

SUMMARY OF RECOMMENDATIONS AND MANAGEMENT RESPONSES FROM INTERNAL AUDIT REPORTS
ISSUED QUARTER 4, 2017/18

Report Reference	Recommendation	Risk Rating ¹	Responsible Officer	Management Response and Target Implementation Date (TID)
Emergency Planning & Business Continuity Management – 31 March 2018				
No recommendations resulting from review.				
Sustainability & Climate Change – 29 March 2018				
4.2.8	Actions should be identified and recorded with the SOG action plan to address the performance target of having cleaner taxis within the district.	Low	Sustainability Officer	Actions will be included in the SOG Action Plan. This will be agreed at the next SOG meeting in May. TID: May 2018
Collection of Council Tax – 14 February 2018				
4.4.10	Details of the cases checked as part of the write off authorisation process (including the high value authorisations) should be recorded on the batch authorisation sheets.	Low	Exchequer Manager / Principal Revenues Officer	Agreed – an instruction will be issued to appropriate staff. TID: February 2018
4.4.13	Documentation should be produced and retained to support all debts written off.	Low	Senior Recovery Court Officer	Agreed – a reminder will be issued to appropriate staff. TID: February 2018

¹ Risk Ratings are defined as follows:

- High: Issue of significant importance requiring urgent attention.
Medium: Issue of moderate importance requiring prompt attention.
Low: Issue of minor importance requiring attention.

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Business Applications: PARIS Income Management System – 31 March 2018				
4.1.1	A procedure should be implemented for regular purging of income transaction import files in the PARIS working directory.	Low	Strategic Finance Manager / Principal Accountant (Capital & Treasury Management)	The feasibility of the recommendation will be investigated and implemented if practical. TID: September 2018
4.4.4	Management should formalise the user request process via the use of a user request form, to be used when requesting new users or changes to existing users access permissions. Forms should be retained to provide assurance that appropriate access rights have been granted to users according to their job role.	Low	Strategic Finance Manager / Principal Accountant (Capital & Treasury Management)	This will be addressed, alongside recommendation 4.5.1. A user request form will be prepared to reflect the revised access levels. This will denote the appropriate access level, manager approval and system administrator verification that all documentation and training has been issued and performed. TID: August 2018

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4.5.1	Management should consider documenting the role profiles in order to gain better visibility of the access rights assigned to each role and provide further assurance that the correct level of access is being assigned to users.	Low	Revenues Manager / Systems Administration Officer	<p>This will be addressed in line with 4.4.4. The system needs to be streamlined. Currently the roles identify individual requirements and are not of a generic nature.</p> <p>It is the intention of Finance management to reduce the number of profiles to ensure correct access rights are allowed to applicants based upon job description. This ensures any changes required are applied to all users correctly with a reduction of system admin time to manage profiles within the system.</p> <p>The issue will be raised with the system supplier (Northgate) to ensure that changes to existing roles will not have any adverse effect.</p> <p>TID: August 2018</p>
4.5.2	A regular, at least annual, exercise should be undertaken to review users' access permissions within PARIS to ensure they remain appropriate.	Medium	Revenues Manager / Systems Administration Officer	<p>To be done annually.</p> <p>TID: Annually in October</p>
4.7.2	The purpose of the 'Administrator' account should be investigated and, if possible, the account should be renamed or deleted in order to remove the potential for misuse.	Medium	Revenues Manager/ Systems Administration Officer	<p>To be suspended, alongside any other redundant generic user accounts.</p> <p>In line with Corporate IT policy, all users should have an individually assigned user name and password which must not be disclosed to any other individual either within the organisation or outside.</p> <p>TID: Completed</p>

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4.9.3	Testing of PARIS should be scheduled as part of the next disaster recovery testing exercise. The testing should be documented and include the time taken to recover systems and services, whether recovery time and point objectives have been met and include detail on any issues and actions arising from the testing.	Medium	ICT Manager	The next formal disaster recovery (DR) test is not for another twelve months. However, each month a system is recovered to our in-house standalone test environment which mimics the DR test. Therefore, the PARIS system will be recovered to this environment as part of the April '18 test. As per standard practice a helpdesk job will be raised and all relevant recovery data will be logged within the job and shared with the System Owner. TID: April 2018
Cyber Security – 16 March 2018				
4.3.3	ICT should review firewall password security parameters and ensure that all administrator password settings meet the Council's requirements around complexity.	Low	ICT Infrastructure Manager	Accepted – The current password does meet the Council's password complexity standard, although it is accepted this is not enforced through the software control. The complexity parameter will be set. TID: April 2018
4.3.5	ICT should perform an exercise of reviewing and validating firewall rulesets. This should be performed on an at least annual basis to ensure firewall rules remain appropriately configured.	Medium	ICT Infrastructure Manager	Accepted – Sufficient data needs to be gathered to ensure that the deletion of a rule does not impact on the business. Once the data is gathered, legacy rules will be deleted and this will become an annual housekeeping task. TID: September 2018

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4.4.3	ICT management should aim to resolve/ mitigate the remaining ITHC issues in order to help ensure PSN certification is retained.	Medium	ICT Services Manager	The current ITHC reflected the security position 12 months ago. A new ITHC will take place w/c 19 March 2018. This will supersede the existing ITHC. ICT will, as per normal practice, evaluate and remediate as appropriate. TID: Complete – No further Action
4.5.2	ICT management should perform an exercise to review the approach to administrator passwords, including investigation into the use of a software solution.	Medium	ICT Infrastructure Manager	Accepted – A new approach to admin passwords has been agreed and will be rolled out to all servers. The new approach removes the need to invest in a software solution. TID: Complete – No further Action
4.5.3	ICT management should ensure that the generic administrator account is disabled and replaced with individually named administrator accounts.	Medium	ICT Infrastructure Manager	Accepted – The generic admin account has been disabled. TID: Complete – No further Action
4.6.6	ICT should liaise with Sophos to identify and resolve the ANYA2 server issue and with business system owners to ensure the remaining servers are updated with Sophos EXP.	Low	ICT Infrastructure Manager	Accepted – The ultimate resolution of this problem is outside the control of ICT Services. However, as per the recommendation, a support case has been raised with Sophos and will be followed through to conclusion. TID: Complete – No further Action

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Information Governance: Preparedness for General Data Protection Regulations – 9 March 2018				
4.2.2	A programme of targeted awareness raising events (workshops, short training courses/sessions, etc.) and updated communications for Council staff should be introduced at an early point once the new person is in post.	Medium	Democratic Services Manager	An awareness briefing session is being designed for roll out via meta compliance to go out in in March. TID: Week Commencing 19 March 2018
4.3.2	A full review of all relevant policies and procedures should take place once the new officer is in post.	High	Information Governance Manager	A report is being brought to Executive in April seeking approval of the Information Governance Framework and associated high level polices. This will also set up the framework for approval of relevant guidance. TID: 5 April 2018
4.3.3	An information audit should be undertaken and Information Asset Owners should be appointed (and trained as appropriate) as soon as practical.	High	Information Governance Manager & Heads of Service	The Information Audit is underway with returns being received from Service Areas. Heads of Services are the Information Asset Owners this is being embedded in new Information Governance Policies. Training sessions are being provided as required along with a pre-briefing before the role out of each audit. TID: In place and ongoing
4.3.4	The Council should document and implement a procedure for Data Protection Impact Assessments (DPIA).	High	Information Governance Manager	This document is in draft form ready to go through the approval process. TID: 30 April 2018

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4.3.5	A comprehensive information audit should be undertaken to formulate an Information Asset Register sufficient to meet the requirements of Article 30.	Medium	Information Governance Manager & Heads of Service	The Information Audit is underway with returns being received from Service Areas. (20 out of 24 teams have started, four are nearly completed) Progress is being monitored and teams are being actively supported with the audit. TID: 6 April 2018
4.4.1	The Council should review and / or introduce compliant information sharing agreements.	Medium	Information Governance Manager	Information sharing with partner agencies is being identified through the information audit, and via a review of third party and contract arrangements. There will be an action plan for each agreement where non-compliance is identified. TID: May 2018
Remote Access – 6 March 2018				
4.3.2	ICT Management should upgrade to Cisco AnyConnect Secure Mobility Client version 4.3.4019.0 or later, which is not affected by the known vulnerability.	Medium	ICT Infrastructure Manager	Accepted – The upgrade of AnyConnect is scheduled for 6 th March 2018. TID: No further action required.
4.3.4	ICT should add a standard change process / check sheet to the system to provide an audit trail of remote working authorisations and activities.	Low	Desktop Services Manager	Accepted – A standard change checklist has been produced which is linked to a helpdesk request for remote access. TID: No further action required.

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Communications: Social Media – 2018				
4.2.3	The Social Media Policy should be presented to the appropriate committee for formal approval.	Low	Media & Comms. Manager / Digital Content & Social Media Officer	The policy is under review and approval will be obtained. TID: May 2018
4.2.7	The training should be amended to include details of the Social Media Policy.	Low	Media & Comms. Manager / Digital Content & Social Media Officer	This will be included prior to the next sessions being run. TID: 1 March 2018
4.4.4	The importance of attending the social media training should be reiterated to Members, with further training sessions being made available to those who did not attend the first session.	Medium	Learning & Development Officer / Senior Committee Services Officer	Members will be offered further dates and Group Leaders will be emailed to ensure they know who has attended the training. TID: March 2018
4.5.6	The potential for monitoring the numbers of service-specific enquiries should be examined in order to identify the value of using social media.	Low	Media & Comms. Manager / Website Manager	This information exists in a disparate format. The Media & Communications Manager will work with the new Website Manager to pull it together into a useable format for producing a report. TID: July 2018

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Committee Services – 2 February 2018				
4.6.4	Advice should be sought from the Assets Team regarding the apparent risk of flooding from the floor above the Document Store and, if the risk is deemed to be unacceptable, appropriate action should be taken to mitigate the risk.	Low	Democratic Services Manager and Deputy Monitoring Officer.	I will raise this issue with the Assets Team and then take whatever action, if any, is deemed necessary. TID: End February 2018.
4.6.5	The discs containing agendas and minutes for the period pre 2001 should be stored in different locations.	Low	Democratic Services Manager and Deputy Monitoring Officer.	A set of the discs has been handed to the IT infrastructure team and will be relocated to the safe they have at the Town Hall, for corporate back up tapes etc. on Monday. TID: 5 February 2018.
4.7.3	The basis for the recharges of the cost of the Committee Services team should be reviewed to ensure that they remain appropriate.	Low	Democratic Services Manager and Deputy Monitoring Officer.	I have arranged my budget review with my Accountant for next week and flagged this as a specific issue to be reviewed. Once I have had this meeting I will discuss with the Senior Committee Services Officer when they return from leave to validate my thoughts before making amendments. TID: End February 2018.
Economic Development – 23 January 2018				
4.3.8	Formal arrangements for the scrutiny of Shakespeare's England's reports and accounts by senior management should be established.	Low	Strategic Economic Development Officer	The papers will be circulated on a quarterly basis following the meeting of the Shakespeare's England board. TID: March 2018

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4.6.2	Separate orders should be raised where work or items over and above the normal contracted works are procured from contractors.	Low	Business Manager (Enterprise)	A new practice will be introduced to ensure that separate orders are raised where appropriate. TID: With immediate effect
4.10.8	Formal health and safety assessments should be organised with the Building Manager and Health & Safety Coordinator.	Medium	Business Manager (Enterprise)	The Building Manager and Health & Safety Coordinator will be contacted to request formal health and safety assessments. TID: April 2018
4.11.3	Budgets should be included for legal fees for each relevant facility.	Low	Business Manager (Enterprise)	Agreed. Financial Year 2018/19: Virements will be undertaken where needed to ensure that all projects have planned budgets (first review at budget monitoring process) From Financial Year 2019/20: Legal fees (contingency) will be set across all projects. TID: April 2018
Development Management – 23 January 2018				
4.2.5	All members of the team should be reminded to save all necessary documentation in Idox.	Low	Development Manager / Team Leader	This report and action plan will be discussed with all members of the team during the next team meeting. The message to staff will be to ensure that all relevant documentation is retained and filed in Idox. TID: 8 January 2018

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Local Land Charges – 12 March 2018				
4.3.3	Search requests should be processed in a timely manner.	Low	Applications Officers, Systems & Business Improvement Officer and Business Managers	Performance in this respect has been impacted as set out in the body of the report. However revised performance monitoring measures are now in place and recruitment into vacant administration posts is now taking place to build in further resilience. TID: Currently in progress.
4.3.8	Cases shown on the outstanding search tabs should be reviewed to ensure that they are appropriately closed off where no further action is required.	Low	Systems & Business Improvement Officer and Business Managers	Any revisions to procedures required in this respect are being reviewed now. TID: Currently in progress.
4.7.2	The next Service Area Plan for Development Services should include reference to the remaining aspects of the land charges function.	Low	Development Manager and Head of Development Services	This will be included as part of the current Service Area Plan review. TID: April 2018.
4.7.3	Cumulative figures should be included in the monitoring reports, with consideration being given to including details of any 'outliers' for further investigation.	Low	Systems & Business Improvement Officer and Business Managers	This recommendation is being progressed now. TID: Currently in progress.

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Banking Arrangements – 1 February 2018				
4.3.3	A full set of documented procedures for the Council's banking arrangements should be drawn up to provide step by step instructions and guidelines for the relevant processes. This is particularly important in developing succession planning arrangements, including knowledge retention.	Medium	Principal Accountant (Capital and Treasury Management)	Bank, AllPay and Capita Download procedure notes are available. At the time of the last audit the 2014 User Guide was available. Due to the retirement of the Principal Accountant, these weren't found when the audit was undertaken. PARIS is being upgraded and testing will take place during February/March. During and after the testing, procedures will be documented. Due to the recent changes in staffing, the Principal Accountant (Systems) has deleted the previous Principal Accountant (Treasury & Capital) as a user and set up an interim replacement user. Interactive notes are available on the HSBC website. The link is now being included in the banking procedure notes. Different staff do different tasks on HSBC, the individual notes made on their procedure copy are meaningful to them. TID: July 2018

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4.5.5	The reconciliation process should include a monthly summary reconciliation position that shows the actual monthly bank statement movements, compared to the ledger and actual cashbook movements, with a list of the transactions making up the reconciling difference including reasons.	Medium	N/A	With a monthly reconciliation in isolation there is a risk that just looking at the movement in month would hide previous discrepancies. There are often timing issues between the months, where a discrepancy one month is addressed at the beginning of the next one. Consequently the decision was taken several years ago rely on year-to-date reconciliations. The comments are noted, but current practice will continue. TID: Not applicable.
4.5.6	All bank reconciliations should be subject to independent review and sign off to ensure timeliness and that any errors, discrepancies and unexplained differences are highlighted and investigated.	Medium	Principal Accountant (Capital and Treasury Management)	The long standing Principal Accountant (Capital and Treasury Management) was doing this. His successor did not pick this up, however, she was made aware of the status of the reconciliations. The Interim Principal Accountant is now aware and reconciliations will be signed in future. TID: February 2018

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4.5.8	<p>An investigation should be undertaken of the use of the OLR2 system at the Royal Spa Centre to establish why income received is not posted to the ledger.</p> <p>Where a 'work around' solution is used, the process should be documented and retained for continuity purposes. However, this should only be used on a temporary basis until a permanent solution is introduced.</p>	Medium	Principal Accountant (Capital and Treasury Management)	<p>Whilst this was the status when this audit was undertaken, this has now been addressed. The problems arose due to this needing to be rectified by our external supplier and, despite daily phone calls and emails from several people, there was no response. A decision was made to temporarily suspend the On Line Returns Module early in December 2017. The income is now allocated through suspense with appropriate journals being done in the ledger. The service area was consulted prior to this happening.</p> <p>TID: Actioned December 2017</p>
4.6.3	An annual review of transaction volumes should be undertaken to ensure they are still within the agreed volumes included within in the Schedule of Rates and the rates are, therefore, still appropriate.	Low	Principal Accountant (Capital and Treasury Management)	<p>The sums of money are insignificant. Transactions will be reviewed during 2018/19 as part of the re-tendering process.</p> <p>TID: March 2018</p>
4.13.2	Interest received and charged should be reviewed to ensure it is in line with the agreed rates.	Low	Principal Accountant (Capital and Treasury Management)	<p>The Business Deposit Account is already monitored as part of the Treasury Management function. No credit interest is received on the Council's current accounts and debit interest is minimal. There were two overcharges identified earlier and HSBC were duly notified to refund these.</p> <p>TID: Not applicable.</p>

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Procurement Cards – 31 March 2018				
4.5.1	Regular analysis of purchasing cards usage should be undertaken.	Medium	Finance Administration Manager Senior Procurement Business Partner	Regular analysis of card usage is undertaken to ensure compliance with the agreed procedures. TID: Ongoing. Consideration to be given how the currently available data can be further analysed ahead of the new Procurement Card system being produced. TID: 30 June 2018
4.5.12	Purchasing card expenditure should be further analysed to ascertain whether the Council would meet the thresholds for receiving discounted rates with accommodation providers.	Low	Finance Administration Manager Senior Procurement Business Partner	A Procurement Card system is due to be produced in 2018/19 that will streamline the process and enable improved interrogation of the transactions. TID: 30 September 2018 Data to be analysed as part of forthcoming Spend Analysis. TID: 31 March 2019
4.5.12	Expenditure via purchasing cards and via TOTAL should be further analysed to ascertain whether the Council would meet the thresholds for receiving discounted rates with train companies.	Low	Finance Administration Manager / Senior Procurement Business Partner	A Spend Analysis is due to be undertaken in-house in 2018/19. Whilst this will primarily be of the transactions within Total, the Purchasing Card data should be evaluated alongside this. TID: 31 March 2019

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4.5.20	Cardholders should be instructed that transaction limits should be adhered to, with attempts to circumvent these limits being reported to senior managers.	Medium	Finance Administration Manager	This has been completed. An email has been sent to all cardholders and copied to SMT Plus to advise them of this requirement with an amended procedure document also being issued. The issue has also been highlighted to the FSTeam and they have been advised to notify the Finance Administration Manager if they notice any further instances. TID: Completed.
Flood Risk Management – 31 March 2018				
4.2.10	A coordinated approach to managing the expansion of SUDS in the District should be adopted by involving all relevant senior managers to identify the potential problems and to propose solutions.	Medium	Head of Health & Community Protection / SMT	The Interim Assets Manager, the Neighbourhood Services Manager and the Deputy Chief Executive (BH) have met to discuss the issue. The Deputy Chief Executive (BH) and the Neighbourhood Services Manager will be co-ordinating the future approach and involving other staff as appropriate.
Environmental Protection Functions – 21 March 2018				
No recommendations resulting from review.				
Housing-Related Support Services – 19 March 2018				
4.5.7	Budget forecasts should take into account the increase in income, which should also be reflected in the annual budget setting process.	Medium	Housing Support & Lifeline Manager	This will be discussed with the Assistant Accountant as it is believed this was due to two cost centres being merged (7430 and 7440) and the budget may not, therefore, have been set correctly after the merger. TID: 30 March 2018

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4.6.2	<p>The performance monitoring and reporting process should be fully developed to include:</p> <ul style="list-style-type: none"> • Relevant and useful Key Performance Indicators (KPIs). • A regular reporting requirement. • Relevant and useful information reported accurately and promptly to the correct officers. • Action plans to improve performance. 	Medium	Housing Support & Lifeline Manager	<p>Performance is monitored on a day to day basis by the service managers with relevant KPIs reviewed by the Housing Services management team on a quarterly basis.</p> <p>TID: Complete</p>
Corporate Properties Repair and Maintenance – 31 March 2018				
4.4.4	The procurement options around the use of Ser-Tec Systems Ltd should be investigated, with a formal contract being put in place if no other suppliers are able to provide the service.	Low	Asset Manager	<p>Following advice from Procurement, these works will be tendered for a 3-year contract and a contract will be in place by the end of July 2018.</p> <p>TID: July 2018.</p>
Building Cleaning Services – 20 March 2018				
4.2.1	A strategy should be developed and implemented to outline the Council's position on cleaning of corporate buildings and all Council public buildings and spaces. This should be made available to the public to enable better understanding of expected services.	Medium	Estates Manager	<p>It is not felt that there is a need for a formal strategy.</p> <p>Information is posted in the locked communal notice boards in relevant properties so that tenants are aware of what to expect from the contractor in terms of service levels.</p> <p>Notices are also on display in public toilets.</p> <p>A notice will now be introduced to the corporate buildings and a summary of all cleaning frequencies will be made available on the website.</p> <p>TID: June 2018</p>

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4.2.9	A suite of KPIs should be agreed with Kingdom, ensuring only valid and necessary indicators are included, allowing the Council to measure service levels, efficiency, effectiveness and quality of services, as well as overall performance and satisfaction levels.	Medium	Estates Manager	KPIs have now been agreed with the Area Manager from Kingdom which are to reflect those that were in place with Ocean. TID: Completed
4.2.15	The current monthly meeting process should be further developed to include a meeting agenda with standing agenda items and should also document actions cleared from previous meetings.	Low	Estates Manager	Agreed. An agenda will be in place for the next meeting. Whilst not specifically recorded as such, the actions from the previous meeting are covered in the minutes of the subsequent meeting. TID: April 2018
4.2.18	Where complaints are received, the Council should record the results of the action taken and confirm whether the complaint has been resolved. In addition, the complainants should be informed of the outcome to ensure they are aware that the complaint has been dealt with.	Medium	Estates Manager	The 'issues' recorded on the spreadsheet so far have not been formal complaints. These have been addressed straight away by Kingdom and, as such, there has not been a need to formally advise the 'complainant' of the outcome as it will be obvious that it has been addressed. Were a formal complaint to be received it would be addressed by the Tenancy Manager in the first instance and a formal response would be issued. TID: No further action required.

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4.2.19	The results of the Service Improvement Team's survey should be formally assessed and action taken to address the issues raised.	Low	Estates Manager	Due to anonymous nature of the responses and the lack of detail as to what caused any dissatisfaction, it is not possible to address any 'issues'. The block in question is covered as part of the normal inspection routines and no issues have been noted during recent inspections. TID: Not applicable.
4.4.9	Invoices processed should be subject to independent review on a monthly basis to ensure any errors and miscodings are identified promptly and corrected to enable accurate month end accounts to be produced.	Low	Estates Manager	The issue noted arose during a pilot of the auto-matching process that is to be employed at the Council. In future, if an order number is not stated on the invoice, the invoice will be returned to the supplier. This should ensure that the payments are correctly coded. TID: No further action required.