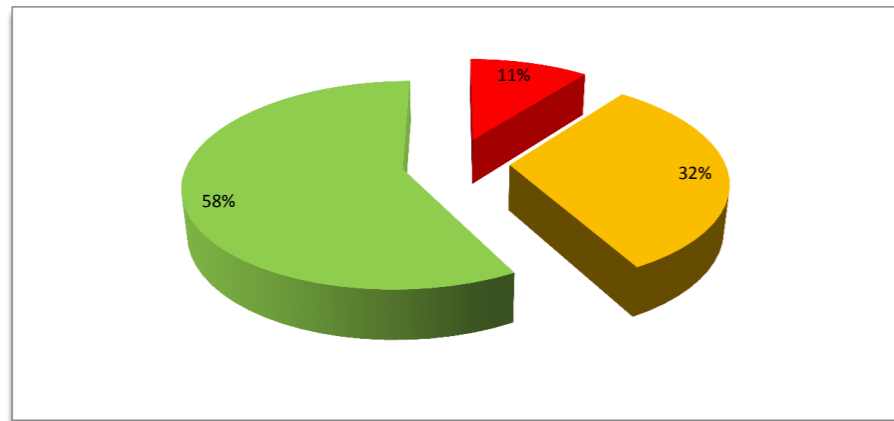
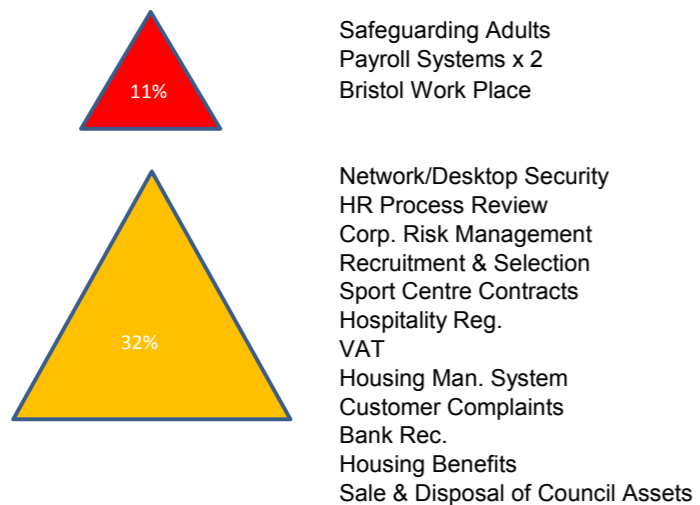
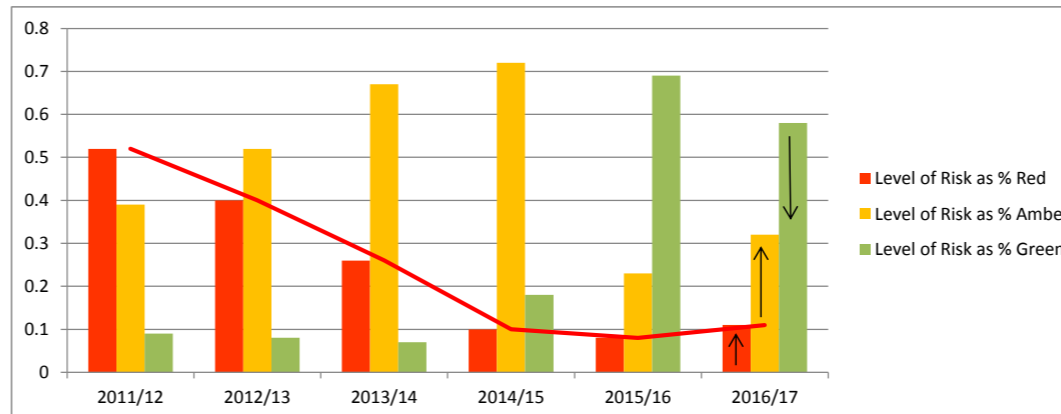


Current Level of Risk within the Control/Governance Framework (determined from the work of Internal Audit - April 2016 to February 2017)

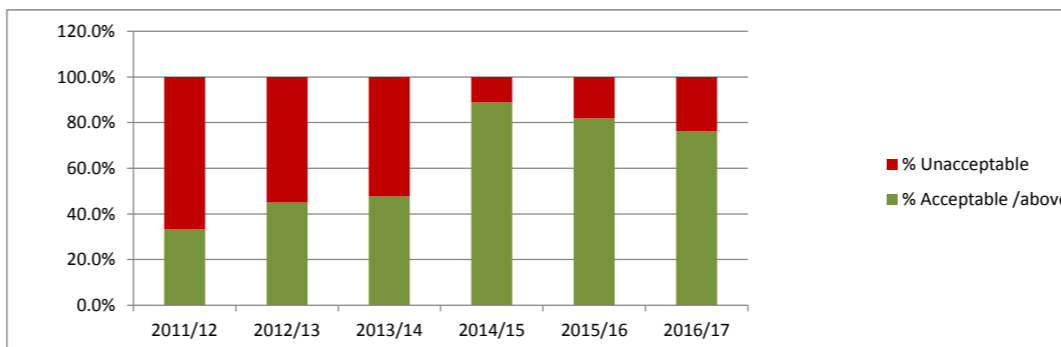
Residual Level of Risk (Figure 1):



Risk Trend (Figure 2)

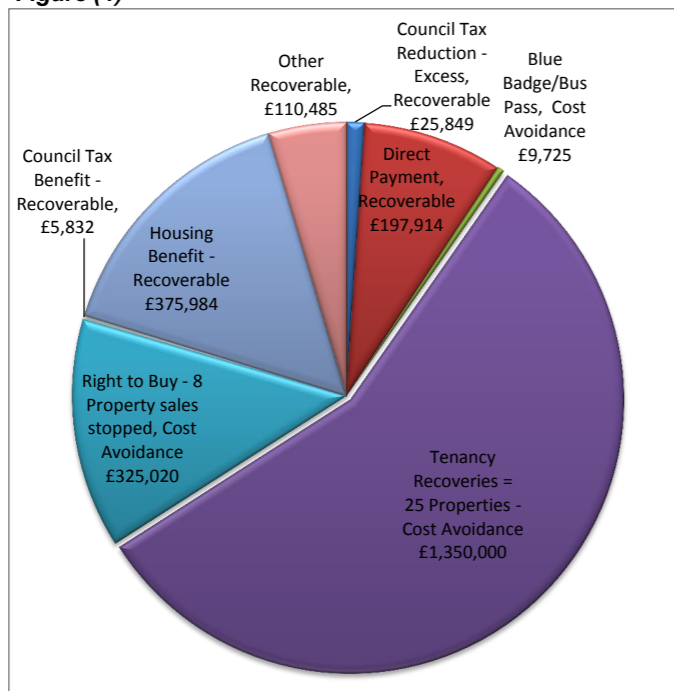


Level of Assurance to End February 2017 (Basis of HoIA Opinion) Figure (3)



Potential Recoverable Savings and Cost Avoidance Identified from Fraud and Value for Money work within Internal Audit 1st April to 31st December 2016:

Figure (4)



Type of Financial Saving 1st April to 31st December 2016

Type of Saving	Council Tax Reduction Excess	Direct Payment	Blue Badge/Bus Pass	Tenancy	Right to Buy	Council Tax Benefit	Housing Benefit	Other	Total
Overpayment	£25,849	£197,914				£5,832	£299,046		£528,641
Chargebacks - debt reinstated for recovery (Note 2)								£110,485	£110,485
Legal Costs							£7,000		£7,000
Administrative Penalties							£2,870		£2,870
Proceeds of Crime (Note 3)							£67,068		£67,068
Recoverable or Received	£25,849	£197,914	£0	£0	£0	£5,832	£375,984	£110,485	£716,064
Property Regains (25 in total) - notional saving*				£1,350,000					£1,350,000
Right to buy discounts (8 in total) stopped - notional saving**					£325,020				£325,020
Card or Badge stopped - notional saving***			£9,725						£9,725
Notional Savings	£0	£0	£9,725	£1,350,000	£325,020	£0	£0	£0	£1,684,745
Total Savings	£25,849	£197,914	£9,725	£1,350,000	£325,020	£5,832	£375,984	£110,485	£2,400,809
Weekly incorrect benefit	£82	£1,512					£700		£2,295

Source of Financial Saving

Source of Financial Saving	Council Tax Reduction	Direct Payment	Bus Pass	Tenancy	Right to Buy	CTB	HB	Other	Total
National Fraud Initiative							£25,434		£25,434

Tenancy Fraud work				£1,350,000	£325,020				£1,675,020
Other Proactive Fraud							£51,114		£51,114
Referral/Allegation		£197,914	£9,725			£5,832		£110,485	£323,956
Benefits case work	£25,849						£299,436		£325,285
	25848.87	197913.59	9725.00	1,350,000	325,020	5832.38	375,984	110,485	2,400,809

Notes:

Note 1: HB fraud is no longer investigated by Bristol City Council, whilst CTR remains our responsibility.

Housing Benefit savings have been recorded where cases have been referred to the DWP by BCC and have required input from us as DWP do not have access to our records.

The figure also includes residual prosecution cases which it was agreed the council would see through to conclusion.

Note 2: Debt that exists due to reversal of credit/debit card payments due to fraud or insufficient funds/credit not dealt with since ABW implementation. Reinstated for possible recovery as result of audit work.

Note 3: £32,208.44 has been paid and £34,860 still owed

Note 4: The WIB is the amount that was in payment each week which has now been cancelled.

Notional Savings have been calculated as follows

* Based on cost of temporary accommodation at £16,000 pa with average length of fraud being 3 years = £54,000 per property.

**Based on the discount that would have been given against the value of the property.

***Bus pass based upon the 753 transactions the card had been fraudulently used.

***Blue badge = £500 per year, saving calculated on period from cancellation to expiry.

Completed Opinion Audit Reviews as at 28th February 2017 (Table 1):

Directorate	Subject	Opinion on Level of Control	Residual level of risk on Matrix	Notes
People	Safeguarding (Adults)	Partial	Red	Issues re deprivation of liberty assessments not being completed - resourcing issue. Also safeguarding training across the Council - now being addressed
Resources	Payroll/HR System x 2	Partial	Red	Awaiting Solution
Resources	Bristol Work Place	Partial	Red	Governance issues, including overall decision making governance
Corporate	Network/Desktop Security Review - including user access admin controls & Firewall/PSN Compliance	Partial	Amber	Issues regarding PSN Certificate, lack of comprehensive list of ICT assets issued to employees, failure to deactivate user accounts of employees who have left the Council's employ.
People	HR Process Review	Partial	Amber	Acceptable level of policy compliance - but flawed decision making.
Corporate	Corporate Risk Management	Interim	Amber	Concerns re: embedding of risk and retrospective nature of registers etc. Solutions under consideration with DLT.
Corporate	Recruitment & Selection (inc Disclosure and Barring Service Checks)	Interim	Amber	Follow up in progress. DBS checks not taken place - some in critical areas. NB DBS contract is imminently due for renewal - monitor to ensure this does not lapse.
Neighbourhoods	Sports Centres Contract Monitoring/Commissioning	Acceptable	Amber	Acceptable control - but issues around financial vetting of contractor not being completed and preparedness for risk of potential failure need attention. Action plan agreed. To be followed up.
Corporate	Hospitality registers and declarations of interest	Acceptable	Amber	Issues remain with biennial Declarations process and responsibility for Hospitality Registers. Work has been completed on the Interims and transfers issues, IA testing currently to confirm resolution.
Resources	VAT	Acceptable	Amber	Issues remain with regards to the risks associated with using Spreadsheets and manual input.
Neighbourhoods	Housing Management System	Acceptable	Amber	F/U in progress - interface with ABW and adequacy of financial reporting tools.
Corporate	Customer Complaints System	Acceptable	Amber	Issues remain with regards to the data analysis to support ongoing learning from previous issues.
Resources	ABW - Bank Reconciliation & Income Manager	N/A	Amber	Reconciliations are now happening, but there remains a reliance on spreadsheet and the risks associated with them. To be monitored until year-end closedown. With a further full audit in 2017/18.
Neighbourhoods	Housing Benefits	Acceptable	Amber	Issues with overpayment recovery remain.
Place	Sale and Disposal of Council Assets	Interim	Amber	Remaining Governance issues to be resolved

Directorate	Subject	Opinion on Level of Control	Residual level of risk on Matrix	Notes
City Director	Carbon Efficiency Grant	Acceptable	Green	
Neighbourhoods	Scambuster Grant Audit	Acceptable	Green	
People	Ashley Down Primary	Acceptable	Green	
People	Cheddar Grove Primary	Acceptable	Green	
Neighbourhoods	Rogue Landlord	Acceptable	Green	
People	Knowle West EYC	Acceptable	Green	
People	Bristol Community Links 3 Hubs	Acceptable	Green	
People	Troubled Families Initiative Grant Certification Process – Complex criteria, April Certification process	Acceptable	Green	
Place	RIF (Jobs Count)	Acceptable	Green	
Place	Local Growth Fund	Acceptable	Green	
Place	RIF Grant Monitoring	Acceptable	Green	
People	Perry Court	Acceptable	Green	
Place	A403 Grant	Acceptable	Green	
Neighbourhoods	Disability Facilities Grant	Acceptable	Green	
People	Troubled Families Initiative Grant Certification Process – Complex criteria, Jan Certification process	Acceptable	Green	
People	New Fosseyway School	Good	Green	Previously 'Partial Control' but follow-up on recommendations concluded good recommendation implementat
People	St Werburghs Nursery	Good	Green	
People	St Barnabas Primary	Good	Green	
People	St Pauls EYC	Good	Green	
People	Compass Point	Good	Green	Previously 'Partial Control' but follow-up on recommendations concluded good recommendation implementat
People	Compass Point Children's Centre	Good	Green	Previously 'Partial Control' but follow-up on recommendations concluded good recommendation implementat
Neighbourhoods	NNDR Fraud or Evasion	Good	Green	