the check on all prospective tenants before a lease is agreed. A formal process should be introduced in respect of the checks carried out by the Debt Recovery Team which should include a report containing an analysis of the information in the credit report and a recommendation to the Corporate Landlord Team.	Requires Attention	Partially	A finance credit check is carried out by the Debt Recovery Team for all industrial unit lettings and a report is produced containing a summary of their findings. A copy of this report is saved on the filing system but it is accepted that this isn't always easy to find and it will be stored in the key documents folder in future. Credit checks on other lettings are usually carried out by the letting agent. Where this is done copies of credit checks will be obtained and filed in the filing system.	Mark Salt/Paul Hesp	July 2017	Implemented July 2017
2.3	3	Consideration should be given to establishing a checklist or task schedule to	Requires Attention	Yes	The Debt Recovery Team use a company called Creditsafe to undertake commercial credit	Mark Salt/Paul Hesp	August 2017	Implemented July17

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		ensure that appropriate checks are carried out on prospective tenants to assess their credit status. It is anticipated that the checks would at least include obtaining credit rating reports, details of business rates arrears, business plans, references from previous landlords etc.			checks. In consultation with the Debt Recovery Team consideration will be given to the implementation of a formal credit check proforma			
2.4	4	The format of the 'CV3 INC' forms should be reviewed and consideration should be given to a process where there is only one version of the form. Where a section is not applicable on the form in respect of a particular lease this should be indicated by the Officer completing the form. Although it is not strictly a requirement consideration should be given to allowing spaces on the form to permit authorisation by the Surveyor and the Estates Team Leader together with	Requires Attention	Partially	Consideration has been given to producing one version of the form but two forms do work from an operational perspective in differentiating between those properties which fall under the Corporate Landlord remit and those properties which are not managed by the Corporate Landlord Team. I confirm the existing forms have been amended to make provision for an authorising signature by the Surveyor, the Estates Team Leader and the Strategic Asset Manager	Mark Salt	Implemented	Implemented April 17

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		the Strategic Asset Manager.						
2.5	5	The 'Sales Ledger Periodic / Contract Income Invoice Request Form' which is provided to the Debt Recovery Team to instruct them to raise invoices to a tenant should be updated to ensure that the Debt Recovery Team are clearly informed of the deposit payable, if the deposit has already been received, who has collected the deposit and where it has been posted in the General Ledger if applicable.	Requires Attention	Yes	Officers will review the process to see why it is not working as agreed. In the meantime the Income Request Form has been updated to show who has collected the deposit and where it has been posted to in the General Ledger	Mark Salt	Sept 2017	Implemented July 17
2.6	6	The work to ensure that all leases are readily available and retrievable for all current lettings should be progressed including electronically filing copies of all leases. It should be ensured that the details in the lease including amounts chargeable and all terms	Significant	Yes	It is acknowledged that not all leases are currently available electronically but a paper copy is accessible although this does have to be retrieved manually. Leases will in future be stored electronically in TF Work is in hand to scan all of the	Jane Kenyon/ Ian Pugh	Feb 2018	This is ongoing

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		and conditions agree with the current invoices and practices. The information in Technology Forge should be updated and the lease should be filed in the system.			existing leases but due to the volume and scale of this task, this work is anticipated to take until Feb 2018 to complete.			
2.7	7	The work to ensure that the information in the database of lease details spreadsheets is complete, accurate and up to date should be progressed to enable the accurate and complete information to be transferred to the 'Technology Forge' system.	Significant	Yes	This work is ongoing and will be completed as soon as possible.	Mark Salt/Kerrie Golder	Dec 17	This work is ongoing
2.8	8	The data in 'Technology Forge' should be reviewed and brought up to date. In particular the information on the spreadsheet 'databases' of leases and properties should be reviewed against the information in 'Technology Forge' and corrections should be made as required to produce a single complete and	Fundamental	Yes	Following the implementation of the Corporate Landlord model this is work in progress	Jane/Keaton Pugh	Feb 18	A recruitment process is taking place for a Finance Support Officer, Finance Assistant and Property ICT posts to support both the improvements required on technology forge

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		accurate record of all leases and properties.						and to increase the financial resilience in managing the estate. These posts have been advertised and interviews will take place shortly.
2.9	9	The project plan in respect of the implementation of 'Technology Forge' to the 'Corporate Landlord' service should be revisited to provide a realistic time scale for the complete implementation of the project.	Requires Attention	Yes	Whilst budgets have been transferred it is recognised that supporting processes will take time to deliver and the plan will be updated to reflect this.	Leela Cottey	June 18	With the new appointment of the ERP provider conversations have taken place at director level to consider the opportunity to move the asset management data onto the new ERP. It has been confirmed that the system has an asset module and could replace the need for the separate Tech Forge system. This could yield

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								<p>very significant benefits around having all the finance, HR and property data all on the same system. Senior Management have decided to place a hold any further work on Tech Forge Cloud whilst a rapid assessment is undertaken of the ERP system to determine it has the capability and functionality to hold the asset data. This has the potential to delay the target dates in relation to Tech Forge Cloud but would have very significant benefits in respect of a number of the action plan points.</p>

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2.10	10	It should be ensured that the e-mail which is sent to the various service areas circulating the 'CV3 INC' form is retained so that it is readily available in the event of an enquiry.	Requires Attention	Yes	Implemented. All surveyors have been reminded of the process to be adopted.	N/A	Implemented	
2.11	11	Consideration should be given to raising the student accommodation invoices within the Corporate Landlord Team.	Requires Attention	Yes	This will form part of a business case to seek improved financial support for the service.	Steve Law	July 18	A recruitment process is taking place for a Finance Support Officer and Finance Assistant to increase the financial resilience in managing the estate. These posts have been advertised and interviews will take place shortly.
2.12	12	The spreadsheet of student lettings should be reviewed to ensure that all new students who have paid a deposit in the current year have a date recorded next to their date to indicate that	Requires Attention	Yes	Whilst there has been financial support, this has lacked continuity and therefore a level of detailed expertise. This will form part of a business case to seek improved financial support for the service.	Steve Law	July 18	A recruitment process is taking place for a Finance Support Officer and Finance Assistant to increase the

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		a check has been made to SAMIS to confirm payment of the deposit has been received. Any discrepancies identified should be resolved in a timely manner.						financial resilience in managing the estate. These posts have been advertised and interviews will take place shortly
3.1	13	The spreadsheet 'database' of leases taken out by the Council should be completed and checked to the agreements which the Council has with the Landlords. The information in 'Technology Forge' should be updated and reviewed against the spreadsheet 'database' of leases taken out to ensure that it is correct.	Significant	Yes	This work is ongoing and will be completed as soon as possible.	Jane Kenyon/ Ian Pugh	Dec 17	Ongoing
4.1	14	It should be ensured that evidence is retained and is readily available that the Debt Recovery Team have been instructed to raise periodic invoices in respect of a tenant. The instruction to the Debt Recovery Team should be made by	Requires Attention	Yes	Historically the CV report was the formal instruction to Finance which was implemented by Finance upon receipt of a completion memo from legal. When it was discovered that Finance were no longer acting upon CV reports an Income Request	Mark Salt	Sept 2017	Implemented July 17 The Finance Team have been consulted and they would like to continue to receive copies of

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		completing and e-mailing the 'Sales Ledger Periodic / Contract Income Invoice Request Form' to them.			<p>Form was devised which now acts as the instruction to Finance. This form is emailed to the Periodic Income Team and filed in the filing system.</p> <p>This process will be reviewed to see whether further improvements can be made and reduce any duplication of forms and information.</p> <p>The Finance Team will be consulted to see whether they still want to receive copies of the CV report.</p>			the CV report
4.2	15	The reconciliation from the spreadsheets of leased properties and units to the leases and amounts invoiced in SAMIS should be progressed and completed. There should be clear evidence on the spreadsheets that the reconciliation has been carried out and who has carried out the review. It is suggested that a screen print is obtained from SAMIS as evidence of the amounts invoiced. Any	Significant	Yes	<p>The interrogation of SAMIS is difficult to navigate & dedicated financial support is needed.</p> <p>This will form part of a business case to seek improved financial support for the service</p>	Steve Law/Tim Smith	July 18	A recruitment process is taking place for a Finance Support Officer and Finance Assistant to increase the financial resilience in managing the estate. These posts have been advertised and interviews will take place shortly

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		discrepancies discovered as a result of this action should be reviewed in a timely manner.						
4.3	16	Procedures should be introduced to verify that the lease income invoices are raised each month in SAMIS are as expected, accurate and in accordance with the terms of the agreed lease. Should it not be possible to introduce an automated process and resources are not available, consideration should be given to a risk based approach which also ensures that all invoices and properties are checked on a periodic basis.	Significant	Yes	This is a finance orientated task & will form part of a business case to seek improved financial support for the service	Steve Law/Tim Smith	July 18	A recruitment process is taking place for a Finance Support Officer and Finance Assistant to increase the financial resilience in managing the estate. These posts have been advertised and interviews will take place shortly
4.4	17	The progress made by the Sales Ledger Team towards producing arrears monitoring reports for the Corporate Landlord Team in respect of all property leases should be monitored and when made available	Significant		Recommendation for finance			

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		should be used to control the overall levels of arrears.						
4.5	18	The spreadsheet 'database' of all properties maintained by the Corporate Landlord Team should be reviewed in conjunction with the Debt Recovery Team to ensure that the spreadsheet is complete and includes all properties as expected.	Significant	Yes	<p>TF will produce a report of all properties currently leased out & this will be checked against the information held by the Debt Recovery Team</p> <p>The spreadsheet is a record of CV's. Properties "inherited" from other authorities on unitary will not therefore be included in the spreadsheet, as no CV will have been generated in Estates.</p>	Mark Salt/Paul Hesp	Sept 17	This has been discussed with Paul Hesp who advises that SAMIS lacks a reporting function which means information has to be collated manually which is not always possible or accurate and is very time consuming. In light of this the proposed action date will need to be revised. It is understood that the implementation of the new ERP will bring with it powerful reporting functionality enabling easy

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								generation of ad-hoc and scheduled management information.
4.6	19	The spreadsheet of leases taken out should be completed to indicate which service area and officer is responsible for receiving, checking and authorising invoices for payment. The spreadsheet should also be updated to provide an, 'at a glance guide,' of leases expiring and when they are due for renewal.	Significant	Partially	<p>TF should be the single complete and accurate record.</p> <p>The spreadsheet has been expanded to address current deficiencies in TF. Once TF is fully operational the database should no longer be necessary, but in the meantime, it will be expanded to include the recommendations.</p>	Mark Salt/Kerrie Golder	Sept 2017	<p>The recommendations to the spreadsheet have been implemented.</p> <p>A recruitment process is also taking place for a Property ICT Systems Support Officer post to support the improvements required on technology forge.</p>