

**INTERNAL AUDIT OUTSTANDING AUDIT RECOMMENDATIONS  
PERIOD: 01 APRIL 2016 TO 30 AUGUST 2017**

<b><u>Summary</u></b>	<b>Total</b>	<b>R</b>	<b>A</b>
<b>1. Completed Audits</b>	<b>3</b>	<b>0</b>	<b>3</b>
<b>2. Follow Up Audits Completed</b>	<b>1</b>	<b>0</b>	<b>1</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 2016 TO 30 AUGUST 2017**

**1. Completed Audits - RED or AMBER flag**

Audit	Date	Audit Area as per plan	Organisational Risk	Summary of Findings and Conclusions	Total Recs (H,M)	Implementation timescale for all actions Responsible Officer	Status	RAGB Status
Investments 16/17	23/03/2017	Delivery	Moderate	<p>Actions to ensure:</p> <ul style="list-style-type: none"> <li>Advisory services provided to the Fund comply with the Contract Procedure Rules pending the development and use of the national consultancy frameworks.</li> <li>Members are explicitly informed of the key developments and issues in respect to the agreed actions from previous committee reports.</li> </ul>	3 (1,1)	<p>August 2017</p> <p>Director - Merseyside Pension Fund</p>	Final Report issued and recommendations agreed with the Senior Investments Manager & Group Accountant. The Follow-Up Audit is currently being undertaken.	A
Whistleblowing	28/03/2017	Business Services	Moderate	<p>Actions to ensure:</p> <ul style="list-style-type: none"> <li>Periodically update the Policy &amp; Procedure to reflect the current operating environment</li> <li>Speedy flow of documentation &amp; information from Designation to Investigation Officer , Law &amp; Governance to review the system and report to Senior Management and ARMC</li> </ul>	3 (0)	<p>April 2017</p> <p>Assistant Director Law &amp; Governance</p>	Final Report issued and recommendations agreed with the Governance and Practice Manager.	A
Sickness Absence	29/03/2017	Business Services	Major	<p>Actions to ensure:</p> <ul style="list-style-type: none"> <li>Retraining of Line Managers on Policy, ensure they are held responsible for non-compliance with the policy</li> <li>Senior Management &amp; HR to come up with stricter procedures which will emphasise the importance of fully adherence to policy by Line Managers. Periodic reviews of the system by an HR practitioner should be considered</li> <li>Line Managers should fully document cases of absence, communicate with HR on triggers, long-term sickness, referrals etc. as per policy</li> </ul>	4 (3)	<p>March 2018</p> <p>Assistant Director - HR/OD</p>	Corporate Governance Group overseeing implementation of actions. Regular reporting to ARMC via the SGI Action Plan.	A

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

Audit	Follow up date	Original Report date	Audit Area as per plan	Organisational Risk Position as at the date of the original audit	Summary of Findings and Conclusions	Original Total Recs (H,M)	Implementation timescale for all actions Responsible Officer	Status	RAGB Status - Current position	Organisational Risk - Current Position
Data Loss Prevention	07/11/2016	Oct 14	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)	January 2017 Information Governance Board	The Head of Digital reported at the January ARMC meeting that the project will be complete by May 2017.  This area is included in the draft Internal Audit plan for 2017/18.	A	Major

**KEY:**

Organisational Risk	
<b>MAJOR</b>	A major organisational risk opinion indicates that the likelihood/impact of the risks identified during the review, should they materialise, would leave the Council open to major risk of a fundamental or material nature. This opinion suggests that there are some potentially serious weaknesses in the design and/or operation of the control environment that may have a significant impact on the achievement of systems and or corporate objectives if not addressed.
<b>MODERATE</b>	A moderate organisational risk opinion indicates that the likelihood/impact of the risks identified during the review, should they materialise would leave the Council open to moderate risk of a fundamental or material nature. This opinion suggests that there are some weaknesses in the design and/or operation of the control environment that may have varying degrees of impact on the achievement of the systems and/or corporate objectives.
<b>MINOR</b>	A minor organisational risk opinion indicates that the likelihood/impact of the risks identified during the review, should they materialise, would leave the Council open to minor risk.
<b>NEGLIGIBLE</b>	A negligible organisational risk opinion indicates that there were no weaknesses identified during the review and that the Council is not exposed to any risks directly associated with the findings.

RAGB status		
<b>B</b>	<b>Audits</b>	All actions agreed and implemented, with no further Internal Audit action necessary.
	<b>Follow Ups</b>	All actions implemented, with no further Internal Audit action necessary.
<b>G</b>	<b>Audits</b>	Most actions agreed and implemented, e.g. low priority recommendations are outstanding, with no further Internal Audit action planned.
	<b>Follow Ups</b>	Most actions implemented, e.g. low priority recommendations are outstanding, with no further Internal Audit action planned.
<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.