

Open

NORTH DEVON COUNCIL

Report Date: 8th March 2022

Topic: **AUDIT RECOMMENDATION TRACKER**

Report by: CHIEF EXECUTIVE

1 Introduction

1.1 This is the regular progress report to the Committee in relation to action taken to address internal and external audit recommendations.

2 Recommendations

2.1 That the Committee note the actions that have been taken to address identified risks since the 16th November 2021 Governance Committee meeting.

2.2 That the Committee raises any areas of concern arising from the list of outstanding recommendations.

3 Reasons for Recommendations

3.1 To give assurance to the Committee that audit recommendations are being actively managed, and to give the Committee a full opportunity to review any areas of concern.

4 Report

4.1 SMT has reviewed the high and medium risk audit recommendations to assess progress and instigate any required actions.

4.2 Since the last meeting the number of recommendations has risen to 1,314.

Table A) Live Audit Reports, Status & Numbers



















Code	Title	Status	Progress	High Risk	Medium Risk	Low Risk
16 PL	Planning Applications 2015/16	 In Progress	83%	0	3	0
17 SRR	Security Review Report 2017/18	 In Progress	98%	4	5	0
19 GDPR	General Data Protection Regulations 2018/19	 In Progress	92%	0	0	7
20 BC	Business Continuity 2018/19	 In Progress	77%	3	1	0
20 FB&E	Fraud, Bribery & Ethics 2018/19	 Overdue	86%	0	5	1
20 CC	Cash Collection 2020/21	 In Progress	75%	2	2	0
20 CG & RM	Corporate Governance & Risk Management 2020/21	 Overdue	92%	6	2	0
20 MCS&BC	Main Accounting System & Budgetary Control 2020/21	 In Progress	50%	1	1	0
20 C	Creditors	 In Progress	53%	0	3	0
21 SC-19 O	Safe Covid-19 Operations 2020/21	 In Progress	84%	2	5	0
21 CSM&R	Cyber Security – Malware & Ramsonware April 2021	 In Progress	39%	8	9	3
21 Pro	Procurement 2020/21	 In Progress	48%	0	7	1
21 PO	Parking Operations 2020/21	 In Progress	26%	2	0	0
21 CCG	Climate Change Governance	 In Progress	60%	0	3	1
21 D	Debtors August 2021	 In Progress	60%	0	2	3
21 P	Payroll 2020/21	 In Progress	68%	0	9	6
21 H&S	Health & Safety 2021/22	 In Progress	20%	0	7	2
22 C	Creditors 2021/22	 In Progress	0%	0	0	1

Table B: Audit recommendations setting completed since the last Audit Committee

Recommendation	Closure Note	Original Due Date	Completed Date
Mental Health First Aiders	We now have 3 fully qualified MH First Aiders and a further 4 employees MH awareness trained. Further employees may be trained at a later date a communications plan now underway.	30-Jun-2021	25-Jan-2022
20 BC 01 Update of the Business Continuity Plan & Policy	Business Continuity Management Policy and Implementation Plan was signed off on 17 January 2022 by SMT. Saved under Corporate Drive under Business Continuity and is uploaded to Resilience Direct.	31-Mar-2021	09-Feb-2022
20 CC 04 Contingency Plan for Cash Collection	ICT comments have been included in contingency plan and action plan has been identified	31-Mar-2021	03-Dec-2021
20 P 01 Expense Policy Review	Expenses policy has been reviewed by Finance and HR. Only minor changes. Policy will be reviewed again when further ESS modules are added	31-Dec-2020	03-Dec-2021
21 BCFU 01 Update the Implementation Management Plan	An Implementation Management Plan was signed off by SMT on the 17 January 2022 and is found on the Corporate Drive under Business Continuity and additionally this has been uploaded onto Resilience Direct.	31-Oct-2021	09-Feb-2022

<p>21 BCFU 02 Identify & Focus on the Key Priority 1 Services</p>	<p>A business continuity lead for each service area has been identified by the senior management team. These officers have completed Business Impact Analysis and Risk Assessment templates for each service area.</p> <p>Each service area has identified their priority services and reported MTPD (Maximum tolerable period of disruption), IT dependencies, External contractor dependencies, single points of failure and whether there is a BC solution in place.</p> <p>The results from these BIA's are being collated and a list of the organisations top priority functions will be presented to Senior Management (before Christmas). An initial list has already been provided to IT and we are looking at having the final list confirmed before Christmas. Once agreed these results will inform audit recommendation 1, 5 (DR Plan), 7 & 8.</p>	<p>31-Aug-2021</p>	<p>15-Sep-2021</p>
<p>21 BCFU 03 Undertake Risk Assessments of those Priority 1 Services</p>	<p>Steps have been taken to identify service specific risks that might impact on the delivery of priority services. These risks have been identified and recorded within the BIA/RA templates and where appropriate measures have been taken to reduce service specific risks. These RA's will be used to inform future business continuity arrangements.</p>	<p>31-Oct-2021</p>	<p>15-Dec-2021</p>
<p>21 BCFU 04 Focus on Cross Cutting Themes</p>	<p>A Crisis Comms Plan was signed off by SMT on the 31 January, and is found under Business Continuity under the Corporate Drive and has been uploaded to Resilience Direct. The Council has identified cross cutting functions, for example IT dependencies, as part of the BIA process. The Council activated the Harbour BC Plan during the oil spill contingency exercise taking place on the 8 December 2021 to identify interdependencies.</p>	<p>31-Dec-2021</p>	<p>09-Feb-2022</p>
<p>21 BCFU 05 Put appropriate focus on ICT</p>	<p>We commissioned a highly recommended supplier to carry out a cyber-scenario with our Senior Management Team and our Leader and also with our ICT Team to test how we would respond should such a risk be realised. They said our response was very good and will now provide us with a playbook at will leave as with an improved response plan.</p>	<p>30-Nov-2021</p>	<p>15-Dec-2021</p>

21 BCFU 06 Consider the Role of Media and Communications	A Crisis Communications Framework was signed off by SMT on the 31 January 2022. This framework identifies how the Council will maintain communications during a major incident or business disruption. The framework also covers the role of NDC Comms Team and their responsibilities under the Civil Contingencies Act 2004 to warn and inform the general public.	31-Dec-2021	09-Feb-2022
21 BCFU 07 Identify Key Contractor Services	<p>Steps have been taken to identify what priority services have a reliance on key external contractors (see BIA's) (Completed).</p> <p>Further work is required to gain assurances from these suppliers. In addition work is needed to ensure there is a standardised process across the NDC for identifying key contractors and considering business continuity risks during procurement. The EPO intends to have a further conversation with procurement & legal to identify supply chain due diligence requirements in the new year.</p>	31-Aug-2021	15-Dec-2021
21 BCFU 08 Identify Single Points of Failure	Single points of failure for all priority services have been identified and where possible training or external providers have been identified to increase resilience. SPF were identified on the BIA/RA template.	31-Oct-2021	15-Dec-2021
21 BCFU 09 Consider the Impact of Covid-19 on Operations	<p>A further debrief of the IMT and new members of SMT was carried out in November 2021. All members of SMT were asked to complete a feedback form drawing on their/Teams experiences since the last debrief of COVID19 as well as other concurrent events (Flooding, Forth Bridge, Ruda Caravan Site) in order to identify things that went well and areas for improvement. The feedback underwent thematic analysis and four main themes were identified "organisational agility", "Communication", "Safety Measures" and "Staff Resilience and Homeworking"</p> <p>Recommendations from the previous debrief were closed down where appropriate and a system has been put in place to ensure future actions are tracked to completion.</p>	31-Dec-2021	15-Dec-2021
21 CCG 01 A programme of reports will be considered by the S&R Committee to address all the issues raised & move	A new Environmental Policy was adopted in October 2021	31-Oct-2021	03-Nov-2021

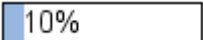
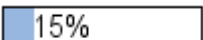
the organisation to best practice. Oct 2021 adopted of a new Environmental Policy			
21 CCG 02 Align CAT meetings with S&R dates so that CAT feeds into S&R more effectively with clear governance	This has been implemented	31-Oct-2021	03-Nov-2021
21 CCG 03 Include Climate Change as a risk on the CRR with these new risks being considered by the Council's Risk Management Group in October	Climate Risk has now been included on the Corporate Risk Register	31-Oct-2021	03-Nov-2021
21 CSM&R 06 Review & update the staff induction presentation as an e-learning module to include the latest guidance & recent incidents.	Information Security presentation updated and delivered as part of the induction process. This presentation was recorded and made available on the NDC YouTube channel	31-Mar-2022	08-Feb-2022
21 CSM&R 09 Review the edge firewall rules & attach an AV-Profile where the rule could be exploited in a malware attack.	<p>The Edge firewall rules have been reviewed and Anti-Virus (AV) has been enabled on all of the rules that allow traffic to the internal network – except for the rules that allow AV update traffic to the Anti-Virus server (the Firewall AV could block the End Point AV patterns).Edge -> Internal 58 rules (3 without AV – not counting DENY rules) 5% without AV 95% with AV</p> <p>Pannier Market -> Internal 4 rules (0 without AV) 0% without AV 100% with AV</p> <p>CCTV -> Internal 8 rules (0 without AV) 0% without AV 100% with AV</p> <p>Castle Lodge -> Internal 4 rules (0 without AV) 0% without AV 100% with AV</p> <p>Harbour -> Internal 15 rules (0 without AV) 0% without AV 100% with AV</p> <p>Total 89 rules pointing to internal network – 3.3% without AV enabled.</p>	30-Sep-2021	29-Nov-2021




21 CT&NNDR 01 Copy of Review & update the undated Debt Recovery Policy to incorporate the current council priorities referencing the Debt Respite Scheme	The Debt Recovery Policy has now been revised and updated. This updated version has been placed on the NDC website.	30-Sep-2021	01-Feb-2022
21 D 01 Disparity between user access rights & abilities shown upon the Debtors System User List 280721 & The Financial Systems Authorised User List - Resoures needs investigation & rectification	All Governance users now have the correct system access as signed of by the HoS. This review will now be undertaken in all service areas and updated quarterly	30-Nov-2021	03-Dec-2021
21 D 03 Legal Services to review their debts with immediate effect plus reintroductions of regular meetings with budget holders including debt recovery	Meeting have been held between Finance and Legal to review all outstanding debts. New process have been agreed, including regular meetings between Debt Recovery Officer and Solicitor. Budget meetings now include debt recovery	31-Jan-2022	03-Dec-2021
21 D 04 Individual departments should review their monthly reports detailing outstanding debtor accounts & take the necessary steps to instigate movement of individual debtors through the debt recovery process	Outstanding debt reports have been updated to reflect new structure. Head of Service have been tasked to review these reports. Regular meetings have been held with Head of Governance and Debt Recovery Officer to review process for debt management	31-Dec-2021	03-Dec-2021
21 FUR 01 Copy of Reports to Governance Committee set out priority & observations & implications of delay/toleration	All future Audit Recommendation Tracker reports will indicate the level of priority for each recommendation. Where extensions of time are requested full details for the reasons for the delay and the actions being taken to ensure completion are given.	31-Jul-2021	03-Dec-2021
21 H&S 09 Up to date displays for post rooms and telephone staff regarding	Completed.	31-Dec-2021	21-Dec-2021


bomb threats to be circulated and reviewed annually.			
21 H&S 11 The list of First Aiders at each site should be reviewed not less than annually to ensure it is up to date with any personnel changes.	Although reviews of First Aid Risk Assessments had been carried out whenever a first aid trained employee left, the review date and name of the reviewer had not been recorded on the forms, although the list of trained first aiders was up to date on each FA RA. All first aid RAs have been reviewed again to check they are accurate in terms of first aiders.	30-Nov-2021	21-Dec-2021
21 HB 02 Management should consider when it will be able to reinstate the amount of monthly checks undertaken	Accuracy checked have been re-instated following the reallocation of Test & Trace payments.	30-Jun-2021	03-Nov-2021
21 HB 05 Report to Elected Members on the level of outstanding Housing Benefit overpayments	We now report the DHP w/off figure to Head of Accountancy with the HB overpayment w/off All officers have been reminded of the correct w/off classification codes	31-May-2021	03-Dec-2021
21 P 06 Review the respective responsibilities of the Procurement team and the Solicitor to reduce the amount of admin activities that are being undertaken by the solicitor.	Roles and responsibilities have been reviewed in line with this recommendation	31-Dec-2021	09-Feb-2022
21 P 07 Review the sufficient level of support evidence to ensure that adequate records are retained going forward	Following review of the past few months payroll we can confirm this action is now complete.	30-Jun-2021	09-Feb-2022
21 P 11 Payroll Officer to ensure three has been no error in setting up 50047 post on iTrent	Employee 50047 is now a permanent post and payroll system is correct	31-Jul-2021	23-Nov-2021

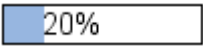
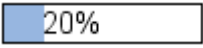
<p>21 P 12 Feasibility of producing reports on (1) multiple payment to the same bank account; (2) changes to the bank account information where changes are process by HR/Payroll.</p>	<p>These reports have been created in business objects and will be run each month as part of signing off the payroll</p>	<p>31-Jul-2021</p>	<p>02-Feb-2022</p>
<p>21 P 13 Ensure that the copy of the BACS Authorisation Forms are fully signed by the Exchequer Manager. Plus liaise with MHR Bureau about obtaining a copy of the final document.</p>	<p>E-mail now received once payroll has been submitted by Bureau</p>	<p>31-Jul-2021</p>	<p>16-Nov-2021</p>
<p>21 P 15 Train a 2nd Exchequer Officer in Payroll duties. Exchequer Manager to try & keep their skills up to date. Roll out of ESS will further alleviate the reliance on the Payroll Officer</p>	<p>Training of Payroll Support Officer is well underway on ND+ plus and Parish Payrolls. Also mileage and sickness on the main NDC payroll. This process will continue each month</p>	<p>07-Dec-2021</p>	<p>03-Dec-2021</p>
<p>21 P 16 Consider producing more frequent reports of overpayment recoveries.</p>	<p>Payroll officer going to run monthly overpayment reports from Nov 21 onwards</p>	<p>31-Jul-2021</p>	<p>23-Nov-2021</p>


Table C: Outstanding Audit Recommendations where Head of Service have requested a revision to the due date

Code	Description	Progress	Latest Note	Original Due Date	Due Date
20 BC 04 Testing of Service Resumption Plans HIGH PRIORITY	A test of each Service Resumption Plan should be undertaken at least on at least an annual basis. On completion of the test a lessons learnt report should be employed to update the plan. All such documentation should be retained in Resilience Direct.	 10%	09-Feb-2022 NDC to implement a test and exercise strategy, which will outline the Council's policy in moving forward. This recommendation links to the Emergency Planning Audit at recommendation 1.4 and therefore a further extension until the 30 June 2022 is requested and considered reasonable. In terms of scheduled exercises forthcoming, on the 7 April 2022 there is a proposed Operation London Bridge exercise, and on the 25 May there is a proposed Major Accident Hazard Pipeline Plan exercise. Additionally there is a Ilfracombe Harbour oil spill exercise in collaboration with the MCA and Ambipar, and other Cat One responders, proposed on the 9 March 2022. In Summer 2022, there is a scheduled Power Outage exercise (Operation Lemur). Request extension to due date: 30th June 2022	31-Dec-2021	31-Dec-2021
20 C 02 Ensure Purchase Orders are raised before goods	The Council should continue to make progress to ensure Purchase Orders are raised	 15%	13-Dec-2021 The review of procurement is included in the Governance Service Plan. This review will include the use of purchase orders.	31-Dec-2021	31-Dec-2021


and services are ordered MEDIUM PRIORITY	before goods and services are ordered		Extension required to 31stOctober 2022 in line with service plan		
20 FB&E 03 Monitoring Fraud Awareness E-Learning MEDIUM PRIORITY	The Council should send reminders to all staff asking that they complete the fraud awareness e-learning module if they have not done so already and to confirm their completion.		13-Dec-2021 This audit recommendation has now been included in the Governance Action Plan with a target date of June 22. Request extension to the audit due date of 30th June 2022	30-Sep-2020	30-Sep-2021
21 CSM&R 02 Remove internet & email access from privileged accounts. Provide administrators with an ordinary account for email & internet access. HIGH PRIORITY	Remove internet & email access from privileged accounts. Provide administrators with an ordinary account for email & internet access. Observations and Implications Privileged user accounts (administrators) have internet access and mailboxes. Malicious code embedded or linked in web pages, email and attachments will execute with high privileges and wide system access.		11-Feb-2022 NDC was successful in a funding bid from the DLUHC. NDC will receive a grant of £150k which will help deliver our Cyber Treatment Plan and decommission legacy systems. We had a meeting with the Local Digital Cyber Team on the 16th February where the timescale were discussed in greater detail; this high priority recommendation will be given a priority timescale for delivery. Request revised due date: 31st August 2022	30-Sep-2021	30-Sep-2021
21 CSM&R 17 Update recovery/restoration process to include specific steps to	RECOVER USING CLEAN DEVICES Recommendation: Update the recovery and restoration process to include specific steps to verify		11-Feb-2022 Arcserve can test the backups as they are created, this is something we can do. We will also be investigating the feasibility of creating a sandbox on one of the backup appliances. We would need to recover from backup multiple times as we don't have the	31-Aug-2021	31-Jan-2022

<p>verify all systems used in the recovery are clean from malware/ransomware before connecting to the backup & starting recovery.</p> <p>HIGH PRIORITY</p>	<p>all systems used in the recovery are clean from malware and ransomware before connecting to the backup and starting recovery.</p> <p>Observation: Virtual server and desktop restore will be directly from the Arcserve backup. It is not clear how the Arcserve appliance itself, the VMWare ESXi host system and the client machines used to initiate the recovery are confirmed as malware-free.</p> <p>Implications: Restored systems may be re-infected with malware. Hypervisors may have been affected in the October 2020 Pysa ransomware and extortion attack on Hackney Council.</p>		<p>capacity to duplicate all of our data. We have successfully recovered emails, files & folders and servers previously. This will form part of our programme of work with the Local Digital Cyber Team and was been identified as a priority at our initial meeting with them on 16th February.</p> <p>Request extension of time : 31st August 2022</p>		
<p>21 CSM&R 03 Follow NCSC guidance on applying the 'least privilege' model in authenticating for remote access.</p> <p>HIGH PRIORITY</p>	<p>Recommendation: Follow NCSC guidance on applying the 'least privilege' model in authenticating for remote access.</p> <p>Observations & Implications: Administrator Remote Access - Administrators authenticate for remote access with their privileged account. Attackers</p>		<p>11-Feb-2022 NDC was successful in a funding bid from the DLUHC. NDC will receive a grant of £150k which will help deliver our Cyber Treatment Plan and decommission legacy systems. We had a meeting with the Local Digital Cyber Team on the 16th February where the timescale were discussed in greater detail; this high priority recommendation will be given a priority timescale for delivery.</p>	<p>30-Sep-2021</p>	<p>30-Sep-2021</p>

	target vulnerabilities in remote access services and devices to obtain privileged credentials.		Note: This recommendation is intrinsically linked with 21 CSM&R 02 - it is anticipated this work will be done in Qtr 2 & 3. Request revised due date: 31st August 2022		
21 P 01 Consider how it will be taking forward the actions in the Procurement Strategy, perhaps for inclusion in the Action Plan. MEDIUM PRIORITY	Recommendation: The Council should consider how it is taking forward the actions in the Procurement Strategy, perhaps for inclusion in the Action Plan (see 1.2.). Observation & Implications: While the Devon District Procurement Strategy had been endorsed by the Council, no action was being taken to implement the recommendations. Some of these recommendations include promotion of positive social, economic, and environmental benefits, and engagement with local businesses.		14-Feb-2022 The review of procurement, including this recommendation, is on the Governance Service Plan. An officer working group has been set up to undertake this review of procurement. Request revised due date: 31st October 2022 in line with Service Plan.	31-Dec-2021	31-Dec-2021
21 P 02 Develop an action plan to direct Procurement to include larger scale procurements to the team can be	Recommendation: An action plan should be drawn up to direct NDC Procurement which should include known larger scale procurements so that the team can be resourced		14-Feb-2022 The review of procurement, including this recommendation, is on the Governance Service Plan. Request received due date : 31st October 2022 in line with Service Plan	31-Dec-2021	31-Dec-2021


<p>resources to secure value for money</p> <p>MEDIUM PRIORITY</p>	<p>accordingly and secure best value for money.</p> <p>Observations & Implications: The Devon District Procurement Strategy is a high-level document that maps out priorities for local councils. It does not however consider what is needed to support North Devon procurement activity, such as the procurement pipeline, resourcing, engagement with local business, training etc. There is a risk that the procurement function does not have sufficient resource or expertise to address current and future procurement activity which may impact on value for money and conformance to legal and procurement regulations.</p>				
<p>21 P 03 Add additional guidance in the Council regulations related to compliance with procurement regulations & the need to report & investigate instances</p>	<p>Recommendation: Add additional guidance in the Council regulations related to compliance with procurement regulations and the need to report and investigate instances where these have not been followed.</p> <p>Observations & Implications: Review of the procurement</p>		<p>13-Dec-2021 This recommendation will be included in the procurement review item on the Governance Service Plan.</p> <p>Request received due date : 31st October 2022 in line with Service Plan</p>	<p>31-Oct-2021</p>	<p>31-Oct-2021</p>

<p>where these have not been followed</p> <p>MEDIUM PRIORITY</p>	<p>guidance indicates that there is no wording relating to non-compliance in the Constitution part of the procurement regulations. This increases risk that correct procurement processes are not complied with, with legal, value for money and reputational impact.</p> <p>An example of wording (copied from the Torbay Council Constitution 2nd June 2021) that could be used is:</p> <p>Reporting and Disciplinary Action</p> <p>Any non-compliance or breach of these Procedures will be reported immediately on discovery to the Procurement Service, who will escalate it to the Monitoring Officer and Chief Finance Officer.</p> <p>The Monitoring Officer will undertake an investigation where deemed necessary. The investigation findings will be reported to the Chief Executive and appropriate Director/Assistant Director and as appropriate to, the relevant Senior Officers, and appropriate Members. Investigation findings will be referred to Human</p>				
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	<p>Resources where any breach of these Procedures requires further action in accordance with human resources policies, including disciplinary action.</p> <p>Failure to report any known non-compliance or breach may result in disciplinary action being taken against the Officer who failed to report the non-compliance or breach.</p>				
<p>21 P 04 The process to approve Waivers should be reviewed to ensure there is reasonable review & scrutiny of those issued</p> <p>MEDIUM PRIORITY</p>	<p>Recommendation: The process to approve Waivers should be reviewed to ensure there is reasonable review and scrutiny of those issued. This may include an increase role for the Procurement team to challenge proposed waivers, and subsequent review by a Council Committee.</p> <p>Observations & Implications: The council issues a significantly higher number of Waivers than other local district councils (although the precise number may not be known). While Requests for Waivers are being signed off by an appropriate official in the cases we sampled, there are instances where the</p>		<p>13-Dec-2021 This recommendation will be included in the procurement review item on the Governance Service Plan.</p> <p>Request received due date : 31st October 2022 in line with Service Plan</p>	<p>30-Nov-2021</p>	<p>30-Nov-2021</p>

	<p>copy RFW is not being copied to Procurement and not being entered on the contracts register. In many organisations, the Procurement Function play a key part in challenging the use of a waiver. This is supplemented by subsequent review by Audit Committee. The risk is that waivers are used more frequently, perhaps due to poor forward planning, or a desire to provide contracts to favoured / long standing suppliers.</p>				
<p>21 P 05 Clearer guidance related to the use of procurement waivers should be provided in Council regulations, which would replace the current Contract Procedure Rules Section 4.1 - 4.4 and 12.1-12.2:</p> <p>MEDIUM PRIORITY</p>	<p>Recommendation: Clearer guidance related to the use of procurement waivers should be provided in Council regulations, which would replace the current Contract Procedure Rules Section 4.1 - 4.4 and 12.1-12.2.</p> <p>Observation & Implications: The constitution contains ambiguous paragraphs relating to exceptions to the rules for contracts. There is a risk that Waivers are being requested because the rules are not sufficiently clear, or that the exceptions process is abused leading to potential legal</p>	<p>35%</p>	<p>13-Dec-2021 This recommendation will be included in the procurement review item on the Governance Service Plan.</p> <p>Request received due date : 31st October 2022 in line with Service Plan</p>	<p>30-Nov-2021</p>	<p>30-Nov-2021</p>

	<p>challenge, reputational risk and financial loss.</p> <p>We highlight the following example (drawn from the Torbay Council Constitution 2nd June 2021) as an example of good practice:</p> <p>31. Waiver of Contract Procedures</p> <p>31.1 Written authorisation, using the agreed process and Waiver Request Form, is required to waive these Procedure requirements.</p> <p>31.2 Any request to waive these Procedures must be approved by both the Procurement Service and Chief Finance Officer, before the Officer can proceed with the Award.</p> <p>31.3 Where the value of the contract exceeds £50,000, consultation must be undertaken with the Leader of the Council or relevant Cabinet Lead Member and the relevant Director/Assistant Director before the Officer can proceed with the award.</p> <p>31.4 A waiver should not exceed 12 months from date of expiry of existing contract or proposed</p>				
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	<p>start date of new contract or supply.</p> <p>31.5 Where authorisation is given to waive Contract Procedures an appropriate contract must be issued to the supplier and the details of the award entered onto the Contracts Register.</p> <p>31.6 The Procurement Service must keep a record of all cases where an exemption from these Procedures has been requested and authorised or declined and will report these to the Joint Operations Management Team on a six-monthly basis.</p>				
<p>21 P 07 To include clear guidance in the Constitution related to breaches of Contract Procedures</p> <p>MEDIUM PRIORITY</p>	<p>Recommendation: To include clear guidance in the Constitution related to breaches of Contract Procedures.</p> <p>Observations & Implications: There is broadly good compliance with procurement procedures, however, there have been one or more exceptions this year. It would be beneficial if there were clearer guidance on what to do if this occurs. The wording used in Observation 1.3</p>		<p>13-Dec-2021 This recommendation will be included in the procurement review item on the Governance Service Plan.</p> <p>Request received due date : 31st October 2022 in line with Service Plan</p>	<p>31-Oct-2021</p>	<p>31-Oct-2021</p>

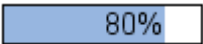


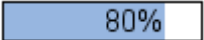
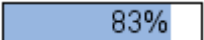

	(21 P 03) would provide suitable guidance and clarity.				
<p>21 PO 02 Further work to be undertaken to improve the management information available to support regular review of PCN collection rates to support improvements to processes where necessary</p> <p>HIGH PRIORITY</p>	<p>PARKING PERMITS ARE NOT WELL MANAGED LEADING TO FINANCIAL AND REPUTATION LOSS</p> <p>Recommendation: Further work be undertaken to improve the management information available to support regular review of PCN collection rates to support improvements to processes where necessary.</p> <p>Observations: The management information received does not currently support effective monitoring of PCN collection. Staff currently do not have adequate and sufficient training to extract the necessary management information to review collection rates of the penalty charge notices that it issues.</p> <p>Implications: That means it is unable to consider whether it is effectively collecting charges levied, or to consider how the practice fits in with the wider car parking strategy.</p>		<p>16-Feb-2022 Work on this is ongoing but currently at 80% complete. Aim to have it completed by 31st March 2022. We are prioritising a new spreadsheet that combines parking payments (cash/card/RingGo) as well as breaking them down. The payment methods are also broken down into car park and month. Due to the large amount of data it is taking longer than expected. We have recorded data for Overpayments and permits. Events on car parks are licensed and records are kept for this by Property/Estates.</p> <p>Procedure manuals are also being updated in line with this.</p> <p>Request revised due date: 31st March 2022</p>		30-Jun-2021

Table D: Outstanding Audit Recommendations

Code	Description	Progress	Latest Note	Original Due Date	Due Date
21 H&S 05 Officers responsible for recording fire alarm tests, emergency lighting, firefighting equipment & signage have refresher training on the procedures & frequency necessary.	<p>Observations & Implications</p> <p>Checks on some fire alarms, emergency lighting and firefighting equipment are not being undertaken and recorded with sufficient care and attention, risking potential failure in a real-life situation.</p>	 <p>0%</p>	<p>21-Dec-2021 Management Response: Checks were not being regularly carried out at Lynton House, Pannier Market or Castle Lodge – matter to be drawn to attention of SMT re the employees responsible (who receive an honorarium to take this responsibility) and H&S Advisor to monitor as an on-going issue.</p>	31-Jan-2022	31-Jan-2022
21 H&S 07 All risk assessment logs should be reviewed to ensure that those risk assessments overdue for	<p>Observations & Implications</p> <p>Some Risk Assessments are overdue for a review or have no 'reviewable on/by' date, meaning that they may not be up to date with current risks and legislation in the workplace. A review is</p>	 <p>10%</p>	<p>07-Feb-2022 Meeting held 25/01/22, with Apprentices/graduate EHOs to discuss reviewing W&R RAs with Mark K/Richard S. Also raised at Devon Health & Safety Officers Group. LAs who have W&R seem to have a similar number of RAs to NDC and the feeling was not to reduce the number if the RAs were relevant.</p>	31-Jan-2022	31-Jan-2022

<p>review are refreshed</p>	<p>currently underway – note our point against risk area 1 about the need to reduce the number of Risk Assessments.</p>				
<p>21 H&S 08 Existing plans for all buildings should have a review date on them, & where this is not the case they should be reviewed at the earliest opportunity.</p>	<p>Observations & Implications Fire Safety Plans have not been reviewed recently and some do not have a review date on them, increasing the risk that changes to premises or staffing levels have not been duly considered and therefore be less effective.</p>	<p>0%</p>	<p>21-Dec-2021 Management Response: Delay due to Covid- no in-person meetings were held to review the doc as was usually the case, Facilities Manager has emailed the plans round to the relevant people to review and feedback comments to him but no one responded. – To be referred to SMT for follow up and got back on track.</p>	<p>31-Jan-2022</p>	<p>31-Jan-2022</p>
<p>21 CSM&R 15 Keep at least one backup offline at any given time</p>	<p>Recommendation: Keep at least one backup offline at any given time. * Only connect the backup to live systems when necessary. * Never connect all the backups at the same time. Observation: The Arcserve backups use online disc storage. Additional tape backup is being considered but this will require investment o increase tape capacity.</p>	<p>80%</p>	<p>09-Feb-2022 The tape library is installed in our data centre. Unfortunately Christie have not provided the correct cables. There is a two week lead time for these; we are actively pursuing the delivery of the correct cables. This should be resolved by end February 2022.</p>	<p>31-Aug-2021</p>	<p>31-Jan-2022</p>

	<p>Implications: There have been cases where attackers have destroyed backup files or disrupted recovery processes before conducting ransomware attacks. A ransomware attack could affect all backups simultaneously.</p>				
21 P 14 Review contingencies for emergency payments and consider whether it is possible to conduct limited testing of some aspects of the plan	<p>Observation & Implication: Whilst the Business Continuity Plan was found to be fairly detailed and recently reviewed, it was indicated that the emergency payments section of the plan still needs further work as a result of the migration to iTrent. We also note that although contingencies have been included, there has been no testing of the plan.</p>		<p>13-Dec-2021 Staff payments have been included on the Business Impact Assessments as a corporate priority. There is an appendix on the finance business continuity plan to cover emergency payments.</p>	30-Nov-2021	30-Nov-2021
21 SC-19 O 03 Urgently re-instate Mental Health & Wellbeing Workstream	<p>During a review of North Devon's risk management framework earlier in 2020, we were informed that the mental health and wellbeing workstream to address the mental health risk from the corporate risk register, had been put on hold due to the pandemic. The pandemic has had a significant negative impact on people's mental health and</p>		<p>Minor changes now been drafted final sign off for a new attendance policy at next HR policy meeting and then training to staff to follow. Awaiting confirmation from Housing team re success of group supervision sessions and then to discuss how this will be funded on an ongoing basis.</p>	30-Jun-2021	31-Dec-2021

	<p>wellbeing, which has been highlighted in the survey. This workstream needs to be urgently re-instated</p>				
<p>21 SC-19 O 05 Introduce quarterly pulse surveys of every employee</p>	<p>The Council undertook their survey in July 2020 to establish how people were coping at home. No survey has not been undertaken by the Council for the wider workforce to understand how Covid is impacting on the wider workforce. We consider that the Council should instigate periodic surveys as they provide insight to senior management on how staff are feeling and informs of any areas where time / resource could improve working conditions and wellbeing for staff. The move by Senior Management to carry out personalised risk assessments would enable management to provide tailored support. Undertaking a survey post implementation would be beneficial as this would provide a measure of impact and whether it was successful.</p> <p>In any survey it is also important to show that effective action is being taken to address concerns and issues raised by staff.</p>		<p>Interim measure of a more detailed survey to set a base line has been shared with the OD group / Unison suggestions put forward will be incorporated, then this will then be ready go out to staff.</p>	<p>31-Jul-2021</p>	<p>30-Nov-2021</p>

5 Progress tracking of Annual Governance Statement

- a. An annual review of NDC's governance arrangements leads to the Annual Governance Statement, which forms part of the Statement of Accounts.
- b. In addition to any other issues the review captures recommendations from external and internal audit and inspections and sets out an action plan. This plan is tracked through Covalent; Table E below.

6 Constitution Context

Appendix and paragraph	Referred or delegated power?
5.5	Delegated

7 Statement of Internal Advice

- c. The author (below) confirms that advice has been taken from all appropriate Councillors and officers.

Author: Sarah Higgins Date: 18th February 2022

Reference: Audit Recommendation Report March 2022 V1.0

Table E: Annual Governance Statement 2020/21 Recently Completed Actions, Request for Revised Due Date and Overdue

Code	Description	Status	Progress Bar	Latest Note	Original Due Date	Due Date
21 AGS 01	Training on the Members' Code will need to be provided again by the new Head of Governance	▶ Completed	100%	Training was provided to Members on 20th January 2022 by the Monitoring Officer. The session was also recorded	31-Mar-2022	31-Mar-2022
21 AGS 03	Undertake a review of the Complaints Procedure to confirm that it is operating effectively	▶ In Progress	0%	This review also forms part of the Customer Focus Service Plan 2021/22. Request revised due date 31st May 2022 to align with Service Plan	31-Mar-2022	31-Mar-2022
21 AGS 05	Produce the Annual Equality Report which is a legal requirement	▶ In Progress	0%	This report is included in the Governance Action Plan with a target date of December 2022. Request revised due date: 31st December 2022	31-Mar-2022	31-Mar-2022
21 AGS 06	The Constitution will need to be updated to reflect the recent governance changes	▶ Completed	100%	The Monitoring Officer confirms that the Constitution for the purposes of this audit recommendations has been updated.	30-Nov-2021	30-Nov-2021
21 AGS 07	The Council should consider how to report more clearly	▶ In Progress	0%	This audit recommendation is included in the Governance Action Plan with a target date of September 2022.	31-Mar-2022	31-Mar-2022

	how our budget is spent and the impact is is having			Request revised due date: 30th September 2022		
21 AGS 08	Remove the Browse Forward Plans with key decision notifications off the website as it contains no current information	▶ Completed	100%	Our software supplier has now removed this.	30-Nov-2021	30-Nov-2021
21 AGS 09	Update the Freedom of Information statistics as there is only coverage up to September 2020	▶ Completed	100%	The Monitoring Officer confirms that the FOI Stats are now up to date on the Authority's website: Freedom of information statistics	31-Dec-2021	31-Dec-2021
21 AGS 10	Discuss the LGA CPCs Follow Up review recommendations with Council officers when it is completed	▶ Completed	100%	CPCs original and final report was presented to Full Council in January 2022 and members noted the two reports and officers to publish them accordingly. The reports were also circulated to all staff.	31-Dec-2021	31-Dec-2021
21 AGS 11	Consider whether there is a need for a communication & engagement strategy to ensure the Council is reaching out to the community and is accessible in its communications	▶ In Progress	0%	This audit recommendation has been included in the Governance Action Plan with a target date of September 22. Extension to due date requested: 30th September 2022	31-Mar-2022	31-Mar-2022

21 AGS 12	Review & update the Corporate Plan and council priorities	▶ Completed	100%	Two Member workshops have been held to review the Corporate Plan and this also included engagement on the Programmes which look to deliver on the Council priorities	31-Dec-21	31-Dec-2022
21 AGS 13	Progress the recommendations within the Devon Districts Procurement Strategy & update the Procurement Sustainability Strategy	▶ In Progress	20%	The review of procurement, including sustainability, is a Governance Service Plan item with a target date of October 2022. SWOT analysis has been undertaken and terms of reference set for first working group meeting in Jan 22. Request extension of due date to 31st October 2022 in line with service plan.	31-Mar-2022	31-Mar-2022
21 AGS 15	Re-review the core performance indicators to confirm that they can be used to monitor and report performance in all important sectors	▶ In Progress	20%	As part of our new programmes all existing KPIs and Local PIs will be reviewed with SMT to ensure we are 'measuring what matters'. Our new suite of indicators will be performance driven to ensure we are on track to deliver against our plans and not rear review indicators just reporting on what has been done. Request revised due date: 30th September 2022	31-Mar-2022	31-Mar-2022