

Report to Audit Committee

Agenda
Item:

A.4

Meeting Date: 26 September 2018
Portfolio: Finance, Governance and Resources
Key Decision: Not applicable
Within Policy and Budget Framework YES
Public / Private Public

Title: INTERNAL AUDIT PROGRESS QUARTER 2 – 2018/19
Report of: CHIEF FINANCE OFFICER
Report Number: RD21/18

Purpose / Summary:

This report provides an overview of the work carried out by internal audit to the second quarter of 2018/19. The report also includes information on progress against the agreed audit plan, performance indicators and previous audit recommendations.

Recommendations:

The Committee is requested to

- (i) note the progress against the audit plan for 2018/19;
- (ii) receive the final audit reports as outlined in paragraph 2.2;
- (iii) note the progress made on audit recommendations to date outlined in Appendix 2.

Tracking

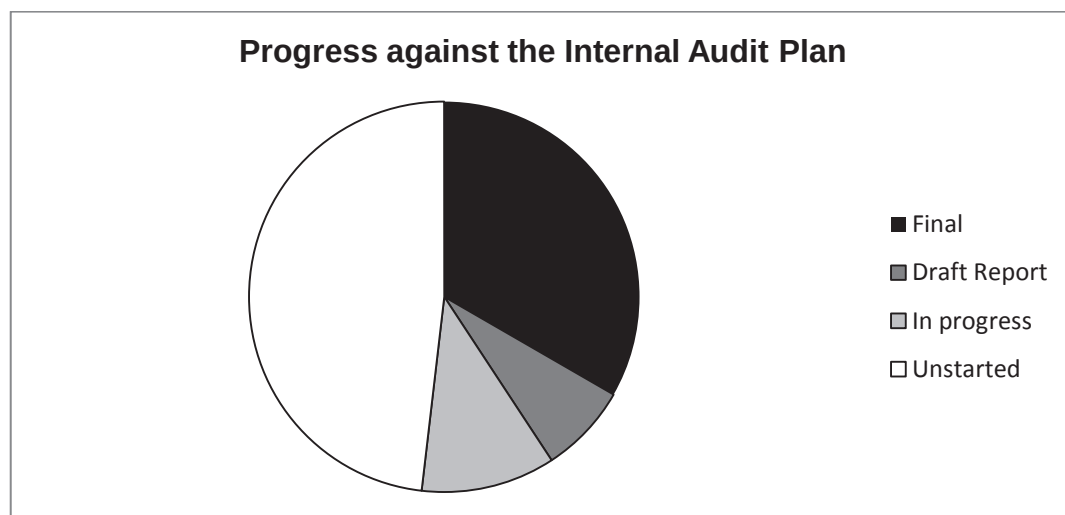
Audit Committee:	26 September 2018
Scrutiny Panel:	Not applicable
Council:	Not applicable

1. BACKGROUND INFORMATION

- 1.1 Management is responsible for establishing effective systems of governance, risk management and internal controls. It is the responsibility of management to establish appropriate arrangements to confirm that their systems are working effectively, that all information within them is accurate and that they are free from fraud or error.
- 1.2 Internal Audit's role is to provide independent assurance to senior management and Audit Committee over the adequacy and effectiveness of management's arrangements for governance, risk management and internal control.
- 1.3 This report summarises the work carried out by Internal Audit in the period from June 2018 to September 2018.

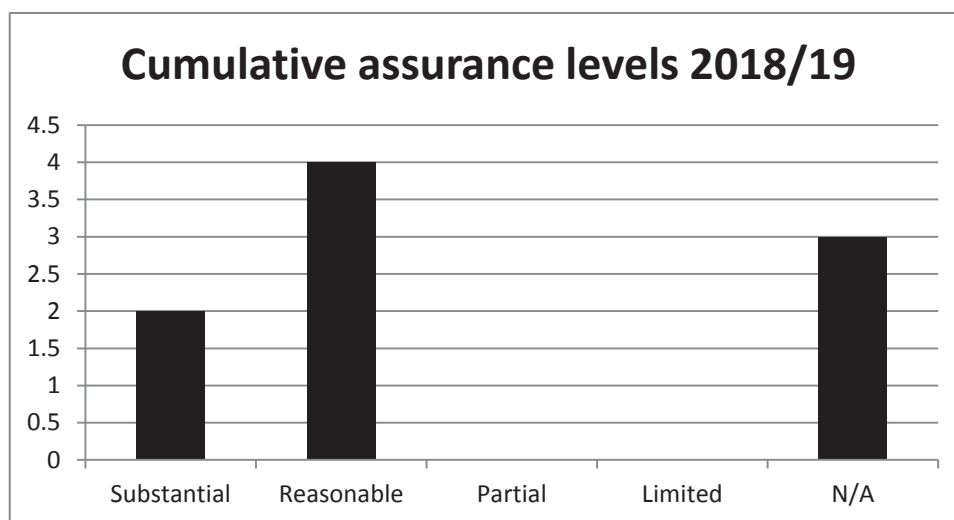
2. PROGRESS AGAINST AUDIT PLAN

- 2.1 Progress against the 2018/19 Audit plan is detailed at **Appendix 1**. Just over half the planned reviews have either been completed or are currently in progress.



- 2.2 There have been 3 full audit reviews and 1 follow-up audit reviews finalised in the second quarter.

Review Area	Assurance Level
Smarter Service Delivery	Reasonable
Noise Complaints	Substantial
Sands Centre Redevelopment	Substantial
Old Fire Station (Follow Up)	Reasonable



2.3 Internal Audit resource was also utilised on the following during Q2:

- Internal investigation following a whistle-blowing allegation relating to misuse of Council resources. The investigation was finalised in August 2018. The allegations were not upheld.

3 PERFORMANCE INDICATORS

3.1 To provide an effective internal audit service, there needs to be an effective measure of the performance it achieves. The table below shows progress against the indicators agreed for 2018/19.

Indicator	Target	Performance	Comments
Planned Audits Completed (for the full year)	95%	32%	39% to draft.
Audit Scopes Agreed	100%	100%	
Timely Draft Reports (within 3 months of fieldwork starting)	75%	100%	
Timely Final Reports (within 8 days of client response)	90%	100%	
Recommendations Agreed	95%	100%	
Assignments completed (within 10% of allocated resource)	60%	63%	
Quality Assurances Complete	100%	100%	
Positive feedback	80%	100%	
Chargeable time	80%	68%	
Recommendations implemented	No target	82%	

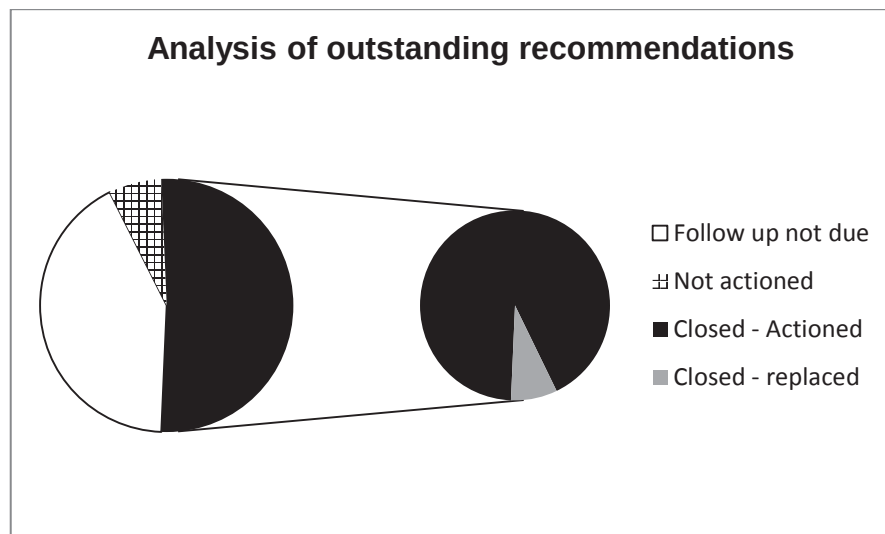
3.3 Chargeable time is also slightly under target due to a long-term sickness within the team (which is no longer ongoing).

4 AUDIT RECOMMENDATIONS

5.1 **Appendix 2** shows a summary position of outstanding audit recommendations and progress made against implementing these. Once the agreed implementation date has passed, internal audit will ask the responsible officer for an update of progress. The responses will then be reported to the next available Audit Committee meeting and, if implemented, will then be removed from the list so that only outstanding recommendations remain. Where the recommendations relate to a partial assurance audit, these will be subject to a formal follow up and will be reported back to Audit Committee separately. New recommendations will be added to the list once final reports are agreed.

5.2 The following should be noted:

- 35 recommendations were found to have been fully implemented and are now closed.
- 3 recommendations were found to have been partly implemented and have been replaced by a revised recommendation.
- 5 recommendations have not been implemented and a revised timescale for completion has been proposed.



6. RISKS

6.1 Findings from the individual audits will be used to update risk scores within the audit universe. All audit recommendations will be retained on the register of outstanding recommendations until Internal Audit is satisfied the risk exposure is being managed.

7. CONSULTATION

7.1 not applicable

8. CONCLUSION AND REASONS FOR RECOMMENDATIONS

The Committee is asked to

- i) note the progress against the audit plan for 2018/19;
- ii) receive the final audit reports as outlined in paragraph 2.2;
- iii) note the progress made on audit recommendations to date outlined in Appendix 2.

9. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 9.1 To support the Council in maintaining an effective framework regarding governance, risk management and internal control which underpins the delivery the Council's corporate priorities and helps to ensure efficient use of Council resources.

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**Appendices
attached to report:**

**Appendix 1 – Progress against Audit Plan and Timeline of
audits**

**Appendix 2 – Progress against previous Audit
Recommendations**

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS/RISKS:

Legal – In accordance with the terms of reference of the Audit Committee, Members must consider a summary of internal audit activity and summaries of specific internal audit reports. This report fulfils that requirement.

Finance – Contained within the report

Equality – None

Information Governance – None

**CARLISLE CITY COUNCIL
PROGRESS AGAINST REVISED AUDIT PLAN 2018/19**

Service Area	Review Type	Audit Area	Plan	Actual	Status	Audit Committee	Assurance Evaluation	Comments
Financial Services	Main Financial System	Internal Control Questionnaires - Non Audited Systems	2	2	Final	July 2018	N/A	
Homelessness Prevention	Funding Check	Supporting People	5	3	Final	July 2018	N/A	
Regeneration	Grant Claim	Durranhill Grant Claim	5	5	Final	July 2018	N/A	
Information Governance	Follow-up	Records Management	5	5	Final	July 2018	Reasonable	
Financial Services	Follow-up	Corporate Charge Card	3	4	Final	July 2018	Reasonable	
Council-wide	Corporate	Smarter Service Delivery	20	22	Final	September 2018	Reasonable	
Regulatory Services	Directorate	Noise Complaints	20	23	In Progress	September 2018	Substantial	
Contracts & Community Services	Directorate	Sands Centre Redevelopment	5	6	In progress	September 2018	Substantial	
Contracts & Community Services	Follow-up	Old Fire Station	7	9	In progress	September 2018	Reasonable	
Neighbourhood Services	Directorate	Refuse Collection and Recycling	20	22	Draft Report	December 2018		
Economic Development	Directorate	Heritage Cities Initiative	10	13	Draft Report	December 2018		
ICT Services	Directorate/VFM	Mobile Devices (including mobile phone VFM)	20	10	In progress	December 2018		
Revenues & Benefits	Main Financial System	Council Tax	20	9	In Progress	December 2018		
Human Resources	Directorate	Use of Casuals / Interim / Agency Workers	20	1	In Progress	December 2018		
Payroll & Personnel	Directorate	Allowances, Travel and Subsistence - Employees	20	-		December 2018		

Service Area	Review Type	Audit Area	Plan	Actual	Status	Audit Committee	Assurance Evaluation	Comments
Financial Services	Main Financial System	Creditors (including cheque control)	20	-		March 2018		
Financial Services	Main Financial System	Main Accounting System & Budget Monitoring (including MFTP)	25	-		March 2018		
Economic Development	Directorate	Project Management within Economic Development	10	-		March 2018		
Neighbourhood Services	Directorate	Garage incl. Driver checks	20	-		March 2018		
Revenues & Benefits	Value for Money	Revenues and Benefits Shared Service	10	-		March 2018		
Council-wide	Corporate	Information Governance	20	-		March 2019		
Human Resources	Directorate	Safeguarding including DBS	15	-		July 2019		
Contracts & Community Services	Directorate	Leisure Management Contract Management	20	-		July 2019		
Strategic Asset Investment	Directorate	Strategic asset management	10	-		July 2019		
Homelessness Prevention	Directorate	Homelessness Services	20	-		July 2019		
Financial Services	Hot assurance	E Purchasing - New System implementation (Consultancy)	10	-		July 2019		
Council-wide	Governance	Local Code of Conduct	5	2	Ongoing	July 2019		
TOTAL			357	136				
Follow Up (General)			18	6				
Counter Fraud			20	6				
Advice & Guidance			10	1				
General contingency			21	2				
Audit Committee (including EQA)			15	11				
Planning & Management			42	23				
OVERALL TOTAL			493	185				

Days taken as at 12th September (excludes leave and training days)

N.B Audit Committee Dates are anticipated dates final reports will be presented to Audit Committee and may be subject to change depending upon completion of audit work

Appendix 3 - Follow up monitoring spreadsheet

Key

Recommendation evidenced as actioned (Closed)
Recommendations evidenced as part actioned and replaced by new recommendation (Closed)
Recommendation not appropriate for follow up e.g. relates to one off scheme (Closed)
Formal Audit follow up scheduled
Management Statement scheduled to request evidence of implementation
Recommendation not actioned - revised timescales for implementation agreed.
Recommendation reviewed and not confirmed as actioned (no response/revised timescales have passed).

Audit Review							Assurance Level
2016/17 Mobile Device Security							Partial
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status		
Senior management should ensure that governance arrangements around information security, including the security of mobile devices are clearly defined and embedded. Consideration should be given to the points raised above.	H	Responsibility for Information Security has now been subsumed into the Business Management & Development Sub-Group which, in addition to scrutinising and challenging proposed policies, will keep proper records of its deliberations. Secondly, the Council is in the process of establishing an Information Officer post (as required from 2018 by the European General Data Protection Regulations 2016) and such post will have responsibility for ensuring that we not only have relevant policies for Information Management and Security but also for embedding good practice within the organisation.	Corporate Director of Governance & Regulatory Services	01/12/2017	Full review to be performed Q3 18/19 (inc. follow up of o/s recs)		
a) Arrangements should be put in place to launch the new information security policies with appropriate training provision. b) Arrangements should be in place to give management assurance that all relevant staff have completed required mandatory training.	H	Please see management action statement for 5.1.1 re the Information Officer post. Training will be designed and delivered once the relevant policies are established.	Town Clerk & Chief Executive	01/04/2018	Full review to be performed Q3 18/19 (inc. follow up of o/s recs)		
Senior management should clarify their intentions around mobile device usage going forwards and ensure appropriate IT support, security and training arrangements are in place.	H	The introduction of Microsoft's Office 365 and Enterprise Mobility and Security technologies will improve the security of information held on mobile devices. Along with the implementation of these technologies a new framework will be implemented at the same time. Use of Office 365 across a host of devices, coupled with meeting the demand for more flexible working will define intentions around mobile device use in the future.	ICT Services Manager	01/04/2018	Full review to be performed Q3 18/19 (inc. follow up of o/s recs)		

Audit Review					Assurance Level
2017/18 - Record Management Follow Up (H1706)					Partial
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status
Management should discuss and agree what information needs to be included within the Constitution with relation to records management and retention of records, once agreed the necessary amendments including relevant links should be agreed and made	M	Appendix F of the Financial Procedure Rules contain "guidelines" on how long documents should be held and these relate, predominantly, to important information from Financial Services' perspective. The view of the S151 Officer predominates here and the periods stipulated are still current. It is open to the Council, through its retention policy, to have other periods for different types of records. Ideally, they should dovetail and a review will be carried out to ensure that this happens. In short, it may not be appropriate to change the periods stated in the FPRs; if it is, they will.	Corporate Director of Governance & Regulatory Services	30/09/2017	Recommendation not actioned - renewed timescale agreed. Review Q4 18/19

Audit Review					Assurance Level
2017/18 - S106 Agreements (C1701)					Reasonable
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status
Following consultation with all relevant parties, procedure notes detailing the processes taken to monitor and deliver S106 agreements should be prepared. Communication processes should be included	M	To establish a procedure and communication protocol for the monitoring and delivery of S106 agreements, building on the work drafted by the Policy and Performance.	Investment & Policy Manager	01-Apr-18	Draft prepared, but more time required to finalise due to complexity of document. Revised completion date 1/1/19. Review Q4 18/19
Consideration should be given to including risks relating to S106 agreements as part of the authority's quarterly monitoring of operation risk	M	Comprise a risk register for S106 agreements which can be fed into the service areas quarterly monitoring of risks to enable appropriate action to be taken. Process to form part of the procedure and communication protocol	Investment & Policy Manager	01-Apr-18	As above - work ongoing. Revised completion date 1/1/19. Review Q4 18/19
Meetings to discuss progress of S106 agreements should be held on a more regular basis.	M	Pre-programme S106 discussion meetings at predetermined intervals to be established as a sub group of the Economic Growth Board	Investment & Policy Manager	01-Apr-18	Evidence provided that recommendation actioned - close.
A list of agreed actions arising from the meetings should be devised and maintained. The list should be designed to ensure all outstanding obligations are assigned to an officer, with a timescale for completing the various steps required. Progress against actions should be monitored on a regular basis	M	Minutes and actions to be recorded at the S106 meetings and circulated.	Investment & Policy Manager	01-Apr-18	Evidence provided that recommendation actioned - close.
Delivery of obligations should be reported to Senior Management on a regular basis	M	As it is envisaged that Action 3 will be a subgroup of the Economic Growth Board minutes and actions will be reported to that board which is chaired by the Corporate Director of Economic Development.	Investment & Policy Manager	01-Apr-18	Evidence provided that recommendation actioned - close.

Audit Review							Assurance Level
2017/18 - Talkin Tarn (D1701)							Reasonable
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status		
Documentation should be produced to support the monitoring of the Service Plans.	M	Keep notes of monitoring meetings.	Site Management Team Leader	Ongoing from publication of report	Evidence provided that recommendation actioned - close.		
The operational risk register should be reviewed and consideration given specific risks at Talkin Tarn.	M	Specific TT risks identified and added to the operational risk register	Site Management Team Leader / Neighbourhood and Greenspaces Manager	01-Feb-18	Evidence provided that recommendation actioned - close.		
Action plan should be produced and any issues highlighted at monitoring meetings should be documented and followed up.	M	Action Plan produced. Regular reviews with minuted meetings.	Site Management Team Leader / Talkin Tarn Team Room & Gift shop Manager	Ongoing from publication of report	Evidence provided that recommendation actioned - close.		
Ownership for arranging the Portable Appliance Testing should be identified and it should be organised as soon as possible.	M	Responsibility for PAT testing agreed as resting with Talkin Tarn management (Green Spaces).	Neighbourhood and Greenspaces Manager / Site Management Team Leader	Jan-18	Evidence provided that recommendation actioned - close.		
The processes in relation to the CCTV system at Talkin Tarn should be improved and documented. In addition a general review of all the procedures should be undertaken and updated to reflect the current working practices.	M	Review of CCTV operation at Talkin Tarn. Procedures updated.	Site Management Team Leader / Green Spaces Operations Manager,	01-Mar-18	Agreed corporate policy required (joint meeting arranged October 2018). Review Q4 2018/19		
The health and Safety folder should be reviewed regularly and updated as necessary.	M	H&S folder reviewed and updated	Site Management Team Leader / Health and Safety Manager	01-Mar-18	Evidence provided that recommendation actioned - close.		
All documentation holding personal information should be kept in a locked cupboard.	M	Move booking records etc. to a locked cupboard or cabinet.	Talkin Tarn Team Room & Gift shop Manager	01-Jan-18	Evidence provided that recommendation actioned - close.		
Roles and responsibilities should be documented for casual staff.	M	Roles and responsibilities identified for casual staff; consideration of temporary contracts.	Site Management Team Leader / Talkin Tarn Team Room & Gift shop Manager / HR Advisor	Commencing Feb 18	Evidence provided that recommendation actioned - close.		

Audit Review						Assurance Level
2017/18 - Public Health (E1702)						Reasonable
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status	
Quarterly management checks should be introduced to ensure the effectiveness and accuracy of information on Flare. These checks should be recorded on the system. As part of the checks management should also ensure that: -Officers record all relevant information on Flare, including premises visits, notes for all relevant action taken, results of specific tests, for example water sample results. -Correct codes are used on Flare. -An EMM form is completed as required.	M	AGA code introduced for Auditing Management checks. Principal Health and Housing Officer (PHHO) responsible for checks. Regulatory Services Manager to monthly report AGA codes for Principal to monitor checks are completed.	Regulatory Services Manager and Principal Housing Officer	15th November 2017	Evidence provided that recommendation actioned - close.	
		Inform/brief officers of the need to record correct H&S action codes	PHHO	12th December 2017 (Team meeting)		
		Review Flare reports to ensure 'check data' included for quarterly management checks – enable PHHO to target Flare records for audit checks (AGA code)	PHHO	31st December 2017		
		EMM code to be added to Flare accident record (action diary template) – officers to be informed/briefed on requirement to attach EMM	PHHO	12th December 2017 (Team meeting)		
Management should ensure that team meetings and 1 to 1's are regularly undertaken.	M	PHHO scheduled one to ones and meetings. These will be minuted / recorded. Findings of quarterly management checks to be raised at 1-1's and/or team meetings.	PHHO	43069	Evidence provided that recommendation actioned - close.	
Management should ensure that all officers are aware of the requirement to check if the Council is the responsible authority, if not the case should be passed on to the responsible authority, for example CQC (Care Quality Commission).	H	PHHO review incident recording procedure, in particular referrals to other enforcement bodies – CQC & HSE. PHHO to monitor referral process as part of quarterly management checks	PHHO	31/12/2017	Evidence provided that recommendation actioned - close.	
Management should ensure that it is possible to have a prompt within Flare to remind officers to check the Primary Authority Register to see if the business has a primary authority. This process should be documented within the relevant procedure.	M	Primary Authority Flare action diary code to be added to appropriate enforcement record templates, including accidents. This will act as a prompt to check. Amend incident recording procedure.	PHHO	31st December 2017	Evidence provided that recommendation actioned - close.	
The procedure / guidance for completing the annual return should be brought up to date to enable other officers to accurately complete the return if required.	M	LAE1 return procedure to be developed. Staff trained/briefed on the procedure.	PHHO	31st January 2017	Evidence provided that recommendation actioned - close.	
A matrix should be introduced to record the reason why a decision has been made not to go ahead with court proceedings. Details of this should also be recorded on Flare. This process should also be included in the accident and reporting procedure and the Enforcement Policy.	M	Enforcement decision matrix to be added to the Health & safety Enforcement Policy	PHHO	01/02/2018	Evidence provided that recommendation actioned - close.	

Audit Review						
2017/18 - Public Health (E1702)						
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status	Assurance Level
Management should review how sensitive information is electronically stored and restrict access where needed.	M	Only Groups responsible for Enforcement can access Environmental Health Flare. Other servers can not be further restricted. All Groups with access understand need for confidentiality. We have considered further restrictions but concluded that the disruption to good working practices will outweigh any benefit. Clean Neighbourhoods work closely with Regulatory Services on matters such as noise and fly tipping, it would not be helpful to restrict access.	Regulatory Services Manager	Review Completed	Evidence provided that recommendation actioned - close.	Reasonable
		Flare audits track officer modifications made to databases – the new version of Flare, which should be operational by April 2018, may also allow audits of documents being opened / viewed.				
		A full review of the digital storage within Regulatory Services is being undertaken and any sensitive data stored incorrectly will be moved to the N drive and coded appropriately.				
A checklist and guidance should be documented including regularly checking and replenishing of the contents of the emergency grab bag.	M	Checklist / advisory note to be developed and placed within the grab bag to remind officers to replace items used. This process will be brought to the attention of staff at the next team meeting.	PHHO	12th December 2017	Evidence provided that recommendation actioned - close.	Assurance Level
Audit Review						
2017/18 - Flexitime & Toil (B1703)						
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status	Assurance Level
The use of the Flexi bank procedures should be reviewed to ensure they are applied consistently.	M	Use of flexi bank procedures will be reviewed alongside the flexi policy and additional guidance issued to Managers and staff, if appropriate.	HR Manager	By March 2019	Management statement to be issued Q3 2018/19	Reasonable
The policy should be more specific with regards to guidance for travel for courses / training.	M	Existing guidance for travel time, expenses and mileage will be updated for Managers and staff to supplement the current Flexitime scheme.	HR Manager	By March 2019	Management statement to be issued Q3 2018/19	Assurance Level
A further report should be sent to HR when staff are continually outside of policy once it is ensured that all adjustments within the Service Support Team are processed.	M	Report will be sent out following the period end of the 15 th March 2018. Highlighted all officers outside of policy.	Service Support Supervisor	End of March 2018	Management statement to be issued Q3 2018/19	Assurance Level

Audit Review						Assurance Level
2017/18 - Arts Centre - Old Fire Station (D1701)						Partial
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status	
Management should ensure that service risks are reviewed in accordance with the Council's Risk Management Policy. When reviewed the reviewed / modified field on project server should be manually updated.	M	Key risks for the Old Fire Station are already recorded on project server in accordance with Council Risk Management policy and are reviewed quarterly along with other service risks. During the audit the most recent review of OFS risks had not included updating of the date field (which does not occur automatically). The subsequent quarterly review of these risks has updated the date field.	Contracts and Community Services Manager	01-Mar-18	Formal follow concluded recommendation fully actioned - closed.	
Management should ensure that procedures / guidance is agreed and documented for all areas of the service including areas identified within this audit review. All guidance / procedures should be dated and version controlled.	M	A number of key processes are already mapped and recorded. An internal review will be held within the team to identify a full list of processes to be recorded, and a programme of documenting these will be undertaken. Once completed all processes will be held on the OFS Intranet page and reviewed annually.	Contracts and Community Services Manager	30-Jun-18	Formal follow concluded recommendation partly actioned - replacement recommendation issued.	
Management should ensure that arrangements should be put in place to ensure that management receive regular assurance that all defects have been fixed and that statutory health and safety and building maintenance checks are being undertaken at the OFS. Management should consider how these checks and their outcomes should be documented and reviewed and that any remedial actions are undertaken.	M	Property services are establishing a corporate approach to logging and tracking defects for all internal council clients. We will ensure that all defects are logged formally within this system once it is up and running.	Senior Estates Surveyor & the	01-Mar-18	Formal follow concluded recommendation fully actioned - closed.	
		Twice yearly maintenance meetings have also be established to review defects over the 6 month period, as well as identify required health and safety and maintenance checks over the coming period. These meetings will be documented and the notes shared between Contracts and Community Services and Property Services. The first meeting has already been scheduled for March 2018.	Contracts and Community Services Manager	01-Mar-18		
Management should ensure that all event files include the appropriate risk assessment.	M	All files will be individually reviewed at the closure of each event, with any discrepancies in paperwork collated into a monthly report and submitted to the Contracts and Community Services Manager.	Contracts and Community Services Manager	01-Mar-18	Formal follow concluded recommendation fully actioned - closed.	
Management should seek advice from HR with reference to the two casual posts.	H	Advice has been sought from HR regarding the two casual posts. HR's advice will be followed in terms of recognising any employment rights casual staff have accrued (if this is the case) and if appropriate formal contracts will be established. Such liabilities can be met from within existing Old Fire Station budgets.	Contracts and Community Services Manager	01-Mar-18	Formal follow concluded recommendation fully actioned - closed.	
Management should ensure that officers declare and resolve any interests, relationships, gifts and hospitality as per the requirement in the Officers' Code of Conduct.	M	All staff have been reminded of the obligations within the Officer Code of conduct. All hospitality will be recorded when given or received.	Contracts and Community Services Manger	01-Mar-18	Formal follow concluded recommendation fully actioned - closed.	
-that the OFS team including casuals and McGrews staff has the appropriate training to carryout out their roles safely and effectively; -regular formal 1 to 1's are undertaken for the OFS team and that annual appraisals are documented and retained.	M	A training schedule is held for all casual staff with all team members currently operational having completed the relevant training.	Contracts and Community Services Manager	01-Mar-18	Formal follow concluded recommendation fully actioned - closed.	
		We will ensure that McGrew's staff complete the same basis training required of the City Council's own supervisors on a rolling programme over the next 6 months.		30-Jun-16		
		Notes of 1:1s will be formally documented via email and shared immediately with team members.		01-Mar-18		
		Team appraisals are undertaken annually, we will ensure that the document is retained appropriately.		01-Mar-18		

Audit Review							Assurance Level
2017/18 - Arts Centre - Old Fire Station (D1701)							Partial
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status		
Management should ensure there is a system in place to ensure that all appropriate officers have a valid enhanced DBS check, including McGrews staff.	M	All city council establishment staff already who undertake work at the OFS have recorded DBS checks.	Contracts and Community Services	01-Mar-18	Formal follow concluded recommendation fully actioned - closed.		
		Enhanced DBS checks have been requested immediately for casual supervisors who have not yet been DBS Checked.		01-Mar-18			
		The Contracts & Community Services Manager has confirmed that relevant McGrew's staff have had DBS checks, certificates will be held on file.		01-Mar-18			
Management should ensure that all outstanding fire issues are satisfactory resolved as soon as possible. This should include the following: -That a Fire Risk assessment is reviewed and updated by a competent person within the next few months; -That supervisors are adhering to their responsibilities at each event; -The fire alarm should be fixed to ensure that on activation everyone inside the OFS can hear it to ensure a safe evacuation can be undertaken; -OFS management are notified of any future incidents; -An accident reporting form is completed when an incident occurs and the Health, Safety & Environmental Manager notified; -Management should discuss and agree if the staff should automatically evacuate the premises if the fire alarm is activated.		A refreshed Fire Risk Assessment has been booked in with a competent provider and will be completed in the coming months.	Contracts and Community Services Manager	30-Mar-18	Formal follow concluded recommendation fully actioned - closed.		
	H	Work to recommission the fire alarm systems so the PA system is automatically disconnected, and that beacons are added to the wall, has already been commissioned. This is due for completion by the end of March 2018.		30-Mar-18			
		Staff have been reminded of the need to record alarms on a corporate incident report form as well as the fire log at the Old Fire Station. The supervisors' handbook has also been updated accordingly.		30-Mar-18			
		A refreshed evacuation procedure has already been produced which mandates that Supervisors evacuate the building whenever the alarm is activated (irrespective of if it is a known false alarm or not).		30-Mar-18			
-formal documented contract management meetings are regularly held to gain assurance that McGrew's is adhering to the agreement; -that evidence is provided to give assurance that conditions of the contract are being followed. For example: that the service providers personnel is suitably qualified, adequately trained, all comply with all of the policies of the Council, are subject to a valid enhanced disclosure check where appropriate and information is received on a timely basis. -procedures / guidance should be agreed, documented and implemented to ensure consistency between Council and McGrew's events.	M	Formal contract management meetings with the concession holder have now been diarised on a twice yearly basis in June and December (which fits with the concession holder's financial year and when his audited accounts are produced). These meetings will be formally documented. At the June meeting each year the conditions of contract will be reviewed and a list of required documents / evidence will be completed and submission requested. The December meeting will focus on a review of audited accounts.	Contracts and Community Services Manager	01-Mar-18	Formal follow concluded recommendation fully actioned - closed.		
		Updated processes are being established with McGrew's and the TIC to ensure that ticket sales are recorded consistently.		30-Mar-18			
- that ticket sales and income are accurately recorded. This should include a review of the system and documenting it to ensure consistency; - that McGrews monthly remittances are received and subsequently invoices raised on a timely basis; event files are appropriately completed and contain the required paperwork.	H	Updates to the reconciliation sheet will be accompanied with a date stamp and note for audit processes.	Contracts and Community Services Manager	01-Mar-18	Formal follow recommendation partly actioned - replacement recommendation issued.		
		The remittance frequency with McGrews will be increased to monthly to ensure more timely payment		01-Mar-18			
		As per recommendation 4 - All files will be individually reviewed at the closure of each event, with any discrepancies in paperwork collated into a monthly report and submitted to the Contracts and Community Services Manager.		01-Mar-18			

Audit Review						Assurance Level
2017/18 - Arts Centre - Old Fire Station (D1701)						Partial
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status	
Management should ensure the following: -A cash handling and cash carrying risk assessment be completed as soon as possible and guidance / procedures agreed and document; -cash is held securely in line with insurance guidelines; -a separate record is maintained of cash held; -value should be signed for when handed over or received (recommended to have a cash handling logbook); -the box office should be locked when unattended and the till key should not be left in the till; -the store cupboards should be locked when unattended; -meeting rooms should be locked when not in use.	H	A cash handling and cash carrying risk assessment has already been produced in consultation with the Health and Safety Manager. Practice and processes have been updated to reflect this assessment.	Contracts and Community Services Manager	01-Mar-18	Formal follow concluded recommendation partly actioned - replacement recommendation issued.	
Management should ensure the following: -The Opening and closing procedures should be updated and should not detail the alarm code or the access gate code. These codes should be removed from the procedures as soon as possible; -Counter terrorism procedure / guidance should be documented which should include Run-Hide-Tell and bag searches; -Security procedures / guidance should be updated, documented, agreed and implemented to cover all aspects relating to OFS; -that all applicable staff receive CCTV operational training; -CCTV procedures / guidance should be agreed and documented as soon as possible. This should also include retention of data and what the process is if someone requested a copy of or to look at CCTV footage, for example the Police if an incident occurred; -Liaise with legal to ensure that they have adequate CCTV signage displayed at the OFS; -The CCTV should be regularly checked to ensure it is all in working order; -the key holders list should be reviewed and brought up to date. All premises keys should be signed for; -Rooms and cupboards containing equipment at the OFS should be locked when not in use.	M	The opening and closing procedures have been updated and do not detail any codes for alarms or access points.	Contracts and Community Services Manager	01-Mar-18	Agreed corporate policy required (joint meeting arranged October 2018). Review Q4 2018/19	
		The supervisor's handbook now contains procedures for counter terrorism and bag searches.		01-Mar-18		
		General security procedures and guidance will be reviewed in accordance with recommendation 2.		30-Jun-18		
		CCTV operational training has already been established for core staff with a further programme of training to be established with the manufacturer.		30-Jun-18		
		A corporate approach to procedures and guidance for operating CCTV across Council premises is under development. All Old Fire Station staff will be trained in, and adhere to this guidance.		30-Jun-18		
		Guidance will be sought from legal on the signage and the signage itself will be updated in accordance with any advice given.		30-Apr-18		
		Checks of the CCTV systems will be added to supervisor's duties before each event, with faults to be reported within the event pack returned.		01-Mar-18		
		The key holder list has been reviewed and updated. All key holders are being asked to sign to acknowledge key possession.		01-Mar-18		
		All staff have been reminded of the need to keep rooms and cupboards locked. Periodic and random checks will be undertaken on this element of security with a quarterly report provided to the Contracts and Community Services Manager.		01-Mar-18		
		We will continue to pursue individual insurance policies for all acts and promoters in the immediate short term. The proposed file audit will offer assurance in this area.		01-Mar-18		
Management should ensure that a copy of the appropriate valid insurance policy is on file for each event.	M	Contracts and Community Services Manager	01-Mar-18	Formal follow concluded recommendation fully actioned - closed.		

Audit Review					
2017/18 - Arts Centre - Old Fire Station (D1701)					
Recommendation	Priority	Agreed action	Responsible Manager	Date	Assurance Level
Management should establish how Mailchimp manages the information and ensure that this complies with the Council's Data Protection Policy and Procedures and appropriate guidance / procedures should be documented.	M	Further advice will be sought from the legal team regarding the use of mail chimp immediately and in the light of GDPR.	Contracts and Community Services Manager	30-Jun-18	Partial
					Status
					Formal follow concluded recommendation fully actioned - closed.

2017/18 - IT General Controls (H1707)					
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status
We recommend that the Council provides new members of staff with information security training. In addition, members of staff should attend some information security training on a regular basis to remind them of their responsibilities regarding data and IT assets. Evidence from training attendance should be retained.	N/S	Currently, training is not of part Digital and Information Services remit. I will follow up this recommendation with our training unit.	ICT Services Manager	31-Dec-17	Management statement to be issued Q3 2018/19
Given the criticality of data accessible through Active Directory, logs of information security events (i.e., login activity, unauthorised access attempts, access provisioning activity) created by these systems should be proactively, formally reviewed for the purpose of detecting inappropriate or anomalous activity. These reviews should ideally be performed by one or more knowledgeable individuals who are independent of the day-to-day use or administration of these systems.		I have evaluated a number of products and services which would provide an automated monitoring of logs and network activity as we do not have the resources to do this manually. I will be producing a reporting for consideration by the council's Senior Management Team on how we address this issue.	ICT Services Manager	31-Dec-17	Management statement to be issued Q3 2018/19
Documented policies and procedures addressing change management processes and related control requirements (such as change testing, approvals, and documentation requirements) within Civica Authority Financials, Trent, and Academy should be established, formally approved by the appropriate members of the organisation, and communicated to relevant personnel responsible for implementing them and/or abiding by them		This had already been identified as an issue by the D&IS management team. A process to implement change control within the service will be developed and implemented.	ICT Services Manager	Not stated	Management statement to be issued Q3 2018/19

2017/18 - Payroll (F1703)					
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status
The Contract arrangements with the Community Centres should be reviewed to ensure that they reflect the full service provided by the Council, including payroll provision	M	The Contractual arrangements with the Community Centres will be reviewed and an updated agreement put in place for the provision of payroll services	Service Support Team Leader	31 st October 2018	Management statement to be issued Q3 2018/19
The personal data currently stored in an unsecure filing cabinet should be held securely and locked away when the office is empty	M	A full review of personal data held will be undertaken to ensure that there is compliance with GDPR. Secure storage will be obtained if necessary.	Service Support Team Leader	31 st March 2019 30th September 2018	Management statement to be issued Q3 2018/19

Audit Review						Assurance Level
2017/18 - Income (F1702)						Reasonable
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status	
Assisted by Finance Officers, Service Managers should document service specific income guidance to include risks, cash carrying, receiving, receipting, securely retaining income in line with insurance requirements, the banking process and the Financial Procedure Rules.	M	Finance staff will assist by drafting guidance to be issued to all departments dealing with income with instructions to tailor to individual operational requirements.	Deputy Chief Finance Officer	31/07/2018	Management statement to be issued Q3 2018/19	
The annual declaration made by officers should explicitly state they are agreeing to adhere to the Credit and Debit Card Data Management Protocol.	M	Declaration will be updated.	Deputy Chief Finance Officer	31/07/2018	Management statement to be issued Q3 2018/19	
Management should remind all officers and councillors of the following: -Cash should only be given to officers in the work place; -All cash should be banked at the earliest opportunity; -All income received should be recorded and receipted; -Cheques should be accounted for and delivered to SST on the day that they are received.	M	A reminder email will be issued to all staff & members outlining requirements for dealing with cash in accordance with the Financial Procedure Rules.	Deputy Chief Finance Officer	31/07/2018	Management statement to be issued Q3 2018/19	
Management should ensure that an additional set of safe keys for the safe within the strong room are obtained and retained in a secure location.	M	Spare keys will be obtained and secured.	Deputy Chief Finance Officer	31/07/2018	Management statement to be issued Q3 2018/19	
Management should ensure that procedures / guidance is agreed and documented for the process for granting access to ICON for new users. The process should include documented approval and reasons for access from the line manager.	M	User access requests forms will be updated to ensure authorisation is appropriate for users requiring access to icon.	Deputy Chief Finance Officer	31/07/2018	Evidence of action provided 18/7/18 - Closed	
Audit Review						Assurance Level
2017/18 - Debtors (F1701)						Reasonable
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status	
The authorised signatory list should be reviewed and updated periodically.	M	The Chief Officers Scheme of Sub-Delegation signatory lists will be sent to PA's for specimen signatures and for distribution.	Service Support Team Leader	30th Sept 2018	Management statement to be issued Q3 2018/19	
Management should develop performance indicators to measure the performance of the debtors function.	M	A new corporate performance indicator is proposed for 2018/19 (CSR13) Proportion of Debts recovered. In addition, reviews will be undertaken to: Ascertain whether a report can be written to highlight the timeliness of raising an invoice by the department To report on the cancellations by departments and the quantity and value	Service Support Team Leader	30 th Sept 2018	Management statement to be issued Q3 2018/19	
Procedures should be reviewed and updated and where necessary be available corporately for the wider users of the debtors process.	M	Procedures will be reviewed and where necessary will be shared corporately via the Intranet	Service Support Team Leader	30 th Sept 2018	Management statement to be issued Q3 2018/19	
A thorough review should be undertaken of the paper files retained by the Debtors team. Access to personal information should be suitably restricted and records that are no longer required (in line with retention policies) should be confidentially destroyed.	M	A full review of personal data held will be undertaken to ensure that there is compliance with GDPR	Service Support Team Leader	31 st March 2019	Management statement to be issued Q3 2018/19	
Processes should be established to ensure timely invoicing from the point of service provision. The process should include reporting instances of continual late processing to allow for remedial action to be identified.	M	Managers will be reminded via email of the importance of raising invoices in a timely manner	Service Support Team Leader	31 st July 2018	Management statement to be issued Q3 2018/19	

Audit Review						Assurance Level
2017/18 - Business Continuity Planning (F1701)						Reasonable
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status	
The Critical Service Recovery Plans should be reviewed to ensure they consistently include robust information and actions in line with those plans considered best practice.	M	A review of all critical services will be completed in the run up to the BCM exercise. This will ensure consistency and robustness of the information included in the plans.	Policy & Communications Manager	01/07/2018	Management statement to be issued Q3 2018/19	
The ICT elements of the Critical Services Recovery Plans and ICT disaster recovery plans need to be consistent in terms of priorities and estimated recovery timescales.	M	An ICT Disaster Recovery Plan is essential to provide a set of priorities and timescales for recovery. Once the recovery time objectives and recovery point objectives are set, they will be added to the BCM plans.	ICT Manager	01/11/2018	Management statement to be issued Q3 2018/19	
Information relevant to all Officers should be readily accessible. The existence and location of this information should be communicated to Officers	M	A new Skillsgate training module will make the relevant sections accessible to all officers.	Policy & Communications Manager	01/01/2019	Management statement to be issued Q3 2018/19	
		The roll-out of a new Sharepoint Intranet will also enable greater access to the generic BCM sections		01/03/2019	Management statement to be issued Q3 2018/19	
Members of the Crisis Management Team should be reminded of the need to retain the BCP wallet-card at all times.	M	Members of the Crisis Management Team have been reminded to retain access to the BCP wallet-card.	Policy & Communications Manager	01/04/18.	Management statement to be issued Q3 2018/19	
		Completed through Management Briefing Meeting and circulation of Notes (April 2018)			Management statement to be issued Q3 2018/19	

Audit Review						Assurance Level
2018/19 - Records Management (H1801)						Reasonable
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status	
Once the Information Governance Policy and Procedures have been formally approved they should be placed on the intranet and distributed to all officers and members.	M	An Information Governance Framework (Policies and procedures) is being prepared. Once approved this framework, which will include an updated Records Management Policy, will be placed on the intranet or a Data Protection SharePoint Site.	Information Governance Manager	30/06/2018	Management statement to be issued Q3 2018/19	
Once all policy documents are approved, Management should review what updates need to be made to the Constitution in relation to information governance.	M	The Finance Retention Schedule has been reviewed, this will inform the review of the in the Financial Procedure Rules Retention Schedule in the	Chief Finance Officer/Deputy	31/07/18/	Management statement to be issued Q3 2018/19	
Management should ensure service managers are aware of the importance of reviewing and preparing a retention schedule and disposal log prior to the new GDPR regulation which comes in to force in May 2018.	M	The quarterly performance report will include indicators for retention schedules and disposal logs until 100% are complete. The End of Year Performance Report has included on update on compliance. This will be repeated in the Quarter 1 Report.	Policy & Communications Manager	08/05/2018	Management statement to be issued Q3 2018/19	
				01/07/2018		

Audit Review					Assurance Level
2018/19 - Corporate Charge Card (H1802)					Reasonable
Recommendation	Priority	Agreed action	Responsible Manager	Date	Status
Card holders should sign a declaration to confirm their adherence to the credit card procedures (including ensuring only they use the card and that the suitable supporting documentation is obtained and completed).	H	A declaration form will be prepared and issued to all card holders to sign. This will be updated annually.	Deputy Chief Finance Officer	30/06/2018	Management statement to be issued Q4 2018/19
Card usage should be independently spot checked to ensure procedures are being adhered to.					