INTERNAL AUDIT OUTSTANDING AUDIT RECOMMENDATIONS
PERIOD: 01 APRIL 2013 TO 31 JANUARY 2014

Summary	Total	R	A
1. Completed Audits	28	0	28
2. Follow Up Audits Completed	23	1	22

INTERNAL AUDIT OUTSTANDING AUDIT RECOMMENDATIONS

PERIOD: 01 APRIL 2013 TO 31 JANUARY 2014

1. Completed Audits - RED or AMBER flag

Audit / Date	Directorate [Service]	Control Environment	Compliance	Organisational Impact	Actual High Priority Recommendations	Total Recs (H)	Timescale / Strategic Director	Follow Up Scheduled	Outcome	RAG Status
Performance Management Framework 28/05/2013	Chief Executive (CE) [Policy, Performance and Public Health]	Minimum	Minimum	Major	R1) i) The compilation and review of performance management policies and procedures should be completed (with approval by the Head of Commissioning, Performance and Business Intelligence being documented) to ensure those in place are fit for purpose. ii) These policies and procedures should then be disseminated accordingly and adhered to in practice. R2) A fit for purpose performance management framework, which is corporately driven, adequately resourced and consistently applied across the Council, must be put in to operation; ensuring: a) Benchmarking data and best practice are utilised; b) All departments/sections and appropriate officers are engaged in the process and have received necessary training; c) A system is in place for swiftly addressing and implementing recommendations from internal and external sources. R3) i) The most effective structure and format of performance reports (e.g. utilising knowledge of the Commissioning, Performance and Business Intelligence Team; best practice; management information requirements; reporting functions of the performance management information system) should be decided upon and applied at all levels to ensure consistency in reporting. It should then be determined as to who should receive such reports and when, to ensure the data and information being reported is timely and relevant. ii) It should be ensured that a reporting timetable is produced and disseminated to relevant staff (in advance of the start of the financial year to which it relates) and is adhered to in practice. iii) It should also be decided how best to highlight and report upon the performance outcomes and achievements being delivered once the new corporate performance arrangements have been put in place. R4) i) It must be ensured that the performance management information system being used is fit for purpose. Hence further testing of the system currently being utilised, Concerto, must take place to ensure: its reporting functions are robust; and it is capable of delivering the aims and objectives required of a performance management information system. ii) Due to the many changes that have taken place across the Council it must be ensured that all users of the performance management information system have received relevant training. R5) i) Appropriate staff should be designated to calculate, review and be accountable for each performance indicator; ensuring: a) Roles and responsibilities are clearly understood and carried out; b) Training needs are identified and appropriate training provided. ii) In order to help embed performance management across the Council, steps should be taken to ensure all officers understand what it is, and their roles and responsibilities in this area (this could be via, for example, performance appraisals, or more generally - team meetings). R6) i) The volume of corporate and departmental performance indicators should be restricted (e.g. having to satisfy set criteria) to ensure only those deemed most relevant are utilised for monitoring performance and outcomes against objectives. ii) It must be ensured there are clear links between aims and objectives and associated targets and indicators contained within the Corporate Plan, Departmental Plans and Team/Individual Plans (thus providing the 'golden thread' through the organisation).	9 (8)	March 2014 Strategic Director Transformation and Resources	Mar 14	It has been acknowledged there have been weaknesses in the system. The recommendations have been agreed and acknowledged as needing to be implemented. The department of Policy Performance and Public Health has responded very positively to the report and has initiated planned improvements in this area that include all items identified during the audit within agreed timescales. Follow up audit is to commence in February 2014, as part of the annual review of the corporate performance management system, with an estimated completion of March 2014.	A

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		Minimum	Minimum	Major	R7) i) A robust corporately applied approach to monitoring performance, addressing poor performance and sharing good practices where performance is over target, must be implemented; ensuring: a) Appropriate monitoring parameters/tolerances are documented and applied for each performance indicator (PI) (ensuring a PI can not be shown as 'Green' if the output is below the target). b) Appropriate corrective action (that is 'SMART') is required to be undertaken in accordance with the parameters/tolerances and the PI output. c) Details of corrective action to be taken, and outcomes of the action taken, are clearly documented within the performance management information system in accordance with agreed timescales. d) Mechanisms are put in place to assess the suitability and subsequent effectiveness of corrective action (ensuring such an assessment is undertaken by the officer responsible for the production of the PI and, when appropriate, by an officer from the Commissioning, Performance and Business Intelligence Team, and is evidenced					A
					R8) A robust corporately applied approach to performance target setting and monitoring must be implemented; ensuring: a) Evidence is collated to substantiate the target set (including benchmarking data utilised; comparison to the previous year's outturn; comparison against peer authorities; details of changes in legislation) and is documented within the performance management information system. b) The target set and the evidence used to substantiate the target are scrutinised and approved as being appropriate prior to the start of the reporting period. This should be undertaken by the officer responsible for the production of the PI and, when appropriate, by a member of the Commissioning, Performance and Business Intelligence Team; with evidence of the review documented in the performance management information system.					
					c) A decision is made by a senior manager to confirm whether an amendment to a target should be permitted during the course of the reporting year (the decision should be documented within the appropriate policy e.g. Data Quality Policy). If it is deemed appropriate, it must be ensured that in order to make such an amendment, suitable justification is documented, approval is provided by a senior manager and evidence/details are recorded in the performance management information system. d) Targets are then scrutinised and monitored during the course of the reporting period against outputs, to assess their appropriateness in driving performance upwards. Where it becomes apparent that targets are inappropriate (e.g. too challenging or not challenging enough) and are becoming de-motivational, support should be provided by the Commissioning, Performance and Business Intelligence Team.					
					R9) i) It must be ensured that the various information systems utilised across the Council generate accurate, timely and reliable performance data. Where it is believed, or known, that problems exist with data entry and/or data output, steps should be taken to address the problems through the appropriate management team, and the Commissioning, Performance and Business Intelligence Team should also be notified. ii) A clear definition and instructions for calculating each PI must exist, with details recorded in the performance management information system. This should also include details of what is being measured, monitored, and the improvements hoping to be achieved. iii) It must be ensured that each PI is fully checked and outputs and outcomes are validated as being correct (undertaken by those officers designated to calculate, review and take responsibility for the PI). The frequency for undertaking such reviews should be tailored to each PI. Details should be recorded in the performance management information system. iv) Continuity arrangements must be put in place for when key officers are absent, to e v) Full documentary evidence must be available to support the calculated PI (ensuring					

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National Fraud Initiative (NFI) Co-ordination & Monitoring 01/06/2013	Authority Wide	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Good progress has been made by the Authority to investigate the matches identified by the NFI.	A
Risk Management Framework 04/07/2013	T&R [??service??]	Minimum	Minimum	Major	R1) The ongoing work (by the Risk and Insurance Team in conjunction with senior managers) to review the Council's approach to risk management, so as to embed, develop and encourage risk management in to the culture of the organisation, should be completed and the outcomes implemented in a timely manner. As part of this process it should be ensured that the Chief Executive Strategy Group (CESG) is communicated with to ensure they fully endorse and help drive the approach through the organisation. R2) A fit for purpose risk management framework, which is corporately driven, adequately resourced and consistently applied across the Council, must be documented, promoted and put in to operation, having utilised benchmarking data and best practice; ensuring: a) The Council's 'risk appetite' is defined (and reviewed at appropriate intervals); and linked to this – it is ensured risks are seen as opportunities and not just threats in line with the risk appetite determined. b) Appropriate officers at corporate and directorate level are aware of (having been given appropriate guidance) and undertake their roles and responsibilities in respect of risk management. c) Each directorate has identified and designated appropriate staff to act as a key contact for 'risk management' (n.b. due to the close link between risk and performance, consideration should be given to the utilisation of those officers designated as 'business partners' within the Commissioning, Performance and Business Intelligence Team who liaise between the central performance team and the directorates). d) Roles and responsibilities of Members in respect of risk management are clearly defined, understood and undertaken. e) A system is in place for swiftly addressing and implementing recommendations from internal and external sources. f) Mechanisms are put in place to: disseminate examples of good practice (also emphasising the impact it has had – e.g. it may have led to a reduced insurance premium thus saving the Council money); and encourage the open reporting of, and learning from, risk management control failures. g) Effective training is provided across the organisation to promote and ensure compliance with the framework. h) The adequacy of the framework is appraised on an ongoing basis as part of a continuous improvement approach and to ensure it remains fit for purpose. It should also be decided how best to report upon the outcomes and achievements being delivered once the new risk management framework has been put in place. R3) i) It should be ensured that the Risk Management Policy/Strategy is reviewed and approved accordingly at the earliest opportunity. It must be ensured that the Policy/Strategy is endorsed by the Chief Executive Strategy Group (CESG) and is fully aligned to the outcomes expected of a robust risk management framework. ii) The Risk Management Policy/Strategy should be disseminated accordingly (ensuring ways to effectively disseminate the Policy/Strategy are explored – e.g. electronic training sessions and/or 'webinars' with question and answer sessions) and adhered to in practice. iii) The Risk Management Policy/Strategy should be appraised on an annual basis as part of a continuous improvement approach to ensure it remains fit for purpose.	8 (6)	March 14 Strategic Director Transformation and Resources	Mar 14	The new Executive Team is fully committed to implementing a fit for purpose system that will comply with British Standard BS ISO 31000. Actions have already been taken to improve some of the arrangements in place by revising the corporate risk register and implementing scheduled quarterly reporting to CESG for consideration of risk management related issues. In addition, CESG will be closely monitoring implementation of the report Action Plan through regular programmed briefings. A firm commitment has been provided by the Strategic Director and the Risk Management Officer to action all of the audit recommendations identified in this report within an agreed timescale and to report progress against this timetable to CESG at regular scheduled meetings. We are advised that follow up audit work planned for January 2014 should identify significant improvements in the existing arrangements. Follow up audit is to be carried out as part of the annual review of the risk management system, with an estimated completion of March 2014.	A

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		Minimum	Minimum	Major	R4) i) It should be ensured that risks (at corporate and directorate level) are monitored on an ongoing basis thus ensuring controls (both those working well and those where weaknesses exist) and significant emerging risks are reported, discussed and action taken in a timely way; with evidence retained to highlight the process undertaken, who was involved and the outcomes delivered. ii) The most effective structure and format for reporting risk management information (e.g. utilising knowledge of the Risk and Insurance Team; management information requirements; reporting functions of Concerto – the IT system being utilised for risk management; and links with the Performance Management Team) should be decided upon and applied at corporate and directorate level to ensure consistency in reporting. iii) It should be determined who should receive such reports, and when, so as to ensure the risk information being reported is timely and relevant and is done so consistently across the organisation (i.e. at corporate and directorate level).					A
					iv) A reporting timetable should be produced and disseminated to relevant staff (in advance of the start of the financial year to which it relates) and adhered to in practice.					
					R5) i) It must be ensured that where appropriate there are clear links between risks and corporate and directorate aims and objectives (thus providing a 'golden thread' through the organisation). Linked to this, performance information should be utilised to track the movement of key risks. ii) Risks generated at corporate and directorate level must not be considered in isolation (e.g. a significant risk highlighted at directorate level should be considered for potential inclusion in the corporate risk register; and risks discussed for inclusion within the Corporate Risk Register, but not considered significant enough, are then de-escalated as being potential risks at directorate level).					
					iii) At corporate and directorate level the volume of risks; the type of risks being reported (which must be stated in plain and easy to understand language); and the scoring of such risks; must be challenged on a group basis and consensus achieved regarding their appropriateness (retaining evidence to substantiate the process and who was involved) prior to inclusion in the applicable risk register. This should also help to ensure clear focus is maintained on these risks when					
					iv) When compiling the Corporate or Directorate Risk Register inevitably there will be a number of risks raised that are subsequently not deemed significant enough for inclusion. As such, a record of these risks should be retained to evidence and highlight the transparency of the decision making process. It must be ensured risks not deemed significant enough for inclusion in the Corporate Risk Register are then evaluated for inclusion in the relevant Directorate Risk Register. Likewise those risks not deemed significant enough for inclusion within a Directorate Risk Register should be de-escalated to be evaluated as part of the relevant Service Area Risk Register.					
					v) It should be ensured details are recorded as to how each risk is to be managed, using standard terminology such as: Tolerate; Transfer; Terminate; and Treat. This links to the requirement to appraise the Council's risk appetite, for example: those risks to be tolerated (i.e. no further controls to be put in place) must sit within the organisation's risk appetite. vi) When compiling a new risk register (at corporate and directorate level) it must be ensured there is clear evidence to substantiate that all risks from the previous register have been reviewed (so as to confirm whether the risk has been carried forward, eliminated due to the project/activity concluding, or its risk score reduced to such a level that it no longer warrants being included in the register). It must also be ensured this process encapsulates those risks where responsibility has changed due to changes in organisational structure (i.e. a service area/risk has moved from one directorate to another).					
					R6) It must be ensured that the risks associated with all other influential organisations/partners have been, and continue to be, monitored and reviewed; are addressed utilising a consistent approach; and are documented within the relevant Risk Register(s).					

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Grievances 12/09/2013	T&R [Human Resources and OD]	Substantial	Limited	Moderate	Implement a clear process for ensuring that staff have sufficient knowledge and understanding of HR policies, and that there is compliance with policy requirements.	6 (1)	January 2014 Strategic Director Transformation and Resources	Feb 14	Recommendations agreed and undertakings given to implement actions within a reasonable timescale. The follow up audit is currently underway.	A
Improvement Plan	CE [Policy, Performance and Public Health]		An assessment will be made as part of the next stage of the audit review		Recommendations are with the relevant Directorate and implementation has begun. The recommendations are to be incorporated into the forthcoming audit review of the Delivery of Improvement Plan Priorities, which will be completed in the new calendar year.	5 (3)	March 2014 Head of Policy and Performance/ Director of Public Health	Mar 14	Recommendations agreed and undertakings given to implement actions within a reasonable timescale. Much will depend upon the future shape of the Council's improvement activity.	A
Investigation: Invigor8 Direct Debit Scheme 30/09/2013	F&W [Sports & Recreation]	n/a	n/a	n/a	1) There should be a separation of duties in the operation of the direct debit collection service. The Officer responsible for importing Direct Debit (DD) and Automated Direct Debit Instruction Service (AUDDIS) files from the Plus 2 system should not authorise the IBACS live submission. 2)The file for import to IBACS should be chosen via the browse facility. 3) File import totals should be checked to PLUS 2 export files prior to authorising the IBACS DD and AUDDIS run. 4)The procedure notes should be expanded on and updated to reflect the amended processes. 5) An options appraisal should be carried out to determine whether internal control can be improved and/or saving achieved by using a single BACS payment programme. (DB BACS is used by the remainder of the Council and is managed by IT Services) If the decision is to continue to use the current IBACS system, Sports and Recreation should seek advice from the software vendor on how to change the pound setting on the AUDDIS file to pence and also to apply maximum payment batch totals for the DD and AUDDIS files to prevent large payment errors to be processed. 6) In conjunction with Legal and Member Services establish who is responsible for any financial liabilities incurred and take any appropriate action.	6 (6)	Jan 2014 Strategic Director Families and Wellbeing	Feb 14	The report was discussed and agreed with the relevant Strategic Directors and the Head of Sports and Leisure who have responded very positively to the findings and provided a strong commitment to implementing the recommendations with immediate effect. The follow up audit is currently underway.	A
Wallasey Central Library 30/09/2013	T&R [Business Processes]	Minimum	Minimum	Moderate	1) A Security Policy should be produced covering all aspects of the library and assets held. The policy should be made available to all staff. 2) Income procedures should be established which cover the following areas: • Collection, reconciliation and banking of income; • Operation of the tills; • Taking and payment of block bookings. The procedures should be approved, periodically reviewed and made available to all relevant staff. 3) Income should be reconciled to supporting documentation by an employee independent of those responsible for collection of monies. This should be reconciled on the day of collection. The employee should sign the daily cash sheet to confirm that the reconciliation has been carried out. 4) i) Any shorts or overs' in the income should be declared on the reconciliation sheets and not compensated for by using accumulated surplus monies, or by making adjustments to the till receipt/daily logs. ii) A daily record should be maintained of book fines for the children's library and this should be included in the daily reconciliation of the children's library income. (iii) The 'Surplus' monies held in the safe should be paid into the bank using an appropriate income code and any future 'Overs' should be declared on the reconciliation sheet.	19 (4)	All by January 2014 with some of the significant issues able to be implemented with immediate effect. Strategic Director Transformation and Resources	Mar 14	Recommendations discussed and agreed with Principal Librarian, who has provided a very strong commitment to implement the recommendations within timescales	A

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Benefits - Discretionary Housing Payments 14/10/2013	T&R [Business Processes]	Substantial	Substantial	Minor	1 x Medium and 1 x Low priority recommendations	2 (0)	March 2014 Strategic Director Transformation and Resources	Mar 14		A
St Michael & All Angels RC Primary School Full Review 17/10/13	F&W [CYPD]	Limited	Minimum	Minor	1) The school's procedures for obtaining quotations and tenders should be followed at all times. 2) To ensure compliance with the Scheme of Delegation procedures/regulations the delegated limits should be reviewed and amended to ensure all staff on the Authorised Signatory List are allocated a delegated limit in their own right. 3) The non order system should be used for the payment of utilities only. 4) Orders should be raised prior to the invoice being received.	7 (4)	February 2014 Head Teacher	Feb 14	Issues discussed with the Headteacher and agreement obtained to implement recommendations within an appropriate timescale. The follow up audit is currently underway.	A
Thematic review: Kingsway Primary School 17/10/2013	F&W [CYPD]	Limited	Maximum	Minor	4 x Medium priority recommendations	4 (0)	February 2014 Head Teacher	Feb 14	Recommendations discussed and agreed with Head Teacher. The follow up audit is currently underway.	A
Council Tax Single Person Discount 29/10/2013	T&R [Business Processes]	Minimum	N/A	Moderate	The 1,309 matches remaining from the NFI 2010 should be investigated.	1 (1)	April 2014 Strategic Director Transformation and Resources	Apr 14	The recommendation was agreed, and the matches will be reviewed by the external contractor when appointed - this is an operation being undertaken with Cheshire East as a shared service exercise and the depth and level of data checking will be far superior than can be achieved within the council as they will have access to financial records including credit address activity rather than solely cross checking Council data. Current staffing levels and work backlogs preclude this work to from being undertaken any earlier	A
Official Use of Private Vehicles 30/10/2013	R&E [Environment & Regulation] [Housing and Community Safety] [Regeneration] F&W [Sports and Recreation]	Substantial	Substantial	Moderate	1 Medium priority recommendation	1 (0)	February 2014 Strategic Director Regeneration and Environment / Strategic Director Families and Wellbeing	Feb 14	Recommendation agreed by Senior managers and a follow up will be undertaken in February 2014. The follow up audit is currently underway.	A
Debt Management (Independent Review of Sundry Debt) 31/10/2013	F&W [DASS] and T&R [Business Processes]	N/A	N/A	N/A	Independent Review of Sundry Debt resulted in thirty four actions.	34 (34)	September 13 Director of Resources	Feb 14	Twenty recommendations have been implemented within timescales, twelve have been partially implemented and two have not yet been implemented but revised target dates have been agreed. The follow up audit is currently underway.	A

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Libraries Cash Systems 05/11/2013	T&R [Business Processes]	Minimum	Minimum	Moderate	1. i) The £600 disparity at Birkenhead Central Library should be investigated as a matter of urgency. ii) The official cash imprest amount recorded by Financial Services should be reviewed for all libraries to ensure that; a) all petty cash imprest amounts and till floats are appropriate and correct. b) any identified discrepancies are investigated and rectified and the imprest account is restored to the recorded advance. 2. Documented procedures should be established which cover the areas of income collection, reconciliation and banking. The procedures should also incorporate the operation of RFID (Radio Frequency Identification) machines. In addition, procedures should be incorporated regarding use of a till for those libraries that operate a till. 3. i) A review of the approved charging policy should be undertaken to ensure that all charges listed at each library are listed on the approved charging policy within the Libraries section. ii) Once a review has been undertaken, all libraries should be supplied with the same charging policy to ensure consistency in the application of charges. iii) All libraries should be reminded of the importance of ensuring the correct charge is applied to all items. 4. A review of the number of staff who can access the safe in each of the libraries should be undertaken, with a view to restricting access to the safe to Senior Library Managers and the second tier senior officer in the absence of the Senior Library Manager. 5. All librarians responsible for income collection should be reminded to ensure they transfer all daily income at the end of each day to the secure access area. (Insured safe). 6. i) All income and banking records should be signed by a senior officer. ii) An effective separation of duties should be in place for all stages of the income reconciliation and banking preparation. iii) All income should be transferred accurately to all relevant income and banking records. iv) All income and banking records should be kept legibly, enabling a full reconciliation to be undertaken. v) A 'Z' reading should be produced each day for the daily income and reconciled to the income collected. vi) All income records should be kept tidily in chronological order. vii) It should be ensured that the courier who collects the money is reminded of the importance to ensure the collection receipt is completed accurately. viii) Income that is identified as 'extras' should be paid in with the weekly banking using an appropriate code. (West Kirby). ix) All relevant staff should be reminded to inform customers that payment for any library services should be made in British Pounds Sterling. Failure to do so should result in the customer not receiving the goods/service.	13 (6)	February 2014 Strategic Director Transformation and Resources	Feb 14	A very positive response received from the Principal Librarian: a) The £600 disparity has been investigated and resolved following the final report being received. b) The recommendation relating to the charges will be implemented from April 2014 following the fees and charges review in March 2014. c) The remaining recommendations are to be implemented taking into consideration any similar recommendations from the review of Wallasey Central Library (Sept 2013) The follow up audit is currently underway.	A
Fees / Debt Management - Building Control 12/11/2013	Regeneration & Environment (R&E) [Regeneration]	Limited	Substantial	Minor	As part of the regular budget monitoring process the following should be undertaken: i. Checks should be made to ensure that all income has been coded correctly in the monthly tabulations against expected income. ii. The monthly budget tabulation reports should be signed and dated as evidence of reviews undertaken.	4 (1)	April 2014 Strategic Director Regeneration & Environment	Apr 14	Recommendations discussed and agreed with Building Control and Land Charges Manager.	A

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IT Services Disaster Recovery Draft - 19/11/2013	Transformation & Resources (T&R) [Resources]	Minimum	n/a	Major	1) IT Services' Disaster Recovery Plan should be documented, approved and made available to all relevant officers to provide a working tool for a centralised, managed response to a disaster. 2) The prioritisation of recovery tasks stated in the plan should reflect the business critical service requirements documented in the Corporate, Departmental and/or Service business continuity plans. 3) Once established, the Disaster Recovery Plan should be subject to regular review and/or testing to ensure it remains relevant and up-to-date, and reissued to all relevant officers as necessary. 4) The need to establish proactive communication channels following an incident should be a requirement of the recovery process, to ensure the Authority is kept informed of progress, and advised of alternative solutions.	4 (4)	March 2014 Strategic Director Transformation and Resources	Mar 14	The Interim Head of IT Services has agreed all of the recommendations and has advised that, although ITS does not currently have resources to document an up-to-date ICT Disaster Recovery Plan, ITS is pursuing a number of management meetings to ensure that key issues are addressed, and the service desk is working on a Major Incident procedure.	A
Woodlands Primary School: Income & Voluntary Funds 21/11/2013	Families and Wellbeing (F&W) [CYPD]	Maximum	Limited	Minor	2 medium priority recommendations agreed.	2 (0)	March 2014 Head Teacher	Mar 14		A
Revenue Budget Cycle 13/01/2014	T & R [Finance]	Substantial	Substantial	Moderate	5 x Medium + 2 x Low Priority Recommendations	7 (0)	May 2014 Strategic Director Transformation and Resources	May 14	Recommendations agreed and undertakings given to implement actions within a reasonable timescale.	A

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Directorate Planning 22/11/2013	Chief Executive [Policy, Performance and Public Health]	Minimum	Minimum	Major	R1 1) A fit for purpose directorate/business planning policy and guidance document should be compiled utilising and incorporating best practice (endorsed by the Head of Performance, Business Intelligence and Commissioning). This should include a template Directorate Plan. The policy/guidance document should include and emphasise the need for: a) business planning/directorate plans to be strategically focussed with links to the Corporate Plan and how it will contribute to achieving the "golden thread" through the Council; b) roles and responsibilities of officers and members to be clearly defined so as to help promote and ensure ownership, involvement, scrutiny and approval; c) reflection upon the achievement or non-achievement of objectives from the previous year and the resulting action that will need to be taken in the forthcoming year (e.g. through the production of an 'End of Year Outturn Report'); d) Directorate Plans to be based upon evidence; retaining such evidence for future scrutiny and reference. e) sound rationale to have been utilised in the decision making process (and clearly evidenced) when evaluating and deciding upon directorate objectives and the means by which they are to be measured; f) an evaluation of partnerships, drawing out key stakeholders, and how they contribute to the achievement of objectives; g) projects to be clearly incorporated in to the planning process; h) 'top-level' financial/budgetary issues to be clearly linked to objectives and priorities and also to risks; i) clear links between business planning process and the Performance Management Framework (once the framework has been updated and assessed as being fit for purpose). 2) The directorate/business planning policy and guidance note should be disseminated accordingly and adhered to in practice across the organisation. This should help to ensure good practice is utilised across the Council and eliminate 'silo' approaches. Monitoring should be undertaken to highlight and evaluate the reasons for non-adherence should this occur. 3) The directorate/business planning policy and guidance note should be appraised on an annual basis, as part of a continuous improvement approach, to ensure they remain fit for purpose. R2 i) Due to the changing environment in which the Council operates (which can often affect the structure of the organisation) it should be ensured the requirements for directorate planning are consistently applied across the organisation. As such, this includes ensuring that: a) at the start of the annual directorate planning process, the Directorate Plans expected to be produced are determined and it is clear as to which service areas will contribute to which Directorate Plan. Where changes occur in terms of responsibility during the year, this should then be reflected accordingly within the appropriate Directorate Plan(s). b) the corporate 'Directorate Plan' template is utilised. ii) It must be ensured that each directorate management team is fully supportive of, and takes ownership of, the process for compiling directorate plans. R3 i) It must be ensured a decision is taken and it is subsequently documented within the directorate/business planning policy as to the process to be applied for approving and publishing Directorate Plans; and this is adhered to in practice. It would seem prudent to ensure all Directorate Plans are approved and published (i.e. on the Wirral intranet/website) in advance of the start of the financial year. If a Directorate Plan is produced for a period longer than twelve months (e.g. 3 years), it must be ensured it is reviewed and/or refreshed annually in advance of the start of the next financial year. ii) A clear timetable must be put in place and adhered to in practice. The timetable should include, for example, deadlines for:Guidance Issued, Directorate Management Team Briefing, Quality check of Plan by Business Partner, Peer review of Plans by Business Partners, Management Team review and approval, Member review and approval, Plans published on the intranet/internet	3 (3)	March 2014 Head of Policy & Performance/ Director of Public Health	Mar 14	Recommendations discussed and agreed with Head of Performance, Business Intelligence and Commissioning. A strong commitment has been demonstrated to improve systems and controls. The audit report acknowledges that the Performance, Business Intelligence and Commissioning Team only officially formed on 1 April 2013, following the integration of Public Health into the Council, and that this, coupled with the extensive process required to evaluate the budget position and pressures facing the Council, had an impact upon the timescales and production of the Directorate Plans for 2013/14. The report also acknowledges a Service/Project Plan has now been established for 'Performance and Business Intelligence'. It is anticipated that the recommendations included within the report will provide detail to support the ongoing implementation of the actions within this Plan. Follow-up work will encapsulate the actions being undertaken by the new team, with the expectation that actions will be evident in the directorate planning process for 2014/15.	A

Audit / Date	Directorate [Service]	Control Environment	Compliance	Organisational Impact	Actual High Priority Recommendations	Total Recs (H)	Timescale / Strategic Director	Follow Up Scheduled	Outcome	RAG Status
		Minimum	Minimum	Major	iii) It must be ensured that relevant service areas which will be required to contribute to each Plan have been briefed and are fully aware of what will be required of them and by what dates. For example: if Accountancy are expected to produce budget information, if HR are expected to produce workforce monitoring information, or if Corporate Equalities are expected to produce equality and diversity information; all must be clear about what they will need to produce and the deadline for its production. iv) If non-adherence to the timetable is evident, it should be clear and transparent as to the reasons for such deviation and reported as such.					A
Golf Course Review 25/11/2013	R&E [Environment & Regulation]	Minimum	Minimum	Moderate	1) i) Income procedures covering the collection, reconciliation and banking of the Council's income should be established. The procedures should be approved, periodically reviewed and made available to all relevant individuals. ii) A representative from the Council should conduct periodic inspections of the income records and the delivery of the service to ensure all terms of the contract are being fulfilled. iii)The section titled 'Collection of Council Income' in the revised terms for the lease should be reviewed, and the following should be included in the amended contract: - The requirement of the Service Provider to adhere to the Council's procedures for the collection, reconciliation and banking of the Council's income. - A statement which informs the Service Provider that a representative from the Council will undertake periodic inspections to ensure the contract is being adhered to and what will result if the terms are breached.	6 (5)	TBC Strategic Director Regeneration & Environment	Mar 14	The Business Support Manager has agreed to implement all of the recommendations made in the report with immediate effect and to ensure that control arrangements in place at other similar sites are consistent with these. Internal Audit plan to undertake further work in this area in the new year to evaluate and test the effectiveness of the revised arrangements across a range of recreation sites.	A
					iv) The terms should be amended to reflect the decisions made following the review and the Council's Conveyancing Section should draw up an amended contract to be agreed by the Service Provider and the Council.					
					2) (i)The procedure for banking Council income should be reviewed and the following needs to be established: - If Council monies are insured in the safe owned by the Service Provider- evidence should be obtained from the Service provider and retained by the Council. If Council monies are not insured adequate arrangements for the storage of the Council's income should be sought. - If it would be more beneficial for the Service provider to do the following: (a) Pay the Council monies into the Service Provider's bank account and transfer the monies via BACS to the Council's bank account, then; (b) advise the Council's representative and Cashiers, via email of the relevant income code, amount and date of deposit, and; (c) forward the relevant Income records via post or email to the Council representative for reconciliation. ii) The revised banking procedures should then be documented and included within the income procedures following the review. These should be made available to all relevant individuals and the procedures referred to in the contract.					
					3) i) A receipt should be issued to all customers/individuals for any transaction to acknowledge receipt of payment/income collected. ii) A notice that 'It is Council Policy for a receipt to be issued for all transactions' should be prominently displayed at the point of sale.					
					4) The charges for hire of equipment should be approved by the Director of Regeneration and Environment and included in the Schedule of Fees and Charges 2014/15 for review and approval by Cabinet.					
					5) A representative from the Council should undertake periodic reconciliations (at least monthly) of the to the prime source documentation (daily 'Z' reads) to the income collected. The Council's representative should evidence this check with their signature and date on the weekly cash sheet and daily 'Z' reads.					

Audit / Date	Directorate [Service]	Control Environment	Compliance	Organisational Impact	Actual High Priority Recommendations	Total Recs (H)	Timescale / Strategic Director	Follow Up Scheduled	Outcome	RAG Status
Greasby Infant School - Thematic: Income & Budgets 18/12/2013	F&W [CYPD]	Substantial	Substantial	Minor	3 medium priority recommendations made, all agreed.	3 (0)	April 2014 Head Teacher	Apr 14	Recommendations discussed and agreed with the Head Teacher and Office Manager.	A
Final Account - Demolition of Poulton Primary School 28/11/2013	Universal & Infrastructure Services [Corporate Asset & Facilities Management]	Maximum	Substantial	Moderate	None	2 (0)	Immediate Head of Universal & Infrastructure Services	Apr 14	Recommendations discussed with Chris Evans - Quantity Surveyor	A
Shared Services Developing System 19/12/2013	Authority-wide	N/A	N/A	N/A	*This is a summary report of a developing system.* 10 recommendations made to Strategic Director T&R and CE to ensure the risks to the achievement of the objectives are appropriately managed.	10 (0)	March 2014 Strategic Director Transformation and Resources	Apr 14	Issues from audit report to be presented to Policy and Performance Committee	A
Safeguarding Adults 24/12/2013	F&W [DASS]	Substantial	Limited	Moderate	Managers should be reminded of the requirement for all staff to: • undertake the basic awareness safeguarding training • maintain a record of the date of completion • undertake refresher training in accordance with HR policy	2 (1)	April 2014 Strategic Director of Families and Wellbeing	Apr 14	Recommendations agreed and undertakings given to implement actions within a reasonable timescale.	A
Protective Monitoring Draft - 31/12/2013	T&R [IT Services]	N/A	N/A	N/A	*This is a summary report of a developing system.* 5 Recommendations relate to the embedding of the proposed Security Information and Event Management system into Wirral's IT Services Service Management and Technical teams ways of working to support business objectives.	5 (0)	In accordance with procurement schedule. Strategic Director Transformation and Resources	Apr 14	Draft report awaiting comments from IT Security Officer	A
Governance Assurance Statement 2013/14 24/01/2014	All Directorates 6 reports				The Directorate should ensure that governance systems and controls, particularly those key controls referred to in the Governance Assurance Statement, are embedded and working effectively on an ongoing basis, so that evidence of this is readily available. The Directorate should also consider how its approach to the Governance Assurance Statement process could be re-designed so that future Governance Assurance Statement reviews are completed and returned in accordance within specified timescales. This may involve having regular discussions of governance issues at Directorate Management Team meetings. Suggestions would be welcomed pertaining to how Internal Audit could improve the Governance Assurance Statement process so as to facilitate a timely response from Directorates.	1 (1)	February 2014 All Directorates	May 14	Recommendation agreed.	A
Financial Savings Delivery 14/01/2014	Transformation & Resources [Financial Services]	Substantial	N/A	Minor	1 medium priority recommendation,	1 (0)	May 2014 Strategic Director Transformation & Resources	May 14	Recommendation discussed and agreed with the Financial Control Manager.	A
Early Years Services 05/02/2014	Families & Wellbeing [DASS]	Substantial	Maximum	Minor	1 medium and 2 low priority recommendations.	3 (0)	April 2014 Strategic Director Families & Wellbeing	Apr 14	Recommendations discussed and agreed with Senior Locality Manager.	A

INTERNAL AUDIT OUTSTANDING AUDIT RECOMMENDATIONS
PERIOD: 01 APRIL 2013 TO 31 JANUARY 2014
2. Follow Up Audits Completed - RED or AMBER flag

Audit / Follow-Up Date / Original Report date	Directorate [Service]	Original Opinion	Original Recommendations (H)	Original Total Recs (H)	Timescale / Strategic Director	Further Follow Up Scheduled	Outcome	RAG Status
Data Transfer Security 30/06/2013 Feb 2013	Authority-Wide	Limited	4 High risk recommendations outstanding: 1) Clearly defined responsibility for information assets and risks should be assigned to nominated staff. Specifically: - A Senior Information Risk Officer should be nominated at an appropriate level within the Authority or within each Department. - Each business system to have a nominated Information Asset Owner. 2) Each department should maintain a log of routine data transfers. A nominated officer, most probably the Information Asset Owner(s), should be responsible for maintaining the departmental log. To ensure standardisation of logs, and the quality of the information recorded, ITS should provide a template for the log. Departmental logs should be available to ITS and to corporate Information Management staff to support the Authority-wide information strategy. 3) Departmental management should assess the risks arising from the use of mobile media or portable devices. This assessment may inform the Strategic Asset Review programme. Following this assessment, guidance should be given on the appropriate use of portable devices to reduce the risk of unauthorised access to personal and sensitive information. 4) The requirement for encryption should be assessed throughout the Authority. Subsequently, business cases should be made and an appropriate ITS-managed solution, or solutions, implemented. Whilst many requirements may be met by Government Connect, it is essential that areas not expected to be part of the Government Connect implementation are also considered.	5 (4)	Sept 2013 Strategic Director Transformation & Resources	Mar 14	An Information Governance Board (IGB) has been set up, to be chaired by Strategic Director Regeneration and Environment. Recommendations 1, 2 and 3 will be actioned as part of the IGB work. Internal Audit will monitor the output from IGB to confirm the recommendation has been actioned. For Recommendation 4, a technical solution for the encryption of HDDs and portable media is now in place, in pilot. The recommendation will be reviewed in the "Endpoint Security" audit.	A
Corporate Backups 30/06/2013 Feb 2013	Transformation and Resources (T&R) [Resources]	Substantial	The original audit resulted in 7 medium risk recommendations. 2 Medium Risk recommendations outstanding:	7 (0)	Oct 2013 Strategic Director Transformation & Resources	Mar 14	An Information Governance Board (IGB) has been set up, to be chaired by Strategic Director Regeneration and Environment. The recommendations will be actioned as part of the IGB work. Internal Audit will monitor the output from IGB to confirm the recommendation has been actioned.	A
Protection of Information - MFDs 30/06/2013 Mar 2013	Authority-Wide	n/a	The IT Services Manager is requested to: 1. confirm that action is being taken to address the information security risks described in this memo, 2. inform Internal Audit of the expected time frame for the implementation of a resolution.	1 (1)	Sept 2013 Strategic Director Transformation & Resources	Mar 14	User education has been issued to all staff via email. Effectiveness of the education has not yet been tested.	A

Audit / Follow-Up Date / Original Report date	Directorate [Service]	Original Opinion	Original Recommendations (H)	Original Total Recs (H)	Timescale / Strategic Director	Further Follow Up Scheduled	Outcome	RAG Status
Non-staff access to Wirral ICT infrastructure 30/06/2013 Feb 2013	Authority-Wide	Limited	2 High Risk recommendations outstanding: 1) Controls should be introduced, until such time as the Council has compiled the inventory of third-party users and ISOs, to ensure that access to data is not granted to inappropriate persons. This may include: - Ensuring that all system logging is enabled and monitored - Severely restrict access to Wirral's systems. Third parties should only have access to a segment of Wirral's network that is separated from the internal network by firewalls or an isolated subnet. - Access should be restricted to only specific IP addresses from the outside party, be limited to a restricted time period and then closely monitored. 2) The RA and PIA process for data sharing and access authorisation should be streamlined and simplified. The Council should consider which of its staff should be responsible for undertaking the RA and PIA e.g. Information Asset Officers (IAOs) or the Information Manager, to provide an appropriate level of governance and ensure this process operates effectively and efficiently. The use of RA and PIA should be mandated throughout the Council.	4 (3)	Oct 2013 Strategic Director Transformation & Resources	Mar 14	An Information Governance Board (IGB) has been set up, to be chaired by Strategic Director Regeneration and Environment. The recommendations will be actioned as part of the IGB work. Internal Audit will monitor the output from IGB to confirm the recommendation has been actioned.	A
Removable Media 30/06/2013 Feb 2013	Authority-Wide	Minimum	3 High Risk recommendations outstanding: 1) A Corporate Risk Assessment should be performed, by an appropriate senior corporate group, to identify business areas in which the use of removable media is appropriate or should not be allowed. Identified risks should be recorded in the developing ICT Risk Register. 2) The iProcurement catalogue should be updated to include only media which conform to Authority standards for encryption. 3) Guidance should be given on the secure use of USB Flash Drives, such as how to enable and configure security options. Guidance should also state how devices are to be labelled, if at all, to reduce their attractiveness to unauthorised users.	9 (5)	Oct 2013 Strategic Director - Transformation and Resources	Mar 14	For recommendation 1, an Information Governance Board (IGB) has been set up, to be chaired by Strategic Director Regeneration and Environment. The recommendations will be actioned as part of the IGB work. Internal Audit will monitor the output from IGB to confirm the recommendation has been actioned. For recommendations 2 and 3, a technical solution for the encryption of HDDs and portable media is now in place, in pilot. The recommendation will be reviewed in the "Endpoint Security" audit.	A
Removable Media - compliance check 30/06/2013 Feb 2013	Authority-Wide	Limited	1 High Risk recommendations outstanding : As there is a risk that actions or decisions may be taken in isolation, the information governance project should be informed by ongoing IT projects, with agreed and documented milestone tasks, to ensure there is a co-ordinated approach to providing Information Assurance. It is recommended that a SMART Action Plan be utilised to provide a clear record of all decisions and actions related to Information Assurance.	1 (1)	Oct 2013 Strategic Director Transformation & Resources	Mar 14	An Information Governance Board (IGB) has been set up, to be chaired by Strategic Director Regeneration and Environment. The recommendations will be actioned as part of the IGB work. Internal Audit will monitor the output from IGB to confirm the recommendation has been actioned.	A

Audit / Follow-Up Date / Original Report date	Directorate [Service]	Original Opinion	Original Recommendations (H)	Original Total Recs (H)	Timescale / Strategic Director	Further Follow Up Scheduled	Outcome	RAG Status
Foster Care Approval and Payments 11/07/2013 Nov 2012	F&W [CYPD]	Limited	Original review resulted in 4 high priority and 1 medium recommendations. 1) i) The 'Foster Care Approval Procedure' should be made subject to a formal review and updated appropriately. ii) The risks of omitting probation and NSPCC checks for all potential foster care applicants should be assessed and a decision made on whether they are to remain, as detailed in the procedures. If these checks are to remain, it is recommended that they are conducted for all applicants to avoid the Council being subject to potential complaints against a perceived inconsistent assessment and approval process. If they are to be discontinued, they would then require removal from the procedure document when it is formally reviewed. 2)The Foster Care Payments Procedure should be updated to reflect the issuing of cash payments to foster carers, including the agreed circumstances in which cash may be issued, instead of processing payments through BACS. 3) Procedures for providing cash to foster carers should be comprehensively reviewed to ensure the appropriate controls are established and complied with. It is recommended that these controls should include: i) The officer collecting monies from the bank verifying that the correct cash has been received and a bank receipt is obtained and retained; ii) An independent officer checking all cash and recording it in the relevant cash book; iii) Holding all cash in the safe with access only to appropriately authorised officers; iv) Reducing the amount of time any cash are kept in the safe to a minimum level to reduce any risk of loss/misappropriation; v) Officers collecting cash to be provided to foster carers checking the amount they have received against the expected total; vi) The requirement for all cash to be counted and checked in the presence of the foster carer; vii) A decision on the appropriateness of handing over cash to anyone other than the foster carer; and viii) Making relevant officers aware of the 'Guidelines for Financial Procedures' so responsibilities are clearly understood. 4) A review of the Foster Care Fees that includes all relevant stakeholders should be scheduled for review and updated and approved by Cabinet if appropriate. It is recommended that Foster Care Fees are made subject to regular reviews and documented as a formal record.	5 (4)	Sept 2013 Strategic Director Families and Wellbeing	Mar 14	High priority recommendations 1) and 3) and 1 medium priority recommendation have been implemented. High priority recommendations 2) and 4) are in the process of being implemented. Management advised that the 'Guide to the Payment of Foster Carers', which includes fees paid to foster carers, has to be submitted to a decision making forum prior to approval. Additionally, it is understood that a 'Staying Put Policy' is being developed that affects payments and a review of whether the Council pays allowances through the payment to carers for nights or days that the children are with them.	A
Overseas travel 13/08/2013 Sep 2012	Authority-Wide	Limited	Original audit resulted in 1 high and 3 medium priority recommendations. 1) Reporting of overseas visits to Members should be reinstated and retrospective reports presented listing travel undertaken and the associated costs and benefits for all overseas travel undertaken since 31 December 2007. This is the second follow up.	4 (1)	October 2013 Strategic Director Transformation and Resources	N/A	2 medium priority recommendations have been implemented. The high priority and 1 medium priority recommendations are in the process of being implemented.	A

Audit / Follow-Up Date / Original Report date	Directorate [Service]	Original Opinion	Original Recommendations (H)	Original Total Recs (H)	Timescale / Strategic Director	Further Follow Up Scheduled	Outcome	RAG Status
Payment Card Industry - Data Security Standard 16/08/2013 Dec 2012	Authority-Wide	Minimum	Original review highlighted that the Council is currently not compliant with the standard, but appropriate measures, decisions and actions have or will be taken to ensure compliance in due course. 1 High priority recommendation. is outstanding: 1) Determine and implement the most appropriate installation in the Customer Services Centre, ie running Paye.net in a virtualised environment, running two machines on each desk with a KVM (keyboard, video and mouse) switch, running machines in separate secure environment via RDP (remote desktop protocol).	3 (1)	Mar 2014 Strategic Director Transformation and Resources	Mar 14	The Council is not compliant with the PCI standard, as the current installation of Paye.net does not meet the requirements of the PCI standard. The bank have reviewed the Council's position and reduced the Council's status to one of minimal risk, and is not taking action. IT Services is still committed to removing the risk altogether and will address this as soon as the Public Sector Network security project is completed.	R
HR Self-Serve - User Acceptance Testing (Expenses and Delegation) 30/09/2013 Mar 2013	T&R [Human Resources and OD]	Limited	Original audit resulted in 5 medium priority recommendations	5 (0)	April 2013 HR Project Manager	Feb 14	a) 3 recommendations fully implemented b) 1 recommendation due for implementation from November 2013. c) 1 recommendation due for follow up in January 2014. The follow up audit is currently underway.	A
Publishing Public Sector Information 23/09/2013 Dec 2012	Authority-Wide	Limited	Original audit resulted in 3 high and 6 medium priority recommendations.	9 (3)	September 2013 Strategic Director Transformation and Resources	Mar 14	The Information Governance Board (IGB) has now been established which will be considering, reviewing and ensuring all appropriate policies, procedures and practices concerning information governance is 'fit for purpose'. The IGB enables the Council to take a holistic and joined up approach to information governance, handling and management and introduce a co-ordinated approach and framework that is robust and consistent and effective.	A
			1) An information and data transparency policy and process should be presented to Cabinet to endorse the commitment to publish all appropriate information, and stating the assumption that exempt information should still be published but in redacted form.					
			2) The information and data transparency policy should be appropriately published to ensure the users of the information will be better informed as to the publication protocols.				The IGB will produce an information and data transparency policy. This will include processes to endorse the commitment to publish appropriate information. This commitment will work hand in hand with other regulations and legislation with regard exempt information. Once agreed by the IGB, the information and data transparency policy will be published on the Council's WebPages and also as part of the Council's FOI publications scheme.	
			3) The parameters for the Oracle and Discoverer reports should be verified as providing the data expected for the requirements of the information and data transparency policy.				The IGB will also identify a responsible officer who will confirm that the report parameters are correct, and the appropriate information is being produced. The Internal Audit Report will be considered at the next meeting of the IGB and appropriate actions agreed to ensure the recommendations in the report are addressed.	

Audit / Follow-Up Date / Original Report date	Directorate [Service]	Original Opinion	Original Recommendations (H)	Original Total Recs (H)	Timescale / Strategic Director	Further Follow Up Scheduled	Outcome	RAG Status
Out of Borough School Placements 25/10/2013 Nov 2012	F&W [CYPD]	Limited	Original audit resulted in 2 high and 6 medium recommendations. 1) i) All out of borough placements should be formally authorised and evidence of authorisation retained on file. ii) Where the value of a contract is over £50,000 authorisation should be obtained from the Chief Officer or by an officer with the delegated authority. 2) Documented procedures covering all aspects of placing children at independent out of borough provider should be developed, approved and made subject to regular review	8 (2)	January 2014 Strategic Director Families and Wellbeing	N/A	2 high and 2 medium recommendations have been implemented. The remaining 4 medium recommendations are in the process of being implemented. Supporting documentation to be provided to Internal Audit to evidence outstanding recommendations have been implemented.	A
Contract Final Account - Greasby Children's Centre 16/10/13 May 2013	F&W [CYPD]	Substantial	Original audit resulted in 3 medium priority recommendations.	3 (0)	October 2013 Strategic Director Universal and Infrastructure Services	Feb 14	It could not be confirmed that recommendation 7.3.1 and 7.3.2 have been implemented fully, as there have been no recent final accounts where variations have not been covered by email quotes and similarly there were no claims as a result of extensions of time Assurances were obtained that recommendation 7.3.3 have been partially implemented. The follow up audit is currently underway.	A
Mobile Telecomms Usage 14/11/2013 Dec 2012	Authority-Wide	Minimum	Original audit resulted in 3 high priority recommendations: 1) The authority should review its policy on private usage of mobile phones. The policy requirement to reimburse personal use should be enforced or abandoned. We do not believe that a technical solution identifying personal use and automatically billing officers will prove to be feasible. The available options therefore appear to be- • Centralise the management of mobile phones and appoint an officer with responsibility for administering the phones and collecting the reimbursements for personal use. (In view of the new contract, which charges a flat rate per month irrespective of usage, a view will have to be taken as to how to value personal use e.g. a flat rate per call); • Charge all users a flat rate for personal use deducted from salary, the onus being on the user to show no personal use to have the charge withdrawn; • Change the policy such that no private usage is permitted except in cases of emergency and such cases to be reimbursed. Pending any decision on the above, all officers with mobile phones should be reminded of the requirement to reimburse the council for private usage in accordance with the policy. 2) Automatic roaming of phones should be disabled for all phones and re-instated on a case by case basis only in respect of officers travelling overseas on authorised business or senior officers who need to be contacted when on holiday overseas. 3) We recommend that, pending any review of the council's policy on personal use, officers responsible for mobile phone bills within departments are made responsible for reviewing these for excessive and inappropriate use and reporting accordingly.	3 (3)	November 2013 Strategic Director Transformation and Resources	Apr 14	The authority has carried out an exercise to ensure that all mobile phones on the current contract are registered correctly and any unused phones are disconnected. A revised policy for mobile phone use has been agreed and disseminated, which addresses the concerns raised by Internal Audit regarding personal usage, data roaming and central management of mobile phone use. Compliance testing will be carried out as part of the audit plan for 2014/15.	A

Audit / Follow-Up Date / Original Report date	Directorate [Service]	Original Opinion	Original Recommendations (H)	Original Total Recs (H)	Timescale / Strategic Director	Further Follow Up Scheduled	Outcome	RAG Status
Mobile Phones 14/11/2013 Jun 2011	Authority-Wide	Minimum	Original audit resulted in 5 high and 2 medium priority recommendations. 1) The Mobile Phone Policy should be subject to a joint review by the Department of Law, HR and Asset Management and the Department of Finance with all further findings and recommendations made in this report considered for appropriate inclusion. It is recommended that the policy is owned by Human Resources as a corporate policy. 2) Internal Audit maintains that centralising the processes for managing the Authority's mobile phone system would provide greater control than the current decentralised arrangements. However, if this can not be implemented due to factors such as resource implications, it is then recommended that Human Resources: i) Utilise the HR system as a repository for maintaining records of all employees that have been issued a mobile phone, including defining a process to ensure that these records are updated accordingly; ii) Consider if pre-determined roles that require mobile phone technology can be identified, in collaboration with Council Chief Officers, and included within appropriate HR systems; iii) Develop a business case template for employees requesting a mobile phone; and iv) Establish a process for the transfer of mobile phones between employees or suspending/removing devices from the supplier's contract. 3) To ensure the Council is not continuing to pay for unused/unauthorised mobile phones, the Finance Department should provide Chief Officers with a list of all unknown mobile numbers in order for them to be identified. Action should then be taken to suspend/cancel appropriate mobile phone lines as appropriate. 4) A procurement group should be established, consisting of representation from IT Services and Corporate Procurement, to review the use of high end mobile phones in the Council. The procurement group should establish: i) The specification and selection of suitable handsets that are based on cost, technology infrastructure and user needs that should be included in the future contract tender documentation; ii) The compliance requirements in respect to Government Connect Code of Compliance (CoCo) for any mobile phone deemed appropriate for use by the Council; and iii) Whether any approved mobile phones and dongles can be classified as catalogue items on the i-Procurement system instead of going through the non-catalogue route process to provide greater control. 5) IT Services, in consultation with the Payments Manager, should identify the required information that should be collected at the point of order for all mobile phones to ensure electronic billing can be utilised efficiently and effectively and expenditure can be coded to the correct cost centre. Additionally, it should be ensured that all mobile phone orders are included as part of the electronic billing process.	7 (5)	November 2013 Strategic Director Transformation and Resources	Apr 14	The authority has carried out an exercise to ensure that all mobile phones on the current contract are registered correctly and any unused phones are disconnected. A revised policy for mobile phone use has been agreed and disseminated, which addresses the concerns raised by Internal Audit regarding personal usage, data roaming and central management of mobile phone use. Compliance testing will be carried out as part of the audit plan for 2014/15.	A

Audit / Follow-Up Date / Original Report date	Directorate [Service]	Original Opinion	Original Recommendations (H)	Original Total Recs (H)	Timescale / Strategic Director	Further Follow Up Scheduled	Outcome	RAG Status
ICT Policies 25/11/2013 Feb 2013	Authority-Wide	Limited	Original audit resulted in 2 high priority recommendations: 1) An up to date and effective Information Security Policy Framework, consistent with ISO/IEC 27001 standard, should be produced to ensure that user responsibilities in terms of Information Security are clear. Responsibility for policy management and review should be determined, and be detailed on the responsible team's business plan with a SMART action plan. 2) a) When the Information Security Policy Framework is in place, an Information Security and Information Governance awareness session should be developed and delivered as part of the induction session. In addition, consideration should be given to introducing structured 'refresher' training for existing staff at regular intervals. b) Consideration should be given to implementing an IT solution, such as NetConsent, to ensure users are provided with access to relevant policies, and acknowledge this.	2 (2)	March 2014 Strategic Director of Transformation and Resources	Mar 14	As part of the exercise to bring the council's information and ICT security policies in line with best practice and the international standard ISO 27001 the existing policy has been broken down into separate policy documents. As of 25 November 2013 the following policies have been drafted but not yet ratified by the organisation: Asset Management Policy; Information Risk Management Policy; Human Resources Security Policy; Access Control Policy; Password Policy; Communications and Operations Management Policy; Mobile Working Policy; Use of Removable Media Policy; WiFi Acceptable Use Policy; Internet Acceptable Use Policy - Public Access; Internet Acceptable Use Policy; Information Systems Acquisition, Development and Maintenance; Information/ICT Security Incident Management Policy; and Physical and Environmental Security Policy Other policies are soon to be completed: Patch Management Policy; Change Control Policy; Third Party Access Policy; Business Continuity / Disaster Recovery Policy; Compliance Policy; Email Policy; Malware Policy; VOIP Security Policy; Acceptable Use Policies - Use of Internet Facilities; Use of Email Facilities; and Use of Telecomms. It is envisaged that ratification of the policies will be delegated down from Cabinet, who have approved all policies and related amendments to date, to the IG Board.	A
Independent Foster Care 10/01/2014 Aug 2013	Families and Wellbeing (F&W) [CYPD]	Substantial	Original audit resulted in 1 medium priority recommendation.	1	March 2014 Strategic Director Families & Wellbeing	Mar 14	The recommendation is in the process of being implemented and positive progress has been made.	A

Audit / Follow-Up Date / Original Report date	Directorate [Service]	Original Opinion	Original Recommendations (H)	Original Total Recs (H)	Timescale / Strategic Director	Further Follow Up Scheduled	Outcome	RAG Status
Residential and Nursing Home Care 13/01/2014 Dec 2012	F&W [DASS]	Limited	Original review resulted in 2 high and 4 medium priority recommendations.	6 (2)	November 2013 Strategic Director Families & Wellbeing	Jul 14	A second follow up of the recommendations made in December 2012. 5 recommendations remained outstanding following the first follow up. Of the five two medium recommendations have been implemented , and 3 were partially implemented (1 high, 2medium). The department is committed to the implementation of the remaining 3 recommendations.	A
			To improve data quality and ensure that a consistent approach is applied to the quality assurance process, management checks should be undertaken and used to: quantify the results from the checks; consider the reasons for errors and any impact; monitor performance over time; identify and implement appropriate training and other corrective action. Monitoring and evaluations should be regularly undertaken to assess the system's performance, operations and activities. This information can be used to inform future decisions about the Quality Assurance process, particularly the timescales and coverage of the inspections.					
			The records of those individuals recorded in the attached appendix should be reviewed and: a care review should be undertaken promptly, where due or; the electronic information system updated to correctly record the date of the last annual review. If investigations reveal that an annual review has been undertaken and incorrectly recorded, the electronic records for all care home placements should be examined to ensure that the correct date of the latest annual review has been recorded. If investigations reveal that an annual review has not been undertaken, all care home placements should be reviewed and action taken to ensure a care review is undertaken in accordance with the minimum annual requirement.				Implemented. Evidenced during the 1st follow up audit.	

Audit / Follow-Up Date / Original Report date	Directorate [Service]	Original Opinion	Original Recommendations (H)	Original Total Recs (H)	Timescale / Strategic Director	Further Follow Up Scheduled	Outcome	RAG Status
Shared Lives Scheme 31/01/2014 Sep 13	F&W [DASS]	Minimum	Original review resulted in 9 high recommendations and 2 medium recommendations. High priority recommendations where:	11 (9)	May 2014 Strategic Director Families & Wellbeing	May 14	1 medium priority recommendation is in the process of being implemented, and 1 medium priority recommendation has an implementation target date of May 14.	A
			1) i) The Contract should be reviewed in consultation with the Service Provider to ensure that the Contract is suitable for the Shared Lives Scheme. Any legislative change or guidance issued by statutory bodies that have a material impact on the provision or cost of the service should be taken into account. ii) Performance measures should be developed that will ensure all contracts are reviewed annually. iii) A representative from DASS should conduct random inspections of the Service Provider records and the delivery of services to ensure all terms of the contract are being fulfilled. iv) There should be regular monitoring meetings with the Service provider, to discuss any issues.				Due for follow up in May 2014	
			2) i) The system for authorising care provision for Service Users should be reviewed and the following should be considered: • The form of care initiation/order that will be used for future care provision of this type; • If the care initiation/order will be accompanied by a letter to the Service Provider and Home Owner (Carer), and if this is to accompany the care initiation/order form, will the letter still require the Service provider and Home Owners (Carers) signature; • The type of documentation that will be required for any temporary changes to care provision, emergency care and additional expenditure items. ii) The care initiation document should be signed by all parties prior to commencement of the care provision and a copy should be retained by DASS and the Service Provider for the required retention period. iii) The contract should be amended to reflect changes made following the review.				Due for follow up in May 2014	
			3) i) The banding structure should be reviewed in consultation with the Service provider to ensure that it is suitable for the service that is currently being provided. The Contract should be amended following the review. ii) A full review should be undertaken of the current cost of care provision provided to all Service Users placed with PSS, to ensure they are receiving the required level of care, and the Council are paying the correct amount towards the cost of care. iii) The banding structure should be reviewed annually taking into account increase/decreases in inflation. iv) The agreed banding structure should be used to calculate the Council's contribution towards the cost of care for all Service Users.				Due for follow up in May 2014	
			4) The care provision for the Service User should be reviewed by DASS and the following should be taken into consideration: • Whether or not the Council should be paying a management fee to PSS for the Service User; • If the Council should recover the payments that have been made to PSS of £61.40 per week.				Implemented	

Audit / Follow-Up Date / Original Report date	Directorate [Service]	Original Opinion	Original Recommendations (H)	Original Total Recs (H)	Timescale / Strategic Director	Further Follow Up Scheduled	Outcome	RAG Status
		Minimum	5) The care provision for the Service User should be reviewed by DASS and the following should be taken into consideration: • Whether or not the Council should be paying additional expenses for the Service User; • If the Council should recover the £1528.79 surplus which has accumulated from the previous year for additional expenses.				Partially implemented	A
			6) i) The Management Fee should be reviewed in consultation with the Service Provider. The following should be considered when undertaking the review: • Management Fee per Carer or Service User; • Amount of fee charged compared to other local authorities; • If variations to the Management Fee are accepted, what evidence is required from PSS to justify the variance. ii) The Contract should be amended following the review. iii) Regular checks should be undertaken by DASS to ensure that the agreed management fees are applied in all cases.				Due for follow up in May 2014	
			7) i) The Service Provider (not the Home Owner (Carer)) should be required to submit a 4 weekly movement return, showing Service User movements, temporary absences such as for respite care, hospitalisation etc. If there are no movements 'NIL RETURN' should be written across the movement return. Payments should only be made to the Service Provider upon receipt of the four weekly movement returns. ii) The movement return should include the following details as a minimum requirement: Service User name and SWIFT reference; Payment period and date; Date of care commencement and departure; Temporary absences; Any additional expenses; Increase/decreases in Housing Benefit payments. iii) A process should be developed for checking movement returns, to ensure reasonableness, e.g. the schedule is for the correct period and the admissions and/or departures agree to what is detailed on the SWIFT system. iv) A guidance note should be compiled detailing the above procedure and a checklist should be used to evidence the verification. v) The Contract should be amended to take into account implementation of the above recommendations.				(i) - (iv) Implemented (v) is In the process of being implemented.	
			8) i) The current limits of indemnity, as detailed in the Contract should be reviewed to ensure they are still adequate for this type of service provision. If the limits are suitable, the Service Provider should be informed of the requirement to increase treatment liability insurance to £10 million. If changes are to be made to the limits the Service Provider should be informed immediately and the Contract should be amended accordingly. ii) Regular reviews should be undertaken to ensure that all insurances as detailed in the Contract (for example, motor insurance, buildings and contents) and indemnity limits are adequate and that the Service Provider maintains adequate up-to-date insurance.				In the process of being implemented.	
			9) Consideration should be given to review all Contracts that the Council has with other adult placement providers, to ensure conditions and obligations are met and procedures are consistently applied.				In the process of being implemented.	

Audit / Follow-Up Date / Original Report date	Directorate [Service]	Original Opinion	Original Recommendations (H)	Original Total Recs (H)	Timescale / Strategic Director	Further Follow Up Scheduled	Outcome	RAG Status
Youth Offending Team 21/01/2014 Aug 2013	F&W [CYPD]	Limited	Original review resulted in 1 high, 1 medium and 1 low priority recommendations The following actions should be taken to address issues raised by the internal audit: i) To resolve the confusion over what the agreed petty cash imprest level should be and to seek assurances that all monies can be accounted for through appropriate review of documentation and transactions. ii) To review and set an appropriate petty cash imprest amount for the Youth Offending Team. This should then be declared to Accountancy to ensure that the Balance Sheet entry in the accounts is correct. iii) To note that the current safe limit is £1000, as per the Council's insurance limitations and that Risk and Insurance should be contacted if the agreed imprest level will result in cash over £1000 being held in the safe. iv) To ensure that bank statements are received and reconciled on a monthly basis by an officer not involved in the imprest system. v) To ensure that a full reconciliation back to the petty cash imprest	3 (1)	March 2014 Strategic Director Families & Wellbeing	Mar 14	2 recommendations have been implemented (1 medium,1 low) The outstanding high priority recommendation has been partially implemented, part (i) of the recommendation remains outstanding.	A
Adult Learning Disability 21/01/2014 Jun 2013	F&W [DASS]	Minimum	Original review resulted in 1 high and 3 medium priority recommendations. It should be clear whose responsibility it is to identify those young people who fall into the relevant categories. If this is to be the Transition Team then an assessment of the current risk exposure of the Council in respect of resources should be undertaken, so as to consider whether there is merit in identifying additional resources. This would support the success of helping young people with a Learning Disability, who are not known to the CYPD Disabilities Team and consequently the Transition Team, through a smooth transition to adulthood. Links should be strengthened with relevant parties and partners to allow for the early identification of the number of young people, with a learning disability, likely to require adult services. The improvement of these links will help to enhance the life opportunities of the young people, ensuring a smooth transition to adulthood, whilst also providing for effective budget forecasting.	4 (1)	June 2014 Strategic Director Families & Wellbeing	Jun 14	Of the four recommendations, three (medium) have been partially implemented. Verbal assurance has been obtained that the remaining high priority recommendation requires a longer term objective to be considered. Further clarification of this will be sought at a future follow up scheduled for June 2014.	A

Audit / Follow-Up Date / Original Report date	Directorate [Service]	Original Opinion	Original Recommendations (H)	Original Total Recs (H)	Timescale / Strategic Director	Further Follow Up Scheduled	Outcome	RAG Status
ICT Hardware Asset Register 04/02/2014 Mar 2013	T&R [Resources]	Limited	Original audit resulted in 6 high and 1 medium priority recommendations. 1) VQSM should be used at the primary source for the Authority's Hardware Asset Register (HAR). 2) The Authority's HAR should be updated to include all hardware assets, and maintained in line with agreed procedures. 3) The project to develop "Here's My Asset", subject to demonstrating proof of concept, will assist the accuracy of the HAR, and its successful deployment should be prioritised by IT management. 4) All hardware assets connecting to the network should be visible to the Altiris Software. 5) Procedural guidance should require the immediate update of the HAR when an asset is to be added or deleted, where a segregation of duties should be achieved. 6) The accuracy of the HAR should be verified on a regular basis, and the results reported to IT Management.	7 (6)	April 2014 Strategic Director Transformation and Resources	Apr 14	All recommendations are not being implemented pending the outcome of the Windows7 project. This may render the specific recommendations obsolete, although the control weakness principles identified will need to have been considered.	A
Confidential Reporting 10/02/2014 July 2013	T&R [Legal and Member Services]	Limited	The original audit resulted in seven medium priority recommendations.	7 (0)	May 2014 Strategic Director Transformation & Resources	May 14	1 recommendation has been implemented, and a firm commitment has been made to implement the remaining recommendations by June 2014.	A

KEY:

Control Environment	
MAXIMUM	There is a sound system of control designed to achieve the system objectives and these are being consistently applied. No High recommendations made or low priority recommendations have been made that cumulatively do not warrant 'substantial status'.
SUBSTANTIAL	There is a basically sound system of control, but there are weaknesses in design and/or operation of controls which put some of the control objectives at risk. A medium priority recommendation has been made, or a large number of low priority recommendations made that cumulatively could meet the criteria for a
LIMITED	There are some weaknesses in the design and/or operation of the system of control which could have a significant impact on the achievement of the control objectives. Improvements could be made to a number of areas within the control environment so that the relevant risks are managed more effectively, a high priority recommendation has been made, or several medium priority recommendations that cumulatively meet the criteria for a high priority action.
MINIMUM	There are weaknesses in the design and/or operation of the system of control which have had a significant impact on the achievement of the control objectives, and may put at risk the achievement of the organisation's objectives. More than one high priority recommendation identified.

Compliance	
MAXIMUM	The control environment is operating as intended. No recommendations have been made or low priority recommendations have been made that cumulatively do not warrant 'substantial status'.
SUBSTANTIAL	The control environment is substantially operating as intended. A medium priority recommendation has been made, or a large number of low priority recommendations made that cumulatively could meet the criteria for a medium priority recommendation.
LIMITED	The control environment has not operated as intended and errors have been detected. Improvements could be made to a number of areas so that the relevant risks are managed more effectively, a high priority recommendation has been made, or several medium priority recommendations that cumulatively meet the criteria for a high priority action.
MINIMUM	The control environment has fundamentally broken down and is open to serious error or abuse. Significant errors have been detected. More than one high priority recommendation has been identified.

Organisational Impact	
MAJOR	The weaknesses identified during the review have left the Council open to significant risk. If the risk materialises it would have a major impact upon the organisation as a whole.
MODERATE	The weaknesses identified during the review have left the Council open to moderate risk. If the risk materialises it would have a moderate impact upon the organisation as a whole.
MINOR	The weaknesses identified during the review have left the Council open to a low level of risk. If the risk materialises it would have a minor impact on the organisation as a whole.

RAG status		
G	**Audits**	Actions agreed and implemented.
	Follow Ups	Actions implemented.
A	**Audits**	Actions agreed and officers committed to implement within agreed timescale.
	Follow Ups	Actions in process of being implemented within agreed timescale with some implemented.
R	**Audits**	Actions agreed
	Follow Ups	Little or no progress made to implement actions within agreed timescale.

Recommendation Priority Rating	
HIGH	A matter that is fundamental to the control environment for the specific area under review. The matter may cause a system objective not to be met. This needs to be addressed as a matter of urgency (suggested timescale: within one month).
MEDIUM	A matter that is significant to the control environment for the specific area under review. The matter may threaten the achievement of a system objective.
LOW	A matter that requires attention and would improve the control environment for the specific area under review. The matter may impact on the achievement of a system objective.