

NORTH DEVON DISTRICT COUNCIL

REPORT TO: GOVERNANCE COMMITTEE

Date: 5th November 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 3rd September 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 raised to 1,198.

Table A) Live Audit Reports, Status & Numbers



















Code	Title	Status	Progress	High Risk	Medium Risk	Low Risk
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	 In Progress	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	 Overdue	50%	0	1	1
17 ITAM	IT Asset Management 2016/17	 In Progress	87%	1	6	0
17 RM & CG	Risk Management and Corporate Governance	 Overdue	93%	0	3	1
17 CS	Cyber Security 2016/17	 In Progress	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	86%	0	2	5
17 PO	Parking Operations 2017/18	 Overdue	75%	0	2	0
19 E&ES	Email & Exchange Server 2018/19	 In Progress	91%	0	3	1
19 GDPR	General Data Protection Regulations 2018/19	 In Progress	49%	0	0	7
19 CG & RM	Corporate Governance & Risk Management 2018/19	 In Progress	33%	0	2	1

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

Recommendation	Closure Note	Original Due Date	Completed Date
Action Plan 14 AP 01 Properties owned by NDC are registered in the Council's name with Land Registry	Following the Governance Chairman's Meeting 22/10/2019 it was noted that this recommendation has been completed.	31-Dec-2014	22-Oct-2019
14 E&D 01 Joint Inclusive Equality Scheme Action Plan	Closure Note: Briefing and the Equality Impact Assessment was launched at the Managers Forum on 18 th September 2019, which was followed up by an email to SMT and Middle Managers setting out the procedures.	31-Dec-2014	16-Oct-2019
14 E&D 02 Equality & Diversity website update	Closure Note: Briefing and the Equality Impact Assessment was launched at the Managers Forum on 18 th September 2019, which was followed up by an email to SMT and Middle Managers, setting out the procedures. Website and Intranet webpages have been updated.	31-Dec-2014	16-Oct-2019
Commission & Procurement 17 C&P 01 Procurement Strategy requires review and update	Closure Note: The weblink to the Strategy was removed as soon as this recommendation was made.	30-Sep-2019	16-Oct-2019
Cash Collection 18 CC 01 Processing Payments	Closure Note: The Debt Recovery Policy has been reviewed with appropriate version controls applied. All Policy & Procedure notes are now monitored on a central spreadsheet, this includes the last review date and when the next review date is due.	30-Jun-2019	21-Oct-2019
Main Accounting System & Budgetary Control 19 MAS & BC 01 Procedure notes	Closure Note: Procedure notes updated. All Policy & Procedure notes are now monitored on a central spreadsheet, this includes the last review date and when the next review date is due.	30-Jun-2019	21-Oct-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
Grants 17 G 07 Automated workflows within Firmstep	The Council should investigate the implementation of background automation processes within the Firmstep Workflow System.	 95%	10-Oct-2019 The implementation of the use of a Firmstep form for the application for Community Councillor Grants was implemented in June 2017 and in November 2017 for the Town and Parish Fund grants schemes. Since that date, we have only received 79 forms in total via Firmstep since June 2017 (25% of total applications for Town and Parish Fund and 30% of Community Councillor Grant fund). Due to the current limited use of the Firmstep form by applicants and difficulties experienced by applicants completing the form, the investigation of automated processes have been put on hold. Initial discussions have taken place with IT regarding the ability to automate processes, but this was not currently widely used by the Council and further investigation would be required. Request a revision to the due date to July 2020 to enable it to be kept under review until April 2020 to ascertain whether the number of applications submitted via Firmstep have increased to such a number to warrant the work associated with implementing an automated process. (NOTE: The Town and Parish Fund ceased with effect from 1st April 2019). Request Revised Due Date: 31 March 2020		30-Sep-2019


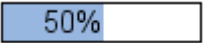
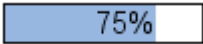
Severance Packages 16 SP 01 Early Retirement Policy	The HR Manager should review the Early Retirement Policy dated April 2008 to ensure it fully reflects current legislation, The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006.		21-Oct-2019 The financial sum (original limited discussed of £95k) has not yet been approved by Central Government and little progress has been made towards this. HR will now update the policy just to show that the Policy has been reviewed and appropriate version controls applied. Request Revised Due Date: 30 June 2020.	31-Mar-2016	30-Sep-2019
Parking Operations 17 PO 01 Review of processes and procedures	The Council should consider and review its parking operation processes and procedures and revise where needed to ensure that value for money is being achieved.		21-Oct-2019 Procurement of new handheld technology completed for CEOs with go live 14 October 2019, further functionality being investigated. CEO handbook work stalled due to staff changes. National Standard CEO Handbook in development with British Parking Association. Request Revised Due Date: April 2020	30-Sep-2019	30-Sep-2019

Table D: Outstanding Audit Recommendations

Code	Description	Progress	Latest Note	Original Due Date	Due Date
Risk Management & Corporate Governance 17 RM&CG 02 Completeness of Service Risk Registers	Heads of Service should ensure all service risk registers have identified, assessed and scored all risks, with risk owners identified. Any mitigating controls, present or planned, should also be noted in each risk register.	 75%	21-Oct-2019 SMT have just commenced the 2020/21 Service Planning Process and ALL Heads of Service will be required to update their Risk Registers as part of that process and these will be taken through SMT, until we are satisfied that they have all been reviewed.	30-Apr-2017	31-Oct-2017

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 Pentana (was Covalent).

2013/14 AGS action plan is 93 % complete

6. Constitution Context

Appendix and paragraph	Referred or delegated power?
5.5	Delegated


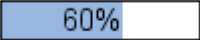
7. Statement of Internal Advice

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

Author: Sarah Higgins Date: 16th October 2019

Reference: Audit Recommendation Report November 2019 V.1.2

Table E: Annual Governance Statement

Code	Description	Status	Progress Bar	Latest Note	Original Due Date	Due Date
14 AGS 02	Review & update the IT Disaster Recovery Plan	 In Progress		Extension of Time Request extended to 31 st March 2020 approved by Governance Committee 11 th June 2019. The Business Continuity Recommendations have last month (May 19) confirmed which services they have established are priority services for recovery. ICT await absolute confirmation that these are now the priorities. ICT will then review these and advise SMT/Governance what our currently recovery capabilities are and what further mitigation would be required to achieve these recovery points. This will require a revised back-up model either on-premise, in the cloud or a hybrid approach. ICT will also consider Disaster Recovery as a Service (DRaaS) which would also provide x2 DR Test Plans a year. ICT also have an approved Cyber Incident Response Plan.	31-Mar-2015	31-Mar-2020