

AUDIT COMMITTEE: 28 NOVEMBER 2017

**UPDATE ON INTERNAL CONTROL ENVIRONMENT - CITY OPERATIONS
REPORT OF HEAD OF FINANCE**

AGENDA ITEM: 4.1

Reason for this Report

1. At its meeting in September 2017, the Audit Committee requested that it receive an update on governance and control in City Operations; this update was also to provide assurance on the implementation of the recommendations made by Internal Audit in the report on Highways Street Operations in 2014.

Background

2. The oral presentation to the Committee by the Director of City Operations will set out key information regarding the directorate and the challenges and key priorities it faces. The Directorate has three risks on the Council's Corporate Risk Register and the presentation will outline the ways in which these (and the Directorate risks) are managed by officers within the Directorate.
3. The Audit Committee has also asked for an update on the management of the issues raised in a previous audit report on 'Highway Street Operations'. This audit was originally undertaken in 2014 and involved a review of processes and procedures around the teams of operatives responsible for reactive highways works. The main risks were concerned with the arrangements for monitoring of operatives, in order to provide assurance of hours worked, locations attended and appropriate use of vehicles, and the recommendations made are included at Appendix A to this report.
4. A number of subsequent audit reviews have identified improvements in control and the mitigation of risk.
5. There have been a number of changes in operational and administrative processes within the Council since the original audit which have supported the Directorate with the improvements in governance and control.

Legal Implications

6. There are no legal implications arising from this report.

Financial Implications

7. There are no financial implications arising from this report.

Recommendations

It is recommended that the information in this report and the presentation are noted.

NAME: IAN ALLWOOD

DESIGNATION: HEAD OF FINANCE

DATE: 28 NOVEMBER 2017

The following appendix is attached:

Appendix A – details of audit recommendations (Highways payroll audits)