

NORTH DEVON DISTRICT COUNCIL

REPORT TO: GOVERNANCE COMMITTEE

Date: 8th July 2019

TOPIC: AUDIT RECOMMENDATION TRACKER

REPORT BY: HEAD OF CORPORATE AND COMMUNITY SERVICES

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 11th June 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 now tracked has remained at 1,195.

5. Progress tracking of Annual Governance Statement

- 5.1 An annual review of NDC's governance arrangements leads to the Annual Governance Statement, which forms part of the Statement of Accounts.
- 5.2 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.

2013/14 AGS action plan is 98 % complete

2014/15 AGS action plan is 96 % complete

6. Constitution Context

Appendix and paragraph	Referred or delegated power?
5.5	Delegated

7. Statement of Internal Advice

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

Author: Sarah Higgins Date: 8th July 2019
Reference: Audit Recommendation Report July 2019 V.1.1

Table A) Live Audit Reports, Status & Numbers























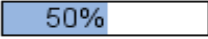
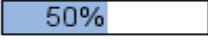
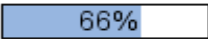
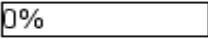

Code	Title	Status	Progress	High Risk	Medium Risk	Low Risk
14 AP	Action Plan 2013/14	 In Progress	92%	0	1	1
14 E&D	Equality & Diversity 2013/14	 In Progress	50%	0	1	2
15 AH	Affordable Housing 2014/15	 Overdue	93%	0	1	4
15 DR	Disaster Recovery 2015/16	 In Progress	89%	0	6	0
15 HN (CBL)	Housing Needs (Choice Based Lettings) 2015/16	 In Progress	80%	0	1	0
15 PSR (DFG)	Private Sector Renewal (Disability Facilities Grants) 2015/16	 In Progress	90%	0	1	2
16 BCM	Business Continuity Management 2015/16	 Overdue	93%	0	8	1
16 HN (CBL)	Housing Needs (Choice Based Lettings) 2016/17	 In Progress	85%	0	0	5
16 PL	Planning Applications 2015/16	 In Progress	91%	0	3	0
16 SP	Severance Packages 2015/16	 In Progress	50%	0	1	1
17 ITAM	IT Asset Management 2016/17	 In Progress	87%	1	6	0
17 C&P	Commissioning and Procurement 2017/18	 In Progress	66%	0	2	1
17 CS	Cyber Security 2016/17	 Overdue	78%	0	3	3
17 SRR	Security Review Report 2017/18	 In Progress	95%	4	5	0
17 L	Licencing 2017/18	 In Progress	75%	0	1	3
17 G	Grants 2017/18	 In Progress	85%	0	2	5
17 PO	Parking Operations 2017/18	 In Progress	75%	0	2	0
18 CC	Cash Collection	 In Progress	0%	0	0	1
19 E&ES	Email & Exchange Server 2018/19	 Overdue	66%	0	3	1
19 GDPR	General Data Protection Regulations 2018/19	 Overdue	49%	0	0	7
19 MAS & BC	Main Accounting System and Budgetary Control 2018/19	 Overdue	0%	0	0	1

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

Recommendation	Closure Note	Original Due Date	Completed Date
16 BCM 05 Alignment to the IT Disaster Recovery Plan	A service specification has now been completed. Documentation which details service resumption times which have been agreed by SMT.	30-Apr-2019	30-May-2019
16 C & CE 02 Due Diligence of Consultants	The amended Constitution was adopted by Full Council at its meeting on 15 April 2019 which incorporated the Contract Procedural rules	31-Jan-2019	22-May-2019
17 C&P 02 Effective Use of Procurement Portal	Apprentice now employed. Training ongoing.	30-Apr-2019	30-May-2019
17 C&P 03 Analysis of Key Supplier Spend	A report detailing supplier totals (and detail) for the year 18-19 has been sent to the Procurement team. They will also receive reports on a monthly basis from now on. They will be able to use the spreadsheet data to check and challenge compliance with Contract Procedure rules.	31-Mar-2019	30-May-2019
17 G 01 Historic grant funding agreements	The North Devon Biosphere SLA has been approved and a copy uploaded to this action.	31-Dec-2018	31-May-2019

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
16 BCM 07 Testing Strategy	<p>A testing strategy should be documented and included as an Appendix within the Business Continuity Management Policy. The strategy should include:</p> <ul style="list-style-type: none"> Frequency of testing Type of testing People to involve in testing Output of the testing Production of action plans Reporting mechanism of test results. 		<p>03-Jul-2019 Testing not yet underway. This is a situation which has arisen following the departure from the authority of Amanda Palmer. Future testing will be dependent upon the procurement of new resources. Due to budgetary pressures a restructure of EHHS has recently been undertaken which has resulted in the provision of a new 'Emergency Planning Officer' post which will be of significant benefit to the Council. Testing expected to be achieved in 2019/20 dependent upon successful recruitment to the above mentioned post. Recommended extension until 30 April 2020.</p> <p>Request revised due date: 30th April 2020</p>	30-Jul-2016	30-Apr-2019
17 CS 04 Policy Development and Awareness	<p>The Council should develop a mobile device and remote access control working policy (to include Smartphones and Tablets) to be agreed and disseminated to all staff throughout the organisation. Alternatively this could be incorporated into the IT security policy.</p> <p>The Information Security Policy should also be updated to reflect the Council's current minimum password controls as set within Active Directory. This should then be disseminated throughout the organisation to ensure all additional applications that have access controls outside of Active Directory adhere to these requirements.</p>		<p>31-May-2019 Extension of Time Request: Home Working Policy now with HR in draft form, this will need to be presented to Workforce Matters for their consideration and aligned to the roll out of new assets to all staff.</p> <p>Request revised due date: 31 Dec 2019</p>	31-Mar-2018	31-Mar-2019
18 CC 01 Processing Payments	<p>The Debt Recovery policy should be reviewed as practicably soon as possible. The Council should also consider implementing a version control within</p>		<p>04-Jul-2019 Policy requires a few minor changes to bring up to date.</p>	30-Jun-2019	30-Jun-2019

	the Electronic payments policy, to aid in development of policy review timescales.		Request revised due date: 29th Sept 2019		
19 E&ES 01 Email Policy	Continued awareness raising and refresher training on Council policy should be undertaken annually as a minimum. This could be in the form of emails to staff, updates on the intranet or formal training sessions. Management should consider revising the line in section 5.2 of the policy which reads "Any email which has a subject line of "Unison Private and Confidential" will not be inspected". To provide further clarification as to the Council's position in relation to the monitoring of emails and to ensure this caveat is not used inappropriately.		01-Jul-2019 Extension of Time Request: All emails users have been migrated to Office 365 and we used this as an opportunity to refresh staff on data security and retention. Good practice is communicated as a matter of course and also any potential scams that are doing the rounds to ensure staff don't open suspicious emails. The Email, Internet & Acceptable Usage Policy was updated in line with the new GDPR Regulations and extension of time has been requested to ensure that this reflects accurately the new security features that Office 365 now offers end users and the organisation as a whole. Request revised due date: 31 March 2020	31-May-2019	31-May-2019
19 GDPR 01 Action Plan/Continued Commitment to GDPR	The Council should look to develop a formal action plan to ensure a continued commitment to embedding the GDPR within the Councils BAU process. The plan should include an overview of: <ul style="list-style-type: none"> • what has been completed; • what needs to be completed; • projected implementation timescales; and • responsible officer for action, as an example. 		04-Jul-2019 The preparation of an action plan has been commenced and will be presented to IMAG and the Information Group for consideration and discussion. Request revised due date: 30 Nov 2019	31-May-2019	31-May-2019
19 GDPR 02 Management with HR consider Ongoing Training	Management in cooperation with the HR department should consider implementing a schedule of refresher training to ensure staff remain fully aware of their GDPR responsibilities. This can be in the		04-Jul-2019 HR (Nikki Gordon and Tracey Clapp) are investigating: <ul style="list-style-type: none"> • Whether the new payroll software (contract completed 27 June 2019) will 	31-May-2019	31-May-2019

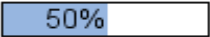
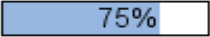

	<p>form of one to ones with the DP leads or as previously carried out, refresher workshops. The Council should also explore the possible introduction of an e-learning package which would enable them to incorporate all mandatory training into one easy to use application and allow them to manage and monitor staff compliance.</p>		<p>be able to provide means of delivering online training, for example through being able to upload videos of staff delivering training which can be accessed at any time. The kick off meeting for the new software is on 3 July 2019 with the aim for the new software to be used by April 2020. Consideration will need to be given to how the Council can monitor when staff have viewed these videos and whether there can be quiz type questions included too to make them more interactive.</p> <ul style="list-style-type: none"> • Whether the Council could potentially procure an e-learning provider Knowledgepool via the Crown Commercial framework agreement, including whether this is a pay as you go product which can be paid for by individual training budgets as and when a course is required given that the Council currently has no budget for e-learning. <p>Request revised due date: 30 Nov 2019</p>		
19 MAS & BC 01 Procedure notes	Procedures should denote the last review date and next date it is due for review to confirm, it is still fit-for-purpose.		<p>04-Jul-2019 A few minor changes are required to bring up to date.</p> <p>Request revised due date: 29th Sept 2019</p>	30-Jun-2019	30-Jun-2019
15 AH 04 Sites Group Terms of Reference should be reviewed / updated to reflect roles & responsibilities of the group	<p>Sites Groups Terms of Reference Review</p> <p>The Terms of reference for the Council's Sites Group should be reviewed and updated to ensure that this reflects the current roles and responsibilities and membership of the group.</p>		<p>Moving forward specific project teams will be responsible for initiating, executing and controlling the works for all key developments. We recommend that this action is deleted.</p>	31-Aug-2015	28-Jun-2019

Table D: Outstanding Audit Recommendations

Code	Description	Progress	Latest Note	Original Due Date	Due Date
NIL					

Table E: Annual Governance Statement

Code	Description	Status	Progress Bar	Latest Note	Original Due Date	Due Date
15 AGS 08 Complete audit recommendations to comply with agreed deadlines		 Overdue	<div><div>75%</div></div>	22-May-2019 The Audit Recommendation Tracker provides a clear audit trail of how well services are delivering against their audit recommendations.	31-Mar-2016	31-Mar-2016