

**INTERNAL AUDIT OUTSTANDING AUDIT RECOMMENDATIONS  
PERIOD: 01 APRIL 2015 TO 31 AUGUST 2016**

<b><u>Summary</u></b>	<b>Total</b>	<b>R</b>	<b>A</b>
<b>1. Completed Audits</b>	<b>9</b>	<b>0</b>	<b>9</b>
<b>2. Follow Up Audits Completed</b>	<b>10</b>	<b>0</b>	<b>10</b>
<b>3. Advice And Guidance / Consultancy</b>	<b>0</b>	<b>0</b>	<b>0</b>

**INTERNAL AUDIT OUTSTANDING AUDIT RECOMMENDATIONS**
**PERIOD: 01 APRIL 2015 TO 31 AUGUST 2016**
**1. Completed Audits - RED or AMBER flag**

Audit	Date	Directorate [Service]	Organisational Risk	Areas for Development / Improvement and comments	Total Recs (H)	Timescale / Strategic Director	Outcome	RAG Status
MPF Pensions Payroll	16/10/2015	T&R [Merseyside Pension Fund]	Minor	Two recommendations were made which do not present a significant risk to the organisation.	2 (0)	May 2016  Strategic Director Transformation and Resources	Follow Up is currently underway with the auditee, verbal assurance provided that recommendations are in process of being implemented.	A
Wirral Evolutions Day Services	18/11/2015	Families & Well-being (F&W)  [Wirral Evolutions]	Moderate	Six recommendations regarding enhanced financial control and consistency of financial practice, high level issue regarding consistency of approach and dealings with voluntary funds.	6 (1)	March 2016  Senior Manager - Delivery	The recommendations have been accepted.	A
Capital Investment Programme	23/12/2015	T&R [Financial Services]	Minor	Three recommendations were made which do not present a significant risk to the organisation.	3 (0)	April 2016  Strategic Director Transformation and Resources	The recommendations have been accepted. Follow Up is currently underway with the auditee, verbal assurance provided that recommendations are in process of being implemented.	A
Treasury Management	24/02/2016	T&R [Resources]	Minor	Four low priority recommendations have been made which do not present a significant risk to the organisation.	4 (0)	TBC  Strategic Director Transformation and Resources	All recommendations have been agreed. Follow Up is currently underway with the auditee, verbal assurance provide that recommendations are in process of being implemented.	A
Supporting People	07/03/2016	Regeneration & Environment (R&E)  [Supported Housing]	Minor	Two recommendations were made which do not present a significant risk to the organisation.	2 (0)	August 2016  Assistant Chief Executive	Follow Up is currently underway with the auditee, verbal assurance provided that recommendations are in process of being implemented.	A
Liquidlogic	13/05/2016	F&W  [DASS] & [CYPD]	Moderate	<ul style="list-style-type: none"> <li>• Review current users as soon as possible to confirm access is appropriate.</li> <li>• Document an Access Control Policy (ACP), and ensure regular, evidenced, review of users in line with ACP.</li> <li>• Failed login attempt report to be activated.</li> <li>• Report of unknown user IDs to be produced and reviewed.</li> <li>• Improve password rules in line with the Corporate password policy, confirm password rules have been applied to all users and ensure security questions are changed by users.</li> </ul>	6 (5)	September 2016  Strategic Director Families and Wellbeing	Recommendations agreed. Follow up scheduled for w/c 26th September.	A
Wirral Family Forum	13/05/2016	F&W  [CYPD]	Moderate	<ul style="list-style-type: none"> <li>• Review the General Service Agreement and undertake a programme of checks for each grant paid.</li> <li>• Ensure that the Service Provider is fully aware of the requirements to submit supporting evidence in relation to all grants issued .</li> <li>• Future grants paid only to organisations that hold a bank account in their own right.</li> </ul>	4 (3)	September 2016  Strategic Director Families and Wellbeing	Recommendations agreed. Verbal assurance provided that recommendations are in process of being implemented, with follow up scheduled for 29th September.	A

Audit	Date	Directorate [Service]	Organisational Risk	Areas for Development / Improvement and comments	Total Recs (H)	Timescale / Strategic Director	Outcome	RAG Status
Direct Payments - Children	07/07/2016	F&W  [CYPD]	Minor	Seven recommendations were made which do not present a significant risk to the organisation.	7 (0)	November 2016  Strategic Director Families and Wellbeing	Final Report issued and recommendation agreed with actions and timescales confirmed. Follow up scheduled for November.	A
Information Governance and Security - Intranet Policies and Guidance	12/07/2016	Authority Wide	Minor	Ten recommendations were made which do not present a significant risk to the organisation.	10 (0)	November 2016  Strategic Director Transformation and Resources	Final Report issued and recommendation agreed with actions and timescales confirmed. Follow up scheduled for November.	A

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**PERIOD: 01 APRIL 2015 TO 31 AUGUST 2016**

**2. Follow Up Audits Completed - RED or AMBER flag**

Audit / Follow-Up Date / Original Report date	Directorate [Service]	Organisational Risk	Areas for Development / Improvement and comments	Original Total Recs (H)	Timescale / Strategic Director	Outcome	RAG Status
Procurement of Commissioned Care (Domiciliary Care and Reablement Services) 26/08/2015  Aug 2014	Families & Wellbeing (F&W)  [DASS]	Moderate	The audit resulted in 2 High, 3 Medium and 2 Low recommendations. Arrangements must be put in place by the department to ensure that for all future procurement exercises it conducts, it is satisfied that the 'signing' element of the procurement process will be in accordance with Contract Procedure Rules. A final list of Tier 3 providers must be compiled ensuring a contract is in place for each organisation (liaising with Legal in the process). This list should then be disseminated and utilised by the Contracts Team and the Care Arranging Team. Procurement and Legal should be notified to ensure the Contracts Register is updated accordingly. The contract arrangements for those organisations who are not a Tier 1, 2 or 3 provider, but who are providing a service to Adult Social Services funded clients, must be clarified and resolved with Legal and Member Services.	7 (2)	October 2014  Strategic Director Families and Wellbeing	A follow-up audit review was conducted during 2015/16. It was found that significant progress has been made. The two high priority recommendations have been assessed as being implemented. Two other recommendations have been assessed as implemented and the remaining three (1 x Medium Priority and 2 x Low Priority) have been assessed as partly implemented. It is expected that full implementation will be achieved following the final roll-out of functions within Liquidlogic. Where applicable, assurances have been provided to confirm that lessons have been learned that will benefit future procurement exercises. The outstanding recommendations will be reviewed as part of audit work to be conducted during 2016/17.	A
ResourceLink – Access Controls 04/09/2015  Oct 2014	Transformation & Resources (T&R)  [Human Resources and OD]	Moderate	The Information Asset Owner can improve controls to prevent inappropriate access to information through the production of an Access Control Policy, to be assured that user access to information is in line with business need, and by ensuring that the measures stated in the ACP are applied to the system and user settings, e.g. by enforcing password rules, switching on the audit trail for System Administration activity, and regularly reviewing user access.	14 (7)	December 2015  Strategic Director Transformation and Resources	Officer responsible for implementing the recommendations was due to commence work wef 01/08/16. However, problems with ResourceLink system have resulted in the officer being used reactively to solve issues, delaying the implementation of the recommendations.	A
ICT Business Continuity 04/09/2015  Dec 2014	Universal & Infrastructure / Authority-Wide	Moderate	Ensure that all Directorates include ICT business continuity requirements in their risk registers and CESG to approve the critical services list so that business continuity plans can be put in place using the new template.	4 (4)	December 2015  Strategic Directors	ICT Business Continuity and Resilience Plans featured as a Significant Governance Issue in the Annual Governance Statement 2014/15. Progress is being made to address the identified key risks in this area. Outstanding issues are included on the Governance Issues Action Plan, and are being overseen/managed by the Corporate Governance Group.	A
Data Loss Prevention 04/09/2015  Oct 2014	Authority-Wide	Major	A DLP policy for the management of information assets should be produced, agreed by the Information Governance Board, and made available to all staff. This will ensure the correct management of information via the delivery of a technical solution by IT Services and the development and enforcement of appropriate working practices by Information Asset Owners.	3 (3)	December 2015  Information Governance Board	The Head of IT Services attended ARMC with an update in September 2015. Action is being taken to document a policy which will then allow a suitable Data Loss Prevention solution to be enabled by IT. The recommendations will continue to be monitored on an ongoing basis with the relevant IT Officer.	A

Audit / Follow-Up Date / Original Report date	Directorate [Service]	Organisational Risk	Areas for Development / Improvement and comments	Original Total Recs (H)	Timescale / Strategic Director	Outcome	RAG Status
IT Services Disaster Recovery 04/09/2015  Jan 2015	T&R  [Resources]	Major	IT Services' Disaster Recovery Plan should be documented, where the prioritisation of recovery tasks stated in the plan should reflect the documented requirements of business critical services.	4 (4)	May 2015  Strategic Director Transformation and Resources	The Head of IT Services attended ARMC with an update in September 2015. A number of initiatives are underway to deliver an effective Disaster Recovery solution. The recommendations will continue to be monitored on an ongoing basis with the relevant IT Officer. <u>Update 07/09/2016</u> Discussed with IT Infrastructure Manager, who confirmed that the DR plan that was in use was out of date for the Authority's requirements. There is a plan to develop and document a new DR plan, but no timescale has been given. Outstanding issues are included on the Governance Issues Action Plan, and are being overseen/managed by the Corporate Governance Group.	A
Transport Unit 25/02/2016  Aug 2015	T&R  [Design Consultancy - Maintenance function]  F&W [CYPD Transport - Taxi and Home to school transport functions]	Moderate	Policies and procedures should be added to so as to ensure responsibilities are fully detailed. Policies should be finalised, approved by the appropriate person(s) and circulated to all relevant staff.	7 (1)	February 2016  Strategic Director Transformation and Resources  Head of Branch - Planning and Resources	The majority of the building works and improvements have now been completed, the relocation of staff to the site is also now complete (subject to any possible changes re - NOM'S & ADM's). Asst Director responsible for Transport Unit is satisfied all services are operating within their own specific operational health & safety plans, method statements, and risk assessments. Issues with uneven and broken road surfaces have been addressed, road markings and parking areas provided. Access and egress has been made safer and site security/CCTV has been improved and upgraded.  The finishing touches to an audit programme covering multiple sites are currently being put together and this should be available to you shortly in respect of a specific H&S audit date for the depot.	A
Community Patrol 01/04/2016  Feb 2015	Regeneration & Environment (R&E)  [Housing and Community Safety]	Minor	Five recommendations were made which do not present a significant risk to the organisation.	5 (0)	May 2015  Strategic Director Regeneration and Environment	Verbal assurance provided that implementation of the recommendations remains in progress. This follow up work is to be incorporated into the audit job on Wirral Community Safety Partnership planned for Q3.	A
Direct Payments 18/04/2016  June 2015	F&W  [DASS]	Major	Ensure clear policies and procedures are in place, up-to-date and adhered to in practice, specifically regarding - when and who is responsible for conducting, reporting and acting upon the reviews/assessments required as part of the direct payments process; - the robustness of contract monitoring. - ensuring individual Direct Payment contracts are signed appropriately. - the robustness information is entered in the Liquidlogic system.	5 (1)	October 2015  Strategic Director Families and Wellbeing	Each recommendation was assessed as being partially implemented. Further steps are required to be taken to ensure full implementation. This was fully acknowledged by the responsible senior manager who appreciated the follow-up review particularly following a period of changing roles and structures. Further internal audit work has been scheduled within the Internal Audit Plan 2016/17 to evidence full implementation of the outstanding recommendations.	A

Audit / Follow-Up Date / Original Report date	Directorate [Service]	Organisational Risk	Areas for Development / Improvement and comments	Original Total Recs (H)	Timescale / Strategic Director	Outcome	RAG Status
Organisational Culture 10/05/2016  June 2015	T&R  [Human Resources & OD]	Major	<ul style="list-style-type: none"> <li>- Ensure commitment and compliance to Performance Appraisal and Development.</li> <li>- Put in place a clear, effective and efficient mandatory training programme that is delivering the expected benefits to staff and to the organisation.</li> <li>- Report upon and address the staff Survey Action Plan, and consider a future staff Survey as part of an indicator of organisational culture.</li> </ul>	4 (3)	October 2016  Strategic Director Transformation and Resources	The three high priority recommendations were each assessed as being partially implemented and the one medium priority recommendation was assessed as not implemented. Further steps/actions are being taken during 2016/17 in relation to Performance Appraisal and Development; Mandatory training; and a staff survey. A Culture action plan is also in place. Further internal audit work will be undertaken later in the year (c.October), at which point evidence should be available to highlight the progress made in implementing the recommendations. Outstanding issues are included on the Governance Issues Action Plan, and are being overseen/managed by the Corporate Governance Group.	A
Corporate Procurement 15/06/2016  Feb 2014	T&R  [Corporate Procurement]	Major	Ensure: <ul style="list-style-type: none"> <li>- Completion of the No PO No Pay process</li> <li>- Regular updating of Contracts Register</li> <li>- Finalisation of formal contracts</li> </ul>	6 (4)	November 2016  Strategic Director Transformation and Resources	This is the third follow-up review conducted. Progress continues to be made with implementing the recommendations in line with the new operating model. Outstanding issues relating to corporate procurement are included on the Governance Issues Action Plan, and are being overseen/managed by the Corporate Governance Group.	A

**KEY:****Organisational Risk**

<b>MAJOR</b>	The likelihood/impact of the risks identified during the review, should these materialise, would leave the Council open to major risk.
<b>MODERATE</b>	The likelihood/impact of the risks identified during the review, should these materialise, would leave the Council open to moderate risk.
<b>MINOR</b>	The likelihood/impact of the risks identified during the review, should these materialise, would leave the Council open to minor risk.
<b>NEGLIGIBLE</b>	There were no weaknesses identified during the review.

**RAG status**

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

**Recommendation Priority Rating**

<b>HIGH</b>	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).
<b>MEDIUM</b>	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.
<b>LOW</b>	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.