



**WATFORD  
BOROUGH  
COUNCIL**

# **AUDIT COMMITTEE**

**Thursday, 29th September, 2016**

**7.00 pm**

**Town Hall, Watford**

**Publication date: 21 September 2016**

**Contact**

If you require further information or you would like a copy of this agenda in another format, e.g. large print, please contact Sandra Hancock in Democracy and Governance on 01923 278377 or by email to [legalanddemocratic@watford.gov.uk](mailto:legalanddemocratic@watford.gov.uk) .

Welcome to this meeting. We hope you find these notes useful.

## **Access**

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- Go to the assembly point at the Pond and wait for further instructions
- Do not re-enter the building until authorised to do so.

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# Committee Membership

Councillor D Scudder (Chair)  
Councillor T Williams (Vice-Chair)  
Councillors S Cavinder, Asif Khan and B Mauthoor

## Agenda

### Part A - Open to the Public

- 1. Apologies for Absence/Committee Membership**
- 2. Disclosure of Interests (if any)**
- 3. Minutes**

The minutes of the meeting held on 27 June 2016 to be submitted and signed.

Copies of the minutes of this meeting are usually available seven working days following the meeting.

*(All minutes are available on the Council's [website](#).)*

- 4. Ombudsman's Annual Letter (Pages 5 - 10)**

Report of the Head of Democracy and Governance

This report provides the committee with the Local Government Ombudsman's Annual Review letter.

- 5. Annual Governance Statement - Action Plan Update (Pages 11 - 14)**

Report of the Head of Finance (shared services)

This report gives details of the progress in implementing the actions required resulting from the Annual Governance Statement.

- 6. Internal Audit - SIAS Board Annual Report 2015-16 (Pages 15 - 30)**

Report of the Head of Finance (shared services) and the Shared Internal Audit Service

This report includes the Shared Internal Audit Service annual report for 2015-16.

**7. Internal Audit Progress Report 2016/17 (Pages 31 - 88)**

Report of the Head of Finance (shared services) and the Shared Internal Audit Service

This report gives details of the progress made in implementing the recommendations of the internal auditor.

**8. External Auditors Report To Those Charged With Governance - ISA260 - (September 2016) and Approval Of The Statement of Accounts 2015/16 (Pages 89 - 92)**

Report of the Head of Finance (shared services) and the external auditor EY

This report allows the committee to ask questions of the external auditor concerning his 'Report to those charged with Governance (ISA260)' and to approve the Statement of Accounts for 2015/16.

Appendices to follow

**9. Committee Work Programme (Pages 93 - 96)**

Report of the Head of Finance (shared services)

This report provides the committee with an opportunity to review its work programme and make any necessary changes.

## PART A

**Report to:** Audit Committee  
**Date of meeting:** 29 September 2016  
**Report of:** Head of Democracy and Governance  
**Title:** Ombudsman's Annual Letter

### 1.0 SUMMARY

1.1 To note the Local Government Ombudsman's Annual Review Letter attached at Appendix 1.

### 2.0 RECOMMENDATIONS

2.1 To note the Local Government Ombudsman's Annual Review Letter 2016

**Contact Officer:**

For further information on this report please contact: Carol Chen Head of Democracy and Governance  
telephone extension: 8350 email: carol.chen@watford.gov.uk

### 3.0 DETAILED PROPOSAL

- 3.1 Every year the Local Government Ombudsman produces an Annual Letter that informs Councils of her work in the previous financial year and also provides detail of statistics of the number of complaints received and dealt with.
- 3.2 The Annual letter is attached as appendix 1 together with 2 spreadsheets giving details of decisions made and complaints received.
- 3.3 Members will note that whilst the Ombudsman received 25 complaints and enquiries for the period April 2015 to March 2016 only 1 was investigated. That was not upheld.
- 3.4 Whilst the number of complaints received by the Ombudsman was up from the previous year from 17 only one compared to 5 the previous year were investigated and this was not upheld.

3.5 In terms of areas of complaint Housing saw the most complaints received (8) followed by Revenues and Benefits (7).

3.6 Of those specified by the Ombudsman as referred back for local resolution the Head of Democracy and Governance has no record of being notified about 14 of them by the Ombudsman so has no way of determining if any of the complainants did then complain directly to the Council.

3.7 The Committee is asked to note the report.

#### 4.0 **IMPLICATIONS**

##### 4.1 **Financial**

4.1.1 The Shared Director of Finance comments that there are no financial implications in this report.

##### 4.2 **Legal Issues** (Monitoring Officer)

4.2.1 The Head of Democracy and Governance comments that as Monitoring Officer I am obliged to formally report to Cabinet or Council any findings of maladministration by the Ombudsman.

#### Appendices

- Annual Review Letter 2016

#### Background Papers

No papers were used in the preparation of this report.

#### File Reference

- None

21 July 2016

*By email*

Manny Lewis  
Managing Director  
Watford Borough Council

Dear Manny Lewis,

### **Annual Review Letter 2016**

I write to you with our annual summary of statistics on the complaints made to the Local Government Ombudsman (LGO) about your authority for the year ended 31 March 2016.

The enclosed tables present the number of complaints and enquiries received and the decisions we made about your authority during the period. I hope that this information will prove helpful in assessing your authority's performance in handling complaints.

Last year we provided information on the number of complaints upheld and not upheld for the first time. In response to council feedback, this year we are providing additional information to focus the statistics more on the outcome from complaints rather than just the amounts received.

We provide a breakdown of the upheld investigations to show how they were remedied. This includes the number of cases where our recommendations remedied the fault and the number of cases where we decided your authority had offered a satisfactory remedy during the local complaints process. In these latter cases we provide reassurance that your authority had satisfactorily attempted to resolve the complaint before the person came to us. In addition, we provide a compliance rate for implementing our recommendations to remedy a fault.

I want to emphasise that these statistics comprise the data we hold, and may not necessarily align with the data your authority holds. For example, our numbers include enquiries from people we signpost back to the authority, but who may never contact you.

In line with usual practice, we are publishing our annual data for all authorities on our website, alongside an annual review of local government complaints. The aim of this is to be transparent and provide information that aids the scrutiny of local services.

### **Effective accountability for devolved authorities**

Local government is going through perhaps some of the biggest changes since the LGO was set up more than 40 years ago. The creation of combined authorities and an increase in the number of elected mayors will hugely affect the way local services are held to account. We have already started working with the early combined authorities to help develop principles for effective and accessible complaints systems.

We have also reviewed how we structure our casework teams to provide insight across the emerging combined authority structures. Responding to council feedback, this included reconfirming the Assistant Ombudsman responsible for relationship management with each authority, which we recently communicated to Link Officers through distribution of our manual for working with the LGO.

## **Supporting local scrutiny**

Our corporate strategy is based upon the twin pillars of remedying injustice and improving local public services. The numbers in our annual report demonstrate that we continue to improve the quality of our service in achieving swift redress.

To measure our progress against the objective to improve local services, in March we issued a survey to all councils. I was encouraged to find that 98% of respondents believed that our investigations have had an impact on improving local public services. I am confident that the continued publication of our decisions (alongside an improved facility to browse for them on our website), focus reports on key themes and the data in these annual review letters is helping the sector to learn from its mistakes and support better services for citizens.

The survey also demonstrated a significant proportion of councils are sharing the information we provide with elected members and scrutiny committees. I welcome this approach, and want to take this opportunity to encourage others to do so.

## **Complaint handling training**

We recently refreshed our Effective Complaint Handling courses for local authorities and introduced a new course for independent care providers. We trained over 700 people last year and feedback shows a 96% increase in the number of participants who felt confident in dealing with complaints following the course. To find out more, visit [www.lgo.org.uk/training](http://www.lgo.org.uk/training).

## **Ombudsman reform**

You will no doubt be aware that the government has announced the intention to produce draft legislation for the creation of a single ombudsman for public services in England. This is something we support, as it will provide the public with a clearer route to redress in an increasingly complex environment of public service delivery.

We will continue to support government in the realisation of the public service ombudsman, and are advising on the importance of maintaining our 40 years plus experience of working with local government and our understanding its unique accountability structures.

This will also be the last time I write with your annual review. My seven-year term of office as Local Government Ombudsman comes to an end in January 2017. The LGO has gone through extensive change since I took up post in 2010, becoming a much leaner and more focused organisation, and I am confident that it is well prepared for the challenges ahead.

Yours sincerely



Dr Jane Martin  
Local Government Ombudsman  
Chair, Commission for Local Administration in England



For further information on how to interpret our statistics, please visit our website:  
<http://www.lgo.org.uk/information-centre/reports/annual-review-reports/interpreting-local-authority-statistics>

## Complaints and enquiries received

Adult Care Services	Benefits and Tax	Corporate and Other Services	Education and Children's Services	Environment Services	Highways and Transport	Housing	Planning and Development	Other	Total
1	7	4	0	2	2	8	1	0	25

## Decisions made

				Detailed Investigations			
Incomplete or Invalid	Advice Given	Referred back for Local Resolution	Closed After Initial Enquiries	Not Upheld	Upheld	Uphold Rate	Total
0	0	16	9	1	0	0%	26

### Notes

Our uphold rate is calculated in relation to the total number of detailed investigations.

The number of remedied complaints may not equal the number of upheld complaints. This is because, while we may uphold a complaint because we find fault, we may not always find grounds to say that fault caused injustice that ought to be remedied.

The compliance rate is the proportion of remedied complaints where our recommendations are believed to have been implemented.

### Complaints Remedied

by LGO	Satisfactorily by Authority before LGO Involvement	Compliance Rate
0	0	100%



**Report to:** Audit Committee

**Date of meeting:** 29 September 2016

**Report of:** Bob Watson – Head of Finance (shared services)

**Title:** Annual Governance Statement (AGS) – Action Plan Update

1.0 **SUMMARY**

1.1 This report gives details of the progress in implementing the actions required resulting from the Annual Governance Statement.

2.0 **RECOMMENDATIONS**

2.1 That the Committee notes the progress made against the action plan.

For further information on this report please contact: -  
Bob Watson, Head of Finance (shared services)  
telephone extension: 7188  
email: bob.watson@threerivers.gov.uk

**Report approved by:** Bob Watson, Head of Finance

### 3.0 **DETAILS**

3.1 The 2015/16 Annual Governance Statement was published with the Statement of Accounts and contains a high level action plan to ensure continuous improvement of the system of internal control. An update of action taken is attached at Appendix 1 and shown in bold italics.

3.2 All the outstanding significant governance issues relate to the ICT. Two of these issues have now been resolved due to the introduction of a new service delivery model from 1 July 2016, which is provided by a combination of both an In-house team and an external contractor. The 2 remaining issues will be reviewed by the internal audit service as part of future audits to ensure compliance

3.3 The recommendation enables the Committee to note the progress made against the action plan.

### 4.0 **IMPLICATIONS**

#### 4.1 **Financial**

4.1.1 None Specific.

#### 4.2 **Legal Issues** (Monitoring Officer)

4.2.1 None Specific.

#### 4.3 **Equalities**

None Specific.

#### 4.4 **Potential Risks**

There are no risks associated with the decisions members are being asked to make.

### **APPENDICES**

Appendix 1 - Annual Governance Statement – High Level Action Plan

APPENDIX 1

No.	Issue	Action	Resolved	Update
1	The Disaster Recovery Plan is not current. The Council should take priority to ensure the kit list is updated and fit for purpose	The Council will ensure that the kit lists are updated and fit for purpose in conjunction with Capita who are responsible for Third party contracts for DR. Disaster Recovery and business continuity plans will be reviewed annually to ensure suitability, adequacy and effectiveness	No	All asset lists, including desktops, servers and network equipment have been updated and are managed by the Service Desk Provider. Procedures documents are currently being reviewed and updated. Revised Deadline: 31st October 2016  <b><i>From the 1 July 2016 the council has let a new contract for ICT support. All controls in place from the new provider will be reviewed by internal audit as part of future audits.</i></b>
2	The lack of an effective testing strategy for Disaster Recovery may mean that gaps and defects in the plan may not be identified	Once the kit lists are updated, DR tests will take place on critical systems and their key dependencies	No	The testing will take place once the DR procurement has taken place, a requirement to undertake this is being built into the specification. Revised deadline: 31st December 2016  <b><i>From the 1 July 2016 the council has let a new contract for ICT support. All controls in place from the new provider will be reviewed by internal audit as part of future audits.</i></b>
3	There is insufficient evidence from Capita Secure Information Solutions Ltd (CSIS) to support the closure of actions to address performance issues	The CSIS account Director will agree a clear formal process for completion and closure of incidents within their team and gain formal approval of this process from the Council	Yes	<b><i>The contract with CSIS Ltd was terminated on 30th June 2016 - this action is now superceded.</i></b>
4	Key Performance Indicators (KPI's) and the inclusive Service Level Agreements are not being met, having been agreed by both parties and appropriate financial penalties Are not being enforced	Discussions between the Council and CSIS will take place once improvements have been observed with the delivery of ICT Shared Services. This should encompass the current KPI definitions and how they are measured with associated targets. This will include the amount of physical evidence deemed appropriate and sufficient to support closure of tickets	Yes	<b><i>The contract with CSIS Ltd was terminated on 30th June 2016 - this action is now superceded.</i></b>



**Title:**

**Report to:** Audit Committee

**Date of meeting:** 29 September 2016

**Report of:** Bob Watson – Head of Finance (shared services)

**Title:** **Internal Audit - SIAS Board Annual Report 2015/16**

1.0 **SUMMARY**

1.1 This report gives introduces the Shared Internal Audit Services (SIAS) annual report for 2015/16

2.0 **RECOMMENDATIONS**

2.1 That Shared Internal Audit Service Annual Report for 2015/16 is noted.

For further information on this report please contact: -  
Bob Watson, Head of Finance (shared services)  
telephone extension: 7188  
email: bob.watson@threerivers.gov.uk

**Report approved by:** Bob Watson, Head of Finance

3.0 **DETAILS**

3.1 The SIAS Annual Report for 2015/16 is attached at Appendix 1. The report highlights key areas of success in the year before describing the performance of the partnership during the year. It looks ahead to the future and the developments SIAS plan to deliver the partners' vision.

4.0 **IMPLICATIONS**

4.1 **Financial**

4.1.1 None Specific.

4.2 **Legal Issues** (Monitoring Officer)

4.2.1 None Specific.

4.3 **Equalities**

4.3.1 None Specific.

4.4 **Potential Risks**

4.4.1 There are no risks associated with the decisions members are being asked to make

**APPENDICES**

1. Shared Internal Audit Service Annual Report for 2015/16

**BACKGROUND PAPERS**

None





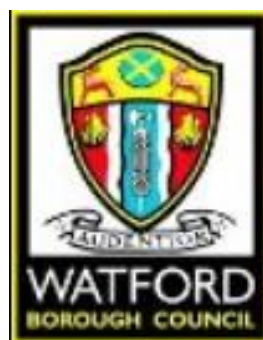
# Shared Internal Audit Service

## Annual Report

2015/16

## Annual Report Contents

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Hertfordshire County Council

## Introduction and Highlights



*Terry Barnett  
Head of Assurance for the  
Shared Internal Audit  
Service*

Welcome to the annual report covering the activity of the Shared Internal Audit Service in the 2015/16 financial year.

Established in 2011, the Service is considered to be an exemplar of local authorities working in partnership. The commitment and dedication of the team and the co-operation of our partners continues to allow the service to combine the 'in-house' appreciation and understanding of local government, with the business-like focus of the big internal audit firms.

In 2015/16, our compliance with the Public Sector Internal Audit Standards was the subject of an independent peer review; an exercise that confirmed the Service was operating at the highest level of conformance. In addition the audit methodology used by the Service was revised, with the new approach being commended by the independent review team.

Once again SIAS exceeded its two key performance indicators and it continues to deliver high quality audit services to its clients.

I am very proud of the work of the team and delighted to be able to share some of the highlights of our working year in this report.

**Terry Barnett**

**Head of Assurance for the Shared Internal Audit Service**

**July 2016**

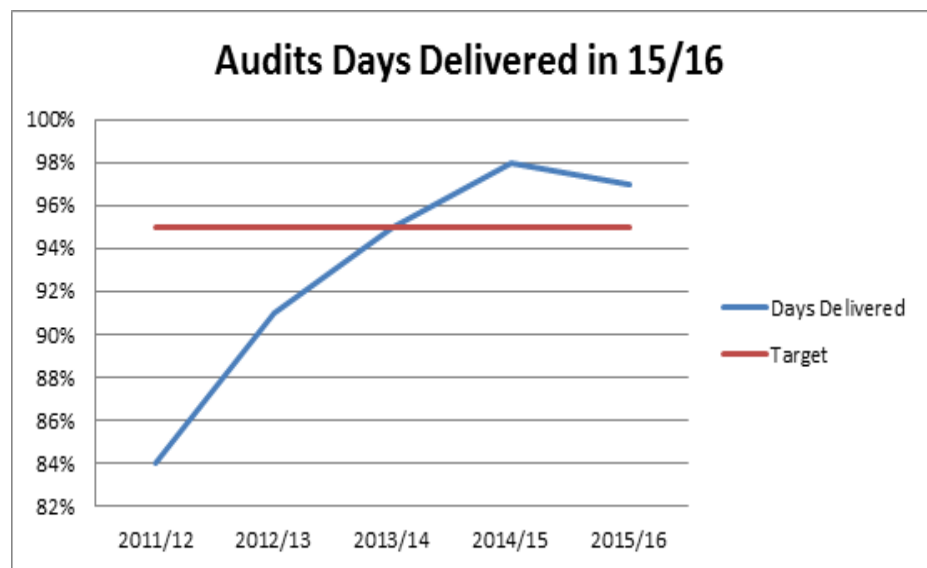


## Maintaining High Levels of Delivery

Despite some challenges late in the year related to staff absences, our billable days and audits delivered targets were exceeded with figures of 97% and 96% respectively achieved.

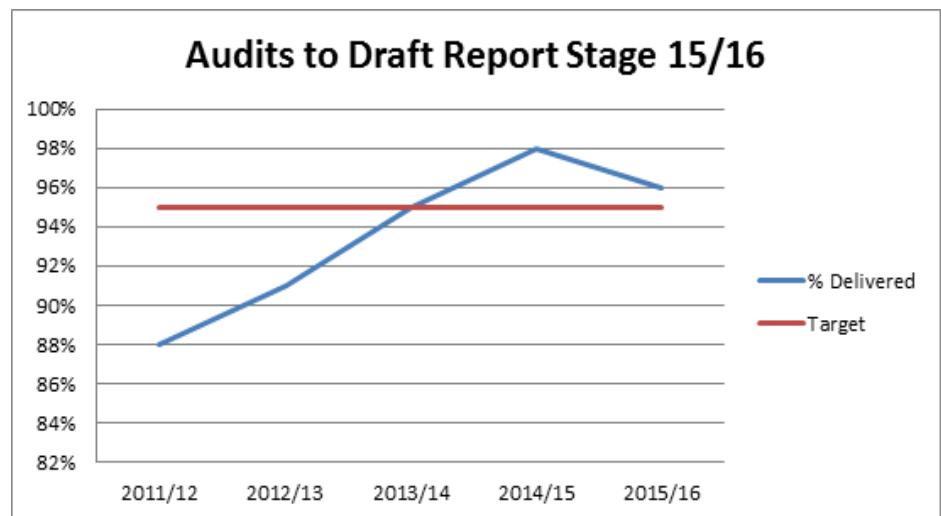
This continues the trend for delivering high performance results that has been a feature of the last five years.

**Figure 1: Percentage of audits days delivered**



*Key performance targets continue to be exceeded...*

**Figure 2: Percentage of audits to draft stage**



## Independently Assured

The Public Sector Internal Audit Standards (PSIAS) require that an annual self-assessment be carried out as part of a Quality Assurance and Improvement Programme. This assessment seeks to evidence that effective arrangements are in place and internal audit standards are in line with good practice.

SIAS chose to join a peer review group to facilitate a programme of independent validation of each member's self-assessment and in January 2016 the Service was the subject of a peer review carried out by Veritau Ltd, an Audit Partnership located in Yorkshire.

The outcome from the review was that SIAS achieved the highest level of conformance to the PSIAS; having a charter, policies and processes that fully meet the Standards.

When carrying out the review the Veritau team found high standards of service delivery and a number of areas of good practice; some of their feedback is provided below:

- *'The review team received consistently positive feedback about SIAS from client officers and audit committee members'*
- *'The service has credibility and its recommendations and advice are valued by management'*
- *'The service is focussing on the right areas and there is an appropriate mix between compliance work and more forward looking strategic type audits'*
- *'The auditors conduct themselves in a professional manner, display knowledge of the areas they are auditing, adopt a flexible approach and are seen to be responsive to the needs of the client'*
- *'Time management is excellent and there is a real emphasis on efficient working, assignment planning, review and control'.*

***"...the service has credibility and its recommendations and advice are valued by management..."***

## Shared Learning - The Power of Partnership

It has long been part of the vision of our Board that the service acts to facilitate the sharing of learning across its partners. A shared learning culture, both formal and informal, is developing momentum through our team, our sister services within Assurance and across our partners and opportunities abound to publicise and promote issues big and small.

Shared learning highlights for the year included a workshop on Risk Management in which all our partners participated. The workshop and subsequent report benchmarked the approach to risk management, risk appetite and risk registers to understand approaches and areas of difference. Of great benefit to the workshop, was not only the attendance of Risk Managers from our partners, but also Service Heads and Managers who enlightened proceedings with the reality of risk management at the 'coal face' of service delivery. Together we examined the key areas and identified areas for potential continuous improvement.

*...our quarterly shared learning papers are now a regular feature at management boards, governance groups and team meetings across our partners*



Over the course of 2015/16, our quarterly shared learning papers became embedded and are now a regular feature at management boards, governance groups and team meetings across our partners. General learning points arising from our work and the wider local government environment have been disseminated through our regular papers with contributions from across our Assurance Service. This last year has seen a number of special editions covering topical issues such as safeguarding and counter-Fraud, as well as a summary of themes arising from our key financial systems work across our partners. Our recent safeguarding paper based on themes arising from our safeguarding audits across our partner base stimulated great interest and debate when presented to the District Safeguarding Group.

## Developing our Processes

With the SIAS trading model centred on the delivery of audit services within pre-agreed budgets it is important that we constantly review the ways in which the service carries out its work. 2015 /16 saw a major revision of our methodology that sought to meet two key objectives:

- Compliance with the Public Sector Audit Standards; and
- Minimising the costs associated with the work that allows us to arrive at our conclusions and opinions.

**Constant revision to stay up to date, relevant and efficient**

Utilising the skills of the SIAS team through an initial brainstorming session and project mid-point consultation, the project team sought to arrive at a solution that would both: exploited existing technology; and streamline some of the repetitive tasks involved in maintaining the complex working papers required to support our assurance opinions.

Utilising the Microsoft Excel package the new methodology allowed us to house the audit working file in a single document which incorporates links to evidence files in the same location.

The screenshot shows an Excel spreadsheet titled 'Cashflow & Recon 10-1-2012.xlsx'. The main data area is a table with columns for days of the week (Monday through Friday) and rows for various financial categories. Key rows include 'GENL FUND', 'CASH RECON', and 'CASH INFLOWS'. The 'CASH INFLOWS' section lists various revenue sources such as Commercial Deposits, JROTC, Medicaid, and Tax Revenue, with numerical values provided for each day. A 'Total Cash Inflows' row is highlighted in yellow at the bottom of the data section.

A large portion of the sample of audit projects that were used in the independent review were carried out using the new methodology and the reviewers made the following reference to the quality of the approach in their final report:

*‘Audit assignments are well planned and the testing is directed to those areas of greatest importance. Working papers are completed to a consistently good standard and the audit reports are clear and concise’.*

## First Class Customer Service

In order to monitor our effectiveness and improve our service, at the end of each assignment we request the completion of a short satisfaction survey. We have been given and have acted upon invaluable improvement ideas, and we are proud of the fact that we have received 95% satisfactory or higher feedback rating from our customers.

Some of the comments that accompany the formal scoring document are shown below:

- *'A very efficient, professional, service with excellent regular communication'*
- *'Discussions around the draft report were well handled to end up with an appropriate recommendation that we have already actioned'*
- *'...we now have a report that helps inform future actions'*
- *'The final report captured the issues well and the recommendations will undoubtedly help us to develop an action plan with audit recommendations having 'added value' for the officers involved'*





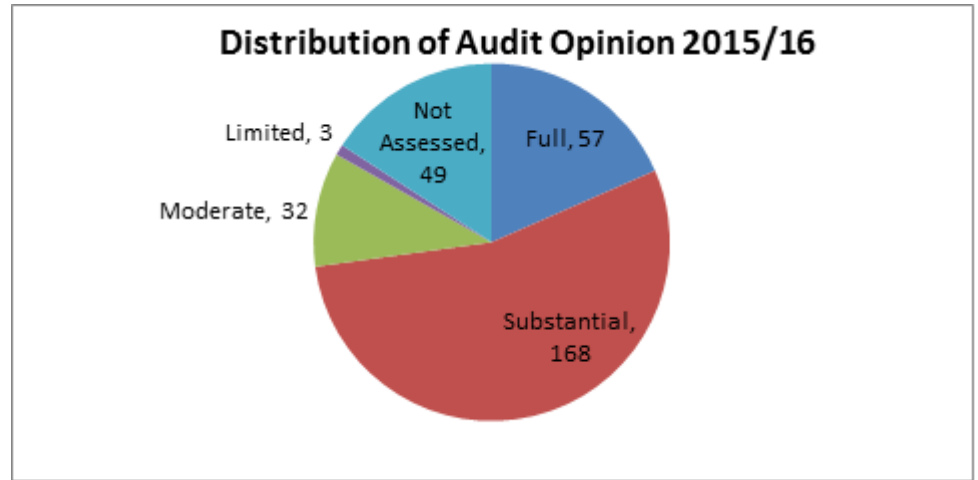
## Performance - Outcomes

SIAS worked on 309 assurance and other projects during the year, giving the assurance opinions and recommendations detailed in the charts below.

For those pieces which resulted in a formal assurance opinion the distribution of opinions is set out in figure 3 below:

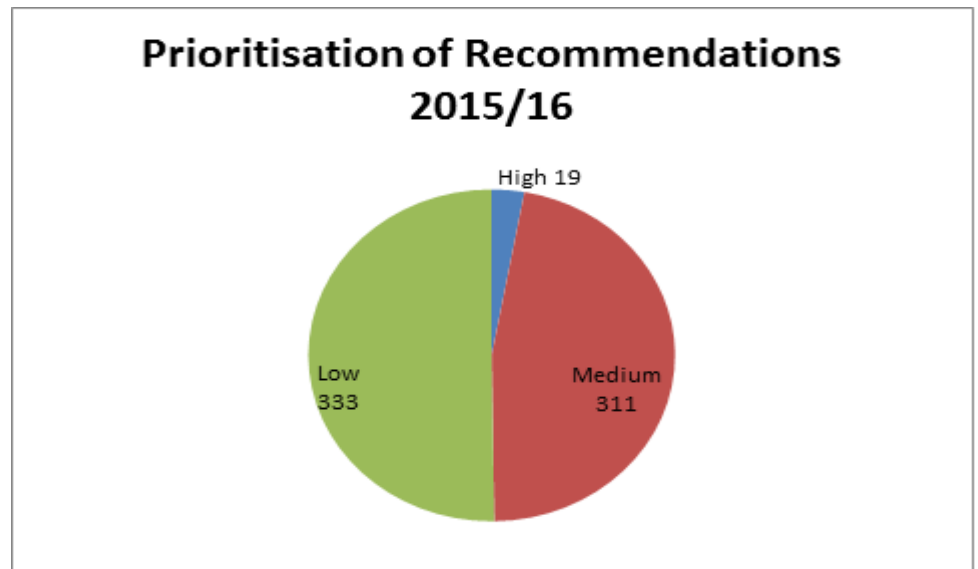
**Figure 3: Distribution of Audit Opinions 2015/16**

*309 assurance and other projects identifying 663 recommendations*



For those audits where recommendations were required the priority ratings are set out in figure 4 below:

**Figure 4: Prioritisation of Recommendations 2015/16**



## Performance Indicators

The overall business performance of SIAS is monitored by the SIAS Board by means of a balanced scorecard which provides a range of measures by which progress can be evaluated.

The overall performance of SIAS against our key performance indicators is reported below

**Table 1: SIAS Business Performance**

Indicator	Target	Actual as at 31 March 2015	Actual as at 31 March 2016	Commentary
Progress against plan: actual days delivered as a percentage of planned days.	95%	98%	97%	The service continues to exceed its two key performance indicators.
Progress against plan: audits issued in draft by 31 March	95%	98%	96%	
Client satisfaction	Satisfactory and above	96%	95%	Good performance in this area

## Financial Performance of SIAS

SIAS began operating on a fully traded basis in 2012/13.

Appendix A sets out the summary financial position at 31 March 2016.

The partners determined that the service should aim to build a small surplus in order and to move to considering the financial position of the service on a three year rolling basis.

The intention of this is to smooth the impact of any unforeseen events impacting on trading performance in future years.

## Future Developments



With SIAS now fully established and the Shared Anti-Fraud Service becoming an integrated part of the Assurance process, 2016/17 seems the appropriate time to consider future developments.

Among the outcomes from the independent peer review referenced elsewhere in this report were two recommendations directed at the SIAS Board, these were:

- That the SIAS Board define the strategic vision, objectives and priorities for the business; and
- The Board should try to leverage the benefits of developing a single brand for the wider service.

With these recommendations closely linked to each other the matters have been included in the SIAS 16/17 Service plan and will be taken forward via a separate project that will seek to establish the business advantage that an approach which sees all assurance services e.g. Audit, Anti-Fraud, Health & Safety etc. could secure.

## Our Board Members

The SIAS Board provides strategic direction and oversight for the partnership, bringing a wealth of local government experience and insight to our operation.



**Clare Fletcher, SBC**  
**Assistant Director (Finance)**



**Sajida Bijle, HBC**  
**Director of Resources**



**Owen Mapley, HCC**  
**Director of Resources**



**Norma Atlay, NHDC**  
**Director Finance, Policy & Governance**



**Pam Kettle, WHBC**  
**Director of Finance & Operations**



**Philip Gregory, EHC**  
**Head of Strategic Finance & Property**



**Jo Wagstaffe, WBC and TRDC**  
**Shared Director of Finance**



**Terry Barnett, SIAS**  
**Head of Assurance**

<u>SIAS cost centre: revised budget against outturn 2015/16</u>		
	<u>Budget</u>	<u>Outturn</u>
	<u>£</u>	
Salaries & Salary Related	1,140,772	1,061,939
Partner / consultancy costs	51,273	109,514
Transport	12,130	8,466
Supplies	27,374	14,773
Office Accommodation cost	22673	17005
RCCO	854	854
	1,254,222	1,212,551
Total expenditure		
Income	1,250,594	1,238,126
Net surplus / deficit	<b>-3,628</b>	<b>25,575</b>

Levels of assurance	
Full Assurance	There is a sound system of control designed to achieve the system objectives and manage the risks to achieving those objectives. No weaknesses have been identified.
Substantial Assurance	Whilst there is a largely sound system of control, there are some minor weaknesses, which may put a limited number of the system objectives at risk.
Moderate Assurance	Whilst there is basically a sound system of control, there are some areas of weakness, which may put some of the system objectives at risk.
Limited Assurance	There are significant weaknesses in key control areas, which put the system objectives at risk.
No Assurance	Control is weak, leaving the system open to material error or abuse.

Priority of recommendations	
High	There is a fundamental weakness, which presents material risk to the objectives and requires urgent attention by management.
Medium	There is a significant weakness, whose impact or frequency presents a risk which needs to be addressed by management.
Merits Attention	There is no significant weakness, but the finding merits attention by management.

**Report to:** Audit Committee

**Date of meeting:** 29 September 2016

**Report of:** Bob Watson - Head of Finance (shared services)

**Title:** Internal Audit Progress report 2016/2017

## 1.0 SUMMARY

1.1 This report gives details of the progress made in implementing the recommendations of the internal auditor.

## 2.0 RECOMMENDATIONS

2.1 Note the Internal Audit Progress Report against the 2015/17 Audit Plan

2.2 Approve amendments to the Audit Plan as at September 2016

2.3 Agree removal of implemented recommendations (see Appendix C)

2.4 Agree the changes to the implementation date for 21 recommendations for the reasons set out in Appendix C (paragraph 2.5)

### **Contact Officer:**

For further information on this report please contact: -  
Bob Watson, Head of Finance (shared services)  
telephone extension: 7188  
email: [bob.watson@threerivers.gov.uk](mailto:bob.watson@threerivers.gov.uk)

**Report approved by:** Bob Watson, Head of Finance

### 3.0 DETAILS

3.1 The Shared Internal Audit Service (SIAS) latest Progress Report is attached at Appendix 1.

3.2 Details of progress against the Internal Audit Plans for 2016/17 are attached at Appendix A. Appendix B shows the proposed start dates of the 2016/17 audit plan.

3.3 Appendix C provides information on recommendations which remain outstanding from audits carried out in 2010/11, 2011/12, 2012/13, 2013/14, 2014/15, 2015/16 and 2016/17 and details only those recommendations which were not resolved at the time of the last report together with new audit reports issued since that time. New reports and new comments are shown in bold.

3.4 The table below summarises progress in implementation of the recommendations:

Year	Recom- mendations made (no.)	Implemented	Not yet due	Outstanding & request made for extended time	Percentage implemented %
2010/11	213	212	0	1	99%
2011/12	114	111	0	3	97%
2012/13	49	48	0	1	98%
2013/14	93	92	0	1	99%
2014/15	57	52	0	5	91%
2015/16	56	37	6	13	66%
2016/17	4	0	4	0	0%

### 4.0 IMPLICATIONS

#### 4.1 Financial

4.1.1 There are no budget implications associated with this report. The work of internal audit contributes to the Council's corporate governance.

#### 4.2 Legal Issues (Monitoring Officer)

4.2.1 None Specific.

#### 4.3 Equalities

None Specific.

#### 4.4 Potential Risks

There are no risks associated with the decisions members are being asked to make.



## **APPENDICES**

Appendix 1 – SIAS Progress Report

Appendix A – detailed progress against 2016/17 audit plan

Appendix B – 2016/17 Audit Plan projected start dates

Appendix C – Summary of outstanding recommendations





## Watford Borough Council Audit Committee Progress Report 29 September 2016

### Recommendation

Members are recommended to:

- Note the Internal Audit Progress Report for the period to 9 September 2016
- Approve amendments to the Audit Plan as at 9 September 2016
- Agree removal of implemented recommendations (see Appendix C)
- Agree changes to the implementation dates for 21 recommendations (paragraph 2.5.1) for the reasons set out in Appendix C

# Contents

## 1 Introduction and Background

1.1 Purpose

1.2 Background

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2.1 Delivery of Audit Plan and Key Audit Findings

2.3 Status of Audit Recommendations

2.7 Proposed Audit Plan amendments

2.8 Performance Management

## Appendices

A Progress against the 2016/17 Audit Plan

B 2016/17 Audit Plan Projected Start Dates

C Progress against Outstanding Internal Audit Recommendations

# 1. Introduction and Background

## Purpose of Report

- 1.1 This report details:
- a) Progress made by the Shared Internal Audit Service (SIAS) in delivering the Council's Annual Audit Plan for 2016/17 as at 9 September 2016.
  - b) Proposed amendments to the approved 2016/17 Annual Audit Plan.
  - c) Implementation status of all outstanding previously agreed audit recommendations from 2010/11 onwards.
  - d) An update on performance management information as at 9 September 2016.

## Background

- 1.2 The work of internal audit is required to be reported to a Member Body so that the Council has an opportunity to review and monitor an essential component of corporate governance and gain assurance that its internal audit provision is fulfilling its statutory obligations. It is considered good practice that progress reports also include proposed amendments to the agreed annual audit plan.
- 1.3 The 2016/17 Annual Audit Plan was approved by Audit Committee on 14 March 2016.
- 1.4 The Audit Committee receives periodic updates on progress against the Annual Audit Plan from SIAS, the most recent of which was brought to this Committee on 27 June 2016.

## 2. Audit Plan Update

### Delivery of Audit Plan and Key Audit Findings

- 2.1 As at 9 September 2016, 27% of the 2016/17 Audit Plan days had been delivered for the combined WBC and Shared Services plans (calculation excludes contingency). Appendix A provides a status update on each individual deliverable within the audit plan.
- 2.2 One 2016/17 audit providing assurance to the Audit Committee has been finalised since the papers were filed for the June meeting of this Committee. All final audit reports are available to Members on request.

<b>Audit Title</b>	<b>Date of Issue</b>	<b>Assurance Level</b>	<b>Number and Priority of Recommendations</b>
Freedom of Information	Aug '16	Substantial	One medium Three merits attention
Veolia Contract Management	Sep '16	Full	None

### Status of Audit Recommendations

- 2.3 Members will be aware that a Final Audit Report is issued when it has been agreed by management and includes an agreement to implement the recommendations made. It is SIAS's responsibility to bring to Members' attention the implementation status of all audit recommendations. It is the responsibility of officers to implement recommendations by the agreed date.

2.4 The table below summarises progress in implementation of all outstanding internal audit recommendations at September 2016, with full details given in Appendix C:

Year	Recommendations made No.	Implemented	Not yet due	Outstanding & request made for extended time	Percentage implemented %
2010/11	213	212	0	1	99%
2011/12	114	111	0	3	97%
2012/13	49	48	0	1	98%
2013/14	93	92	0	1	99%
2014/15	57	52	0	5	91%
2015/16	56	37	6	13	66%
2016/17	4	0	4	0	0%

2.5 The 24 recommendations in the 'outstanding and request made for extended time' column fall into 2 categories as per sections 2.5.1 and 2.5.2 below.

2.5.1 Since June 2016 Audit Committee, extension to implementation dates have been requested for 21 recommendations as follows:

- a) One from the 2010/11 IT Remote Working audit,
- b) One from the 2011/12 IT Project Management audit,
- c) Two from the 2011/12 IT Back Up and Disaster recovery audit,
- d) One from the 2012/13 IT Server Virtualisation audit,
- e) One from the 2013/14 Cyber Risk audit,
- f) One from the 2014/15 NDR audit,
- g) One from the 2014/15 Benefits audit,
- h) Three from the 2014/15 Disaster Recovery audit,
- i) Two from the 2015/16 Data Protection audit,
- j) One from the 2015/16 Safeguarding audit,
- k) One from the 2015/16 Contract Management audit, and
- l) Six from the 2015/16 Cemeteries audit.

2.5.2 In respect of 3 recommendations (two from the Development Management audit (target dates 31 July 2016 and 31 August 2016) and one recommendation from the Building Control

audit (target date 31 July 2016), no updates were provided for this committee.

### Proposed Audit Plan Amendments

2.6 The following amendments to the 2016/17 Audit Plan have been agreed with officers of the Council and are detailed below for Audit Committee approval:

#### Additions:

- Two days taken from contingency (shared plan) to cover requirement for Internal Audit sign-off of the Disabled Facilities Capital Grant for 2015/16.

#### Changes:

- Two additional days taken from contingency (shared plan) and added to the existing HR Starters & Leavers audit (shared plan) to cover increased sample sizes.

#### Deletions:

- None

### Performance Management

#### Reporting of Audit Plan Delivery Progress

2.7 To help the Committee assess the current situation in terms of progress against the projects in the 2016/17 Audit Plan, we have provided an analysis of agreed start dates at Appendix B. These dates have been agreed with management and resources allocated accordingly. This is designed to facilitate smoother delivery of the audit plan through the year.

2.8 Annual performance indicators and associated targets were approved by the SIAS Board in March 2016. Actual performance for Watford Borough Council against the targets that can be monitored for 2016/17 is shown in the table below.



<b>Performance Indicator</b>	<b>Annual Target</b>	<b>Profiled Target to 9 Sept 2016</b>	<b>Actual to 9 Sept 2016</b>
<b>1. Planned Days</b> – percentage of actual billable days against planned chargeable days completed (excluding unused contingency)	95%	30%	27%
<b>2. Planned Projects</b> – percentage of actual completed projects to draft report stage against planned completed projects (excludes 2015/16 completion and ‘on-going’ pieces)	95%	25% (6 out of 24 projects to draft)	17% (4 out of 24 projects to draft)
<b>3. Client Satisfaction</b> – percentage of client satisfaction questionnaires returned at ‘satisfactory’ level	100%	100%	100%
<b>4. Number of High Priority Audit Recommendations agreed</b>	95%	95%	N/A (none yet made in 2016/17)

2.9 In addition, the performance targets listed below are annual in nature. Performance against these targets will be reported on in the 2016/17 Head of Assurance’s Annual Report:

- **5. External Auditors’ Satisfaction** – the Annual Audit Letter should formally record whether or not the External Auditors are able to rely upon the range and the quality of SIAS’ work.
- **6. Annual Plan** – prepared in time to present to the March meeting of each Audit Committee. If there is no March meeting then the plan should be prepared for the first meeting of the civic year.

- **7. Head of Assurance's Annual Report** – presented at the Audit Committee's first meeting of the civic year.

**APPENDIX A PROGRESS AGAINST THE 2016/17 AUDIT PLAN AT 9 SEPTEMBER 2016**

**2016/17 SIAS Audit Plan**

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
<b>Key Financial Systems</b>								
Benefits (shared plan)					14	Yes	2	Parameter testing complete – remainder due November 2016
Council Tax (shared plan)					11	Yes	0	Due October 2016
Creditors (shared plan)					9	Yes	0	Due January 2017
Debtors (shared plan)					10	Yes	0	Due October 2016
Main Accounting (shared plan)					12	Yes	0	Due January 2017
NDR (shared plan)					12	Yes	1	Parameter testing complete – remainder due November 2016
Payroll (shared plan)					12	Yes	0	Due November 2016
Treasury Management (shared plan)					10	Yes	0	Due December 2016
Budget Monitoring (shared plan)					8	Yes	0	Due February 2017
<b>Operational Audits</b>								
Commercialisation					12	Yes	0.5	In planning
Freedom of Information	Substantial	0	1	3	6	Yes	6	Final report issued
Homelessness					1	N/A	1	Cancelled

**APPENDIX A PROGRESS AGAINST THE 2016/17 AUDIT PLAN AT 9 SEPTEMBER 2016**

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
Housing Allocations					0	N/A	0	Cancelled
Housing Service - Peer Review Outcomes					4	Yes	0	Due October 2016
HR Starters & Leavers (shared plan)					10	Yes	2	In planning
Museum Exhibits					12	Yes	9	In fieldwork
Revenues & Benefits Service – Bailiff Contract (shared plan)					10	Yes	1	In planning
Section 106 Agreements					8	Yes	7.5	Draft report issued
Tree Surveying					8	Yes	0	Due January 2017
Officer Expenses (shared plan)					12	Yes	6	In fieldwork
DFG Capital Grant Certification					2	Yes	0	In planning
<b>Procurement</b>								
Contract Management					12	Yes	1	In planning
Veolia Contract Management	Full	0	0	0	8	Yes	8	Final report issued
<b>Counter Fraud</b>								
Review of counter-fraud arrangements (shared plan)					5	Yes	0	Due December 2016
<b>Risk Management and Governance</b>								
No audits planned in 2016/17								

**APPENDIX A PROGRESS AGAINST THE 2016/17 AUDIT PLAN AT 9 SEPTEMBER 2016**

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
<b>IT Audits</b>								
IT Audits – details to be determined (shared plan)					20	No	0	To be determined
<b>SIAS Joint Work</b>								
Shared Learning Newsletters and Summary Themed Reports					2	N/A	1	Ongoing
Audit Committee Workshop					1	N/A	0	Expected quarter 4
Joint Review - Benchmarking Workshop					2	N/A	0	Expected quarter 4
Joint Reviews					5	N/A	0	Expected quarter 4
<b>Ad Hoc Advice</b>								
Ad Hoc Advice					3	N/A	1.5	On-going
<b>Contingency</b>								
Unused Contingency (shared plan)					9	N/A	0	
<b>Strategic Support</b>								
Head of Internal Audit Opinion 2015/16					2	N/A	2	Complete
External Audit Liaison					1	N/A	0.5	Ongoing

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**APPENDIX A PROGRESS AGAINST THE 2016/17 AUDIT PLAN AT 9 SEPTEMBER 2016**

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
Audit Committee					10	N/A	5	Ongoing
Monitoring & Client Liaison					12	N/A	6	Ongoing
2017/18 Audit Planning					8	N/A	0	Expected quarter 3
SIAS Development					3	N/A	3	Complete
Follow-up of recommendations					10	N/A	5	On-going
<b>Completion of 2015/16 audits</b>								
Time required to complete work commenced in 2015/16 (5 days shared; 5 days WBC)					10	N/A	10	Complete
<b>WBC TOTAL</b>					<b>137</b>		<b>62</b>	
<b>SHARED SERVICES TOTAL</b>					<b>169</b>		<b>17</b>	
<b>COMBINED TOTAL</b>					<b>306</b>		<b>79</b>	

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Key to recommendation priority levels:

H = High

M = Medium

MA = Merits attention

N/A = Not applicable

## APPENDIX B 2016/17 AUDIT PLAN PROJECTED START DATES

Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Revenues & Benefits System Parameter Testing (shared plan)* <b>Complete</b>	Museum Exhibits <b>In fieldwork</b>	Veolia Contract Mgmt <b>Final report issued</b>	Section 106 Agreements <b>Draft report issued</b>	Commercialisation <b>In planning</b>	Contract Mgmt <b>In planning</b>	Council Tax (shared plan)	NDR (shared plan)	Treasury Mgmt (shared plan)	Creditors (shared plan)	Budget Monitoring (shared plan)	
	Officer Expenses (shared plan) <b>In fieldwork</b>	FOI <b>Final report issued</b>		HR Starters & Leavers (shared plan) <b>Terms of reference issued</b>	Disabled Facilities Grants – Certification <b>In planning</b>	Debtors (shared plan)	Benefits (shared plan)	IT Audits (shared plan)	Main Accounting (shared plan)		

## APPENDIX B 2016/17 AUDIT PLAN PROJECTED START DATES

					Revs & Bens Bailiff Contract (shared plan) <b>In planning</b>	Housing Service – Peer Review Outcomes	Payroll (shared plan)	Review of Counter-Fraud Arrangements (shared plan)	Tree Surveying		
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**\*Notes:**

- Revenues & Benefits System Parameter Testing work completed in May – remainder of Benefits, NDR and Council Tax due Q3.
- Revenues & Benefits Bailiff Contract audit deferred from July to September at Management’s request pending revised management arrangements.



**Audit Plan 2010/11**

<b>IT Remote Working 2010/11</b>							
<b>Final report issued January 2012</b>							
<b>Ref No.</b>	<b>Recommendation</b>	<b>Priority</b>	<b>Action to Date</b>	<b>Responsibility</b>	<b>Deadline</b>	<b>Resolved x or ✓</b>	<b>Revised Deadline</b>
09	<p>Management should ensure that security settings on mobile device handsets such as iPhones enforce the following settings:</p> <ul style="list-style-type: none"> <li>• Devices should be required to be protected by a power on password or PIN. Any default passwords or PIN codes need to be changed on first use, these should not be removed unless authorised in writing by ICT;</li> <li>• Devices should be set to 'Non-discoverable' or 'Hidden' to help prevent information disclosure by short distance data transfer; and</li> <li>• Users should be restricted from reconfiguring the security settings on devices.</li> </ul> <p>The remote wipe solution should be investigated to ensure all the data stored on the mobile phone can be wiped either remotely or by exceeding the login threshold. Management should ensure that only ICT approved mobile devices should be procured and issued and all confidential and</p>	Important	<p>Position – June 2016 History of comments removed - please see separate report by the Head of Finance.</p> <p>Position - July 2016 Provision of an Enterprise Mobility Management solution to address all of these points was included in the procurement of the new Service Desk solution.</p> <p>Subsequent to the on-boarding of the new Service Desk, (EMM) requirements will be documented and procured from the Service Desk provider and all current Windows or iPhones supplied by the authority will come under this solution.</p> <p>The aim is to have this in place by December 2016.</p> <p><b>Position – September 2016</b> <b>It is still anticipated that this will be in place by December 2016.</b></p>	ICT Client Section Head	March 2013	x	<b>31 December 2016</b>

**IT Remote Working 2010/11**

Final report issued January 2012

Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved x or ✓	Revised Deadline
	sensitive data held on mobile device handsets such as iPhones is adequately encrypted according to the sensitivity of the data.						

## Audit Plan 2011/12

<b>IT Project Management 2011/12</b>							
Final report issued November 2011							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
02	An IT Strategy that supports both Councils' corporate strategies needs to be implemented to direct the forward usage of ICT within both Councils and the Shared Service. An IT strategy should be developed in consultation with the business strategies for both Councils and the Shared Service to ensure that IT development links into corporate priorities.	Minor	<p>Position – June 2016 History of comments removed - please see separate report by the Head of Finance.</p> <p>Position - July 2016 A new ICT Strategy is to be produced which will cover both Councils. This is expected to be completed by the end of October 2016. An additional resource will be procured from the ICT Transformation budget.</p> <p><b>Position – September 2016</b> <b>An Interim Head of Service Transformation has been appointed and it is anticipated that the strategies will be completed by the end of October 2016.</b></p>	ICT Client Section Head	October 2012	*	<b>31 October 2016</b>

<b>IT Back up and Disaster Recovery 2011/12</b>							
Final report issued December 2012							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
02	The Shared Service should conduct a risk assessment of the capability to recover key systems and services in the event of a disaster based on the Recovery Time Objectives (RTO) and	Essential	<p>Position – June 2016 History of comments removed - please see separate report by the Head of Finance.</p> <p>Position - July 2016</p>	ICT Client Section Head	May 2013	*	<b>31 October 2016</b>

IT Back up and Disaster Recovery 2011/12							
Final report issued December 2012							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	Recovery Point Objectives (RPO) for Councils' systems. This should ensure that any potential issues that could be faced are documented with appropriate counter measures put in place.		<p>A full DR and BCP requirements review will be carried out as a precursor to re-tendering both the DR and BCP contracts covering both councils. Contract retender and award must be completed by November 2016. It is anticipated that the DR and BCP requirement will be completed by the end of October 2016.</p> <p><b>Position – September 2016</b>  <b>It is still anticipated that this will be completed by the end of October 2016.</b></p>				
04	The Shared Service should test its DR arrangements on an annual basis at both Adam Continuity and ICM. Testing should follow a detailed test plan and test results should be reported to management following the test period. We also recommend that where appropriate, ad hoc tests of tape restores are performed when not otherwise tested.	Essential	<p>Position – June 2016                      History of comments removed - please see separate report by the Head of Finance.</p> <p>Position - July 2016                      As part of the contract retender for DR / BCP the requirement for period testing will be included.                      As part of moving ICT desktop and server support in house a schedule of trial restores from tape will be put in place to confirm that backups are tested.                      This to happen by October 2016.</p> <p><b>Position – September 2016</b>  <b>It is still anticipated that this will be completed by the end of October 2016.</b></p>	ICT Client Section Head	March 2013	*	<b>31 October 2016</b>

## Audit Plan 2012/13

<b>IT Server Virtualisation (ICT) 2012/13</b>							
<b>Final report issued December 2012</b>							
<b>Ref No.</b>	<b>Recommendation</b>	<b>Priority</b>	<b>Action to Date</b>	<b>Responsibility</b>	<b>Deadline</b>	<b>Resolved * or ✓</b>	<b>Revised Deadline</b>
01	The adequacy of the security settings and management arrangements established and applied to the virtual environment at both the Councils should be reviewed and where the standards currently are not aligned with best practice standard such as recommended by CIS (Centre for Internet Security), then they should be applied/configured to create a baseline for on-going security and monitored accordingly.	Essential	<p><b>Position – June 2016</b> History of comments removed - please see separate report by the Head of Finance.</p> <p><b>Position - July 2016</b> The entire virtual environment in both councils is in the process of being upgraded to the current software versions, this will address a number of security issues, additionally where sensitive data, such as DWP information, is to be held, or accessed the virtual environment is being moved into a 'virtual garden' to restrict and secure access. This is in line with PSN and Cabinet office recommendations for securing the virtual environment. This is anticipated to be completed by December 2016.</p> <p><b>Position – September 2016</b> <b>This is still anticipated to be completed by December 2016.</b></p>	ICT Client Section Head	November 2013	*	<b>31 December 2016</b>

## Audit Plan 2013/14

<b>Cyber Risk 2013/14</b>							
<b>Final report issued June 2014</b>							
<b>Ref No.</b>	<b>Recommendation</b>	<b>Priority</b>	<b>Action to Date</b>	<b>Responsibility</b>	<b>Deadline</b>	<b>Resolved * or ✓</b>	<b>Revised Deadline</b>
03	Management should ensure the data loss prevention policy is developed and published at the earliest. As part of this process, management should:  a) Consider all possible media for data loss and risk assess the various options.	High	Position – June 2016 History of comments removed - please see separate report by the Head of Finance.  Position - July 2016 A Data Loss prevention policy is to be produced which will cover both Councils. This is expected to be completed by the end of October 2016.  <b>Position – September 2016 This is still expected to be completed by the end of October 2016.</b>	IT Client Section Head	30 June 2015	*	<b>31 October 2016</b>
09	There should be formal, scheduled review and testing of the Disaster Recovery Plan on a periodic basis.	Medium	Position – June 2016 History of comments removed - please see separate report by the Head of Finance.  Position - July 2016 Recommendation to be closed as it is covered in the disaster recovery audit recommendations.  <b>Position – September 2016 Recommendation to be closed as it is covered in the disaster recovery audit recommendations.</b>	Emma Tiernan – ICT Section Head	31 December 2014	✓	<b>N/A To be removed</b>

**Audit Plan 2014/15**

<b>Debtors 2014/15</b>							
<b>Final report issued December 2014</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	<p>The Council should explore the possibility of developing an authorisation function within e-Financials that will not allow the releasing of a credit note without appropriate authorisation from a second officer.</p> <p>Given that developments to the system may take some time to be implemented, in the interim a manual authorisation process should be introduced. A second officer should review and authorise all credit notes raised prior to being sent to the customers. Evidence, by way of a control sheet, should be retained to support the authorisation process.</p> <p>Part of the authorisation process should include a review of the evidence that supports the reason for the credit note. To aid the review, consideration should be given to allowing all services access to Anite.</p>	Medium	<p>Head of Service and Revenues Manager are currently looking at staffing structure to streamline processes.</p> <p>Position – February 2015 Ongoing</p> <p>Position – May 2015 Ongoing</p> <p>Position – August 2015 Restructure will now not take place until January, 2016.</p> <p>Position – November 2015 Restructure will now not take place until early 2016 and with another member of staff due to return from maternity.</p> <p>Position – February 2016 Still to be implemented – ongoing.</p> <p>Position – June 2016 Still to be implemented – ongoing.</p> <p><b>Position – September 2016 Completed. A manual process has been implemented from 8 July 2016.</b></p>	Revenues Manager	31 March 2015	✓	<p>31 May 2015</p> <p>30 Sep 2015</p> <p>31 January 2016</p> <p>29 February 2016</p> <p>31 October 2016</p>

Debtors 2014/15							
Final report issued December 2014							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
04	<p>We recommend that consideration is given to including the unit cost within the invoice to allow an arithmetic check to be performed by a second officer.</p> <p>Unit costs may be in the form of, but not limited to, weekly rental amounts, hourly rates for hire or one off costs relating to services provided.</p>	Merits Attention	<p>Head of Service will be exploring further with S151 Officer due to Shared Services and review of processes.</p> <p>Position – February 2015 Ongoing</p> <p>Position – May 2015 Ongoing</p> <p>Position – August 2015 Ongoing</p> <p>Position – November 2015 Restructure will now not take place until early 2016 and with another member of staff due to return from maternity.</p> <p>Position – February 2016 Still to be implemented – ongoing</p> <p>Position – June 2016 Still to be implemented – ongoing.</p> <p><b>Position – September 2016 Completed. Consideration has been given to this issue but it has been decided not to progress with this re commendation.</b></p>	Revenues Manager	31 January 2015	✓	<p>31 May 2015</p> <p>30 Sep 2015</p> <p>30 November 2015</p> <p>29 February 2016</p> <p>31 October 2016</p>



IT Change Management 2014/15							
Final report issued January 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	(b) We recommend that a copy of the Communication Plan for W3R is obtained from Capita and is then reviewed jointly to confirm / revise the specified local variances to the generic Capita central CM processes.	Medium	Accepted  Position – February 2015 Not due  Position – May 2015 New date  Position – August 2015 See section 2.5.2 of the main SIAS Update Report.  Position – November 2015 See comment in section 2.5.2 of the main SIAS Update Report.  Position – February 2016 See comment in section 2.5.2 of the main SIAS Update Report.  Position – June 2016 History of comments removed - please see separate report by the Head of Finance.  <b>Position – September 2016</b> <b>This recommendation has been superseded by the exit from the Capita contract in June 2016.</b>	ICT Client Section Head & Capita Account Director	30 June 2015	✓	30 Sep 15  <b>N/A</b> <b>To be removed</b>
02	(b) We recommend that there is appropriate liaison and confirmation between Capita and W3R to obtain clarity and agreed understanding about the evaluation, scheduling and	Merits Attention	Accepted  Position – February 2015 Not due  Position – May 2015	ICT Client Section Head & Capita Account Director	30 June 2015	✓	30 Sep 15  <b>N/A</b> <b>To be removed</b>

IT Change Management 2014/15							
Final report issued January 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	authorisation of changes, including the CAB processes, and to obtain reassurance about the quality checking that is carried out by Capita in this respect.		<p>New date</p> <p>Position – August 2015 See section 2.5.2 of the main SIAS Update Report.</p> <p>Position – November 2015 See comment in section 2.5.2 of the main SIAS Update Report.</p> <p>Position – February 2016 See comment in section 2.5.2 of the main SIAS Update Report.</p> <p>Position – June 2016 History of comments removed - please see separate report by the Head of Finance.</p> <p><b>Position – September 2016</b> <b>This recommendation has been superseded by the exit from the Capita contract in June 2016. The ICT service is now provided through a mix of in-house staff and third party providers.</b></p>				
03	We recommend that the test plans and respective results are fully detailed and documented for each RFC as part of the relevant Work Plans. This should also include evidence of reviews carried out by Capita for ensuring that the testing complies with their defined process and that appropriate quality standards are met in this regard.	Medium	<p>Accepted</p> <p>Position – February 2015 Not due</p> <p>Position – May 2015 New date</p> <p>Position – August 2015 See section 2.5.2 of the main SIAS Update Report.</p>	ICT Client Section Head & Capita Account Director	30 June 2015	✓	30 Sep 15  <b>N/A To be removed</b>

IT Change Management 2014/15							
Final report issued January 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved x or ✓	Revised Deadline
			<p>Position – November 2015 See comment in section 2.5.2 of the main SIAS Update Report.</p> <p>Position – February 2016 See comment in section 2.5.2 of the main SIAS Update Report.</p> <p>Position – June 2016 History of comments removed - please see separate report by the Head of Finance.</p> <p><b>Position – September 2016</b> <b>This recommendation has been superseded by the exit from the Capita contract in June 2016. The ICT service is now provided through a mix of in-house staff and third party providers.</b></p>				

NDR 2014/15							
Final report issued January 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved x or ✓	Revised Deadline
03	The available hardware should be introduced within the inspection regime, with appropriate training given where necessary	Merits Attention	<p>To clarify, the Service has bought the Inspectors module (2010 I believe) but yet to purchase the required tablets to support implementation due to lack of IT support.</p> <p>Whilst the current Revenues Manager has</p>	Revenues Manager	31 July 2015	x	<p>30 November 2015</p> <p>31 March 2016</p>

**NDR 2014/15**

Final report issued January 2015

		<p>implemented such a module at a previous authority this was implemented with the help of internal IT resources and CSS.</p> <p>Position - February 2015 Yet to start awaiting Tablet / Module – Meeting arranged with Capita on 240315 re implementation.</p> <p>Position – May 2015 Not yet due</p> <p>Position – August 2015 Migration has still not taken place.</p> <p>Position – November 2015 Due to ongoing IT upgrades this has slipped further down list given major configuration within Academy and yet to decide on either tablet / iPad.</p> <p>Position – February 2016 Still to be implemented – ongoing.</p> <p>Position – June 2016 Still to be implemented – ongoing.</p> <p><b>Position – September 2016</b> <b>Discussions are still ongoing due to ICT changes and at the moment not a priority. However, potential new Revs &amp; Bens ICT contract to be signed early Sept 2016, which at this stage will pick this up once again.</b></p>				<p><b>31 March 2017</b></p>
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Benefits 2014/15							
Final report issued April 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	<p>The declaration of interest form should be reviewed to ensure it provides adequate protection to the respective Councils.</p> <p>Completed forms should be checked to ensure all staff who have (and need) access to the Academy system have returned a conflicts of interest form. This should be extended to staff outside of the Revenues and Benefits service, for example Customer Service Centre staff.</p> <p>Access to declared accounts should be restricted.</p>	Merits Attention	<p>We will cross check against the establishment list and determine who stills needs to sign a declaration for 2014/15 to get the outstanding ones completed.</p> <p>Position - May 2015 Now we are into a new financial year I will organise the re-signing for all staff in Revs and Bens.</p> <p>Position – August 2015 We are currently going through major upgrades of our systems and my focus at the moment is getting a stable system. I will re-visit the declaration of interest document in October.</p> <p>Position – November 2015 Now that the migration to new servers and upgrades to processing systems have just about completed we will visit annual declarations by the end of November 2015.</p> <p>Position – February 2016 No update received – target date has passed.</p> <p>Position – June 2016 In progress.</p> <p><b>Position – September 2016 This was completed in June 2016.</b></p>	Benefits Manager	31 May 2015	✓	<p>30 June 2015</p> <p>31 October 2015</p> <p>30 November 2015</p> <p>30 June 2016</p>

Benefits 2014/15							
Final report issued April 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved x or ✓	Revised Deadline
06	<p>In order to ensure compliance with the Data Protection Act (DPA), the Council should ensure that as a matter of urgency, the historical data stored within Anite is cleared.</p> <p>Going forward, the Council should ensure that there are arrangements in place to clear old data on an annual basis to ensure ongoing compliance with the DPA.</p>	Medium	<p>Awaiting Anite upgrade.</p> <p>Position - May 2015 Not yet due</p> <p>Position – August 2015 The Anite upgrade that will allow archiving of old data was scheduled for 1/8. Although Northgate have completed their work, Capita have not linked Anite to Office of Outlook so we cannot go live on 1/8. This has been moved from 8/8 to 12/9. If this is successful, it will take a further 8-10 weeks to restructure the database and then archiving can happen.</p> <p>Position – November 2015 Now that the Information@work system has been migrated to a new server and upgraded we are ready to install the retention and destruction module which will archive documents. We are currently in the process of agreeing dates for the module to be installed and training to be given. Review at the end of December 2015.</p> <p>Position – February 2016 No update received – target date has passed.</p> <p>Position – June 2016 With regard to the Retention and Destruction module for Anite, we are currently in the process of getting installation dates agreed. Due to consultancy availability it's not likely to be in place and working before 30.09.16.</p> <p>Position – July 2016 With regard to the Retention and Destruction</p>	Benefits Manager	30 June 2015	*	<p>31 December 2015</p> <p>30 Sept 2016</p> <p><b>31 December 2016</b></p>

<b>Benefits 2014/15</b>							
Final report issued April 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<p>module for Anite, we are currently in the process of getting installation dates agreed. Due to consultancy availability it's not likely to be in place and working before 30.09.16.</p> <p><b>Position – September 2016</b>                      We are currently waiting for pre-req documents to be completed by IT so that we can book final installation and training dates with Northgate. We expect the documentation to be completed by end of September. There is quite a wait time for Northgate consultancy hence moving the date to 31.12.16.</p>				

<b>Disaster Recovery 2014/15</b>							
Final report issued June 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	<ul style="list-style-type: none"> <li>The Councils should take priority to ensure the kit lists for both the Councils are updated and fit for purpose, this is to be shared with Capita who are responsible for handling the 3<sup>rd</sup> party contracts for Disaster Recovery.</li> <li>During the review it was mentioned that the Councils have</li> </ul>	High	<p>Recommendation accepted.</p> <p>Position - August 2015                      See section 2.5.2 of the main SIAS Update Report.</p> <p>Position – November 2015                      See comment in section 2.5.2 of the main SIAS Update Report.</p>	Capita Account Director	31 August 2015	*	<p>N/A</p> <p><b>31 October 2016</b></p>

Disaster Recovery 2014/15							
Final report issued June 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved x or ✓	Revised Deadline
	<p>been shown the Essex Councils comprehensive Disaster Recovery Plan as a template. Although this DRP is not part of this review and we can therefore not pass comment on its adequacy, it can form the basis for W3R.</p> <ul style="list-style-type: none"> <li>• Ensure procedure documents are kept up to date incorporating current technological environment so that the process steps covers all the detail recovery procedures in the event of disaster.</li> <li>• IT disaster recovery and business continuity plans should be reviewed at least once a year, or if any material changes occur within the IT environment, to ensure its continuing suitability, adequacy, and effectiveness.</li> </ul>		<p>Position – February 2016 See comment in section 2.5.2 of the main SIAS Update Report.</p> <p>Position – June 2016 History of comments removed - please see separate report by the Head of Finance.</p> <p>Position - July 2016 All asset lists, including desktops, servers and network equipment have been updated and are managed by the Service Desk Provider. Procedure documents are currently being reviewed and updated. This has to be completed prior to re-procuring the DR contracts, in October 2016.</p> <p><b>Position – September 2016 This has to be completed prior to re-procuring the DR contracts in October 2016.</b></p>				
02	<ul style="list-style-type: none"> <li>• Once these kit lists have been reviewed and approved, Capita should liaise with the two contractors responsible for Disaster Recovery to initiate Disaster Recovery Tests on Critical systems and their key dependencies.</li> <li>• A complete DR scenario test on all applications and systems should ideally take place to</li> </ul>	High	<p>Recommendation accepted.</p> <p>Position - August 2015 See section 2.5.2 of the main SIAS Update Report.</p> <p>Position – November 2015 See comment in section 2.5.2 of the main SIAS Update Report.</p> <p>Position – February 2016 See comment in section 2.5.2 of the main</p>	Capita Account Director / ICT Client Section Head	31 August 2015	x	N/A  <b>31 December 2016</b>



Disaster Recovery 2014/15							
Final report issued June 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	<p>provide assurance that recovery could happen within an acceptable time frame.</p> <ul style="list-style-type: none"> <li>Document and retain test results and evidence for review by information owners. Initiate corrective actions based upon test results.</li> <li>There should be Councils management oversight of the testing schedule to ensure that all disaster recovery plans are tested for adequacy and that they meet the Councils business needs.</li> <li>IT Disaster Recover and Business Continuity plans should be reviewed at least once a year or if any material changes occur within the IT environment to ensure its continuing suitability, adequacy, and effectiveness.</li> </ul>		<p>SIAS Update Report.</p> <p>Position – June 2016 History of comments removed - please see separate report by the Head of Finance.</p> <p>Position - July 2016 The DR testing will take place once the DR procurement has taken place. A requirement to do DR testing will be built into the procurement specification.</p> <p><b>Position – September 2016</b> <b>This is still anticipated to be completed by end December 2016.</b></p>				
03	<ul style="list-style-type: none"> <li>Talks surrounding the use of a data centre should be progressed.</li> <li>The problem with keeping the Councils data locally is that, should a disaster occur unexpectedly be it natural or man-made, all or part of the data could be lost – including backups.</li> <li>An offsite data centre solution should be considered if effective</li> </ul>	Medium	<p>Recommendation accepted.</p> <p>Position - August 2015 See section 2.5.2 of the main SIAS Update Report.</p> <p>Position – November 2015 See comment in section 2.5.2 of the main SIAS Update Report.</p> <p>Position – February 2016 See comment in section 2.5.2 of the main</p>	Capita Account Director	31 August 2015	*	N/A  <b>31 December 2016</b>

Disaster Recovery 2014/15							
Final report issued June 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	disaster recovery is a requirement at the Councils.		<p>SIAS Update Report.</p> <p>Position – June 2016 History of comments removed - please see separate report by the Head of Finance.</p> <p>Position - July 2016 The ICT strategy will reference using the Councils data centres as a backup for each other. This should ensure continuity of service in the event of a disaster recovery incident.</p> <p><b>Position – September 2016</b> <b>This is still anticipated to be completed by end December 2016.</b></p>				

IT Operations & Contract Management 2014/15							
Final report issued June 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	<ul style="list-style-type: none"> <li>The CSIS Account Director should agree a clear, formal process for the completion and closure of incidents, within their team and gain formal approval of this process from the Councils. Open / Outstanding actions should be assigned to the individual employees responsible and not to a default employee. Turnaround</li> </ul>	High	<p>Recommendation accepted.</p> <p>Position - August 2015 See section 2.5.2 of the main SIAS Update Report.</p> <p>Position – November 2015 See comment in section 2.5.2 of the main SIAS Update Report.</p>	Capita Account Director	30 September 2015	✓	<b>N/A</b> <b>To be removed</b>

IT Operations & Contract Management 2014/15							
Final report issued June 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved x or ✓	Revised Deadline
	<p>targets should be set and managed by CSIS formally on an on-going basis. This should be included in the progress report to the Councils.</p> <ul style="list-style-type: none"> <li>• There should be an additional status indicator for closed and completed tickets. A ticket may be complete but not closed until they have gathered all the necessary evidence for the relevant incidents. This would clear up incidents being marked as closed without the supporting evidence.</li> <li>• Where appropriate, these processes should be written into formal documentation to be shared and agreed across the CSIS teams and the Councils.</li> <li>• The processes should be reviewed at least once a year or if any material changes occur within the IT environment to ensure its continuing suitability, adequacy and effectiveness.</li> </ul>		<p>Position – February 2016 See comment in section 2.5.2 of the main SIAS Update Report.</p> <p>Position – June 2016 History of comments removed - please see separate report by the Head of Finance.</p> <p><b>Position – September 2016</b> <b>This recommendation has been superseded by the exit from the Capita contract in June 2016.</b></p>				
02	<ul style="list-style-type: none"> <li>• Discussions between the Council and CSIS should take place once improvements have been observed with the delivery of ICT Shared Services. This should encompass the current KPI definitions and how they are measured with associated targets. This would include the</li> </ul>	High	<p>Recommendation accepted.</p> <p>Position - August 2015 See section 2.5.2 of the main SIAS Update Report.</p> <p>Position – November 2015 See comment in section 2.5.2 of the main</p>	ICT Client Section Head	31 August 2015	✓	<b>N/A To be removed</b>

IT Operations & Contract Management 2014/15							
Final report issued June 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved x or ✓	Revised Deadline
	<p>amount of physical evidence deemed appropriate and sufficient to support the closure of tickets.</p> <ul style="list-style-type: none"> <li>The Council should gain formal agreement on the amount of outstanding penalties due, and a strategy be put in place for CSIS to meet that penalty.</li> </ul>		<p>SIAS Update Report.</p> <p>Position – February 2016 See comment in section 2.5.2 of the main SIAS Update Report.</p> <p>Position – June 2016 History of comments removed - please see separate report by the Head of Finance.</p> <p><b>Position – September 2016</b> <b>This recommendation has been superseded by the exit from the Capita contract in June 2016.</b></p>				
03	<ul style="list-style-type: none"> <li>In-house knowledge sharing should be recommended for the on-site employees within CSIS. This would help grow the teams' knowledge growth and eventually improve the efficiency of the team which may impact positively on their Service Level Agreements (SLA's).</li> <li>The CSIS Account Director should put a formal plan in place to ensure knowledge sharing between team members.</li> </ul> <p>Responsibilities should be assigned within CSIS. We suggest creating sub-team leaders to relieve these duties from the Account Director so he can focus on areas where his role will be more effective for the recovery plan. This should include weekly and</p>	Medium	<p>Recommendation accepted.</p> <p>Position - August 2015 See section 2.5.2 of the main SIAS Update Report.</p> <p>Position – November 2015 See comment in section 2.5.2 of the main SIAS Update Report.</p> <p>Position – February 2016 See comment in section 2.5.2 of the main SIAS Update Report.</p> <p>Position – June 2016 History of comments removed - please see separate report by the Head of Finance.</p> <p><b>Position – September 2016</b> <b>This recommendation has been superseded by the exit from the Capita</b></p>	Capita Account Director	31 December 2015	✓	<b>N/A To be removed</b>

IT Operations & Contract Management 2014/15							
Final report issued June 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	perhaps daily catch ups to discuss any outstanding issues and progress made on historical incidents.		<b>contract in June 2016.</b>				

## Audit Plan 2015/16

<b>Data Protection 2015/16</b>							
<b>Final report issued October 2015</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	We recommend that appropriate Data Protection training is offered to Members.	Medium	<p>We have all out elections next May and it would be sensible to include Data Protection Training in new member induction.</p> <p>Position – November 2015 Not yet due. Democratic Services are currently working on member induction programme for May/June 2016.</p> <p>Position – February 2016 Not yet due.</p> <p>Position – June 2016 Not yet due.</p> <p><b>Position – September 2016 Training scheduled for 14 September 2016.</b></p>	Head of Democracy and Governance	30 June 2016	*	<b>30 Sept 2016</b>
02	The Authority should also consider putting in place an overarching Data Sharing Protocol / Policy, which would provide a framework for the authority, helping them adopt good practices with regard to Data Sharing.	Medium	<p>Head of Democracy and Governance to develop a protocol.</p> <p>Position – November 2015 Not yet due</p> <p>Position – February 2016 Not started due to work commitments.</p> <p>Position – June 2016 Not yet due.</p>	Head of Democracy and Governance	31 January 2016	*	30 June 2016  <b>1 January 2017</b>

Data Protection 2015/16							
Final report issued October 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<b>Position – September 2016 Still to be developed.</b>				

Development Management 2015/16							
Final report issued November 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	<p>We recommend that all officers within the Planning Service complete a Declaration of Interest form on an annual basis.</p> <p>In addition, procedure notes should be produced documenting how the declaration of Interest will be enforced.</p> <p>We also recommend that the Head of Regeneration and Development request the Scheme of Delegation be amended so that where necessary, applications from the Council and from Councillors are referred to the Development Management Committee for decision.</p>	Merits Attention	<p>Agreed.</p> <p>We agree that all principal planners and their team leaders and section head should complete a declaration of Interest form. Normally these forms are held centrally.</p> <p>Agreed.</p> <p>Position – February 2016 Waiting for example of form from SIAS.</p> <p>Spoken with Head of Democracy and Governance. Annual reporting not necessarily sufficient as conflict of interest could occur at any time within the year. Current practice is via email to manager.</p> <p>Position – June 2016 Not implemented due to staff turnover. Revised deadline end of July 2016.</p> <p><b>Position – September 2016</b></p>	Head of Regeneration & Development	<p>30 April 2016 (for the new Financial Year)</p> <p>31 May 2016</p>	*	31 July 2016

Development Management 2015/16							
Final report issued November 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<b>No update received.</b>				
04	We recommend that checks are undertaken on a sample of pre-existing fields to ensure data submitted is accurate. If further differences are identified the scope should be extended to include all data-sets on the PS1 and PS2 returns.	Medium	<p>Agreed.</p> <p>The information provided in the PS1 and PS2 table for DCLG does not appear to allow interrogation so this has to be undertaken in a different format, which is time consuming.</p> <p>The variation in the two data sets is minor but this does need investigating.</p> <p>Further training is required in understanding the queries and how to find the raw data to review.</p> <p>The timing of implementing this recommendation will coincide with the updates that will be introduced for the system.</p> <p>Position – February 2016 Will be implemented as part of move to hosted service for Uniform planned for May 2016.</p> <p>Position – June 2016 Still awaiting move to hosted service.</p> <p><b>Position – September 2016</b> <b>No update received.</b></p>	Interim Development Management Section Head	29 February 2016	*	<p>31 May 2016</p> <p>31 August 2016</p>



Safeguarding 2015/16							
Final report issued November 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	We recommend that the next review be approved by Leadership Team and Members.	Medium	<p>Agreed, will take next review to Leadership Team and Cabinet.</p> <p>Position – February 2016 Leadership Team report re - scheduled for March 2016</p> <p>Position – June 2016 Due to recent structure changes, a report to CABINET to be moved till the Autumn to allow time to have a review of Safeguarding roles and responsibilities. The current structure remains and CSE has been included in the policy and procedures.</p> <p><b>Position – September 2016 LT report scheduled for October</b></p>	Culture and Play Section Head	31 January 2016 (Leadership Team)	*	31 March 2016  31 October 2016
	We recommend that the policy and procedures be reviewed and amended to specifically reflect CSE.		<p>Agreed.</p> <p>Position – February 2016 Cabinet report re- scheduled for June or July 2016.</p> <p>Position – June 2016 Due to recent structure changes, a report to CABINET to be moved till the Autumn to allow time to have a review of Safeguarding roles and responsibilities. The current structure remains and CSE has been included in the policy and procedures.</p>		31 March 2016 (Cabinet)	*	31 July 2016  31 October 2016



Safeguarding 2015/16							
Final report issued November 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved x or ✓	Revised Deadline
	We recommend that the Enforcement policy be reviewed to include patterns of behaviour/reports alongside convictions. This will include trends of complaints and concerns for particular operators.		<p>Licensing committee is September 2016 where it will be submitted for consideration.</p> <p>To be developed, consulted and approved by Licensing Committee.</p> <p><b>Position – September 2016 Consultation closed and being considered at Licensing Committee at 15/9/2016. Includes reference to considering intelligence as well as actual convictions.</b></p> <p>Position – February 2016 Policy under review, believed that the convictions Policy will enable this and the enforcement policy does not need amendment. Conclusion will be made by March 2016.</p> <p>Position – June 2016 Policy currently in consultation stage. Next Licensing committee is September 2016 where it will be submitted for consideration.</p> <p><b>Position – September 2016 Consultation closed and being considered at Licensing Committee at 15/9/2016. Includes reference to considering behaviour/trends of complaints as well as actual convictions.</b></p>		31 March 2016	x	<p>30 June 2016</p> <p>30 Sept 2016</p>

Safeguarding 2015/16							
Final report issued November 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
07	We recommend that documentation be reviewed to include a specific reference to CSE and to provide more substantial guidance around what is considered to be serious by the organisation.	Medium	Agreed.  Position – February 2016 As 05 above.  Position – June 2016 Policy currently in consultation stage. Next Licensing committee is September 2016 where it will be submitted for consideration.  <b>Position – September 2016 Consultation closed and two relevant policies being considered at Licensing Committee at 15/9/2016. Convictions Policy far more explicit and much greater clarity on offences and organisations approach.</b>	Environmental Health and Licensing Section Head	31 March 2016	*	30 June 2016  30 Sept 2016
08	We recommend that the Council suggest greater scrutiny involvement to examine the organisations position in relation to safeguarding responsibilities.	Merits Attention	Agreed.  Position – February 2016 Not yet due  Position – June 2016 Not yet due.  <b>Position – September 2016 Scrutiny scheduled for January 2017. Scoping meeting scheduled for October with Chair. Scrutiny officer engaged and involved.</b>	Committee and Scrutiny Officer	30 June 2016	*	<b>31 January 2017</b>
09	We recommend that further discussions regarding this issue are raised through the police, obtaining	Medium	Agreed.  Position – February 2016	Environmental Health and Licensing	31 January 2016	*	31 March 2016

Safeguarding 2015/16							
Final report issued November 2015							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	clarity to ensure consistency around police notifiable occupations. This is an issue that is being discussed at a national level due to guidance issued by the National Police Chiefs' Council.		<p>Discussions with the Police Community Safety Unit who are leading discussions across the county to improve communication underway. Introduction of a new system to check applicants history in place, protocols of use of this new procedure in development jointly with 3RDC. No current issues with notifications but any will be raised and followed up.</p> <p>Position – June 2016 Local arrangement for intelligence checking with the Police fully in place and working well, this is mitigating risks surrounding formal notifications to some degree. Formal notification and disclosure through the County Police unit still unresolved. Information received that clarifies the Police's position but remains unsatisfactory from WBC perspective. Request for further consideration sent to County unit and support of Watford Chief Inspector secured to champion this matter.</p> <p><b>Position – September 2016</b> <b>Ongoing discussions. Processes continue to work well at a local level but examples at a county level continue to be found of non-notification.</b></p>	Section Head			30 November 2016

<b>Council Tax 2015/16</b>							
<b>Final report issued February 2016</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
02	Management should consider the cessation of undertaking programmed visits to long-term empty properties and focus inspections on exemptions that reduce the potential for financial loss if incorrectly applied or generate revenue, e.g. NDR avoidance.	Merits Attention	<p>Revenues Manager will be liaising with Inspectors quarterly with a view to focusing on NDR avoidance and empty properties.</p> <p>Position – February 2016 In progress</p> <p>Position – June 2016 Ongoing as will await new Head of Service for input / thoughts.</p> <p><b>Position – September 2016 Completed 11 July 2016</b></p>	Revenues Manager	30 June 2016	✓	31 October 2016

<b>Building Control 2015/16</b>							
<b>Final report issued February 2016</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	We recommend that all officers within the Building Control Service complete a Declaration of Interest form on an annual basis.	Merits Attention	<p>The team will be asked to supply details of any private work they undertake and any other conflicts of interest. This will be logged on personal files. We have asked SIAS to provide an example of an annual declaration template as used elsewhere and will then introduce an annual review process.</p> <p>Position – June 2016 Not implemented due to staff turnover.</p>	Head of Regeneration & Development	30 April 2016	*	31 July 2016

<b>Building Control 2015/16</b>							
Final report issued February 2016							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			Revised deadline end July 2016.  <b>Position – September 2016</b> <b>No update received.</b>				

<b>Capital Projects and Project Management 2015/16</b>							
Final report issued February 2016							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	<p>We recommend that the Partnerships and Performance Section Head ensures that data included in the Framework is fully updated.</p> <p>We recommend that any obsolete supporting information should be removed before publishing the information on the Council's new Intranet.</p>	Merits Attention	<p>The way the pages are set up on the Intranet, it is not always possible to change all information on them.</p> <p>This was identified as a priority for the new PMO Coordinator post (starting in January 2016). All pages have been reviewed and changes have been identified.</p> <p>Some updates will have to wait until the roll out of the new intranet site when decision will be made to see which elements of the methodology gets transferred.</p> <p>Position – June 2016 The intranet is now scheduled for implementation by the end of July 2016 at which point the update to the framework can be implemented.</p> <p><b>Position – September 2016</b></p>	Partnership and Performance Section Head	30 April 2016	✓	31 August 2016

Capital Projects and Project Management 2015/16							
Final report issued February 2016							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			Updates complete.				

Debtors 2015/16							
Final report issued March 2016							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	The Council should explore the possibility of developing an authorisation function within e-Financials that will not allow the releasing of a credit note without appropriate authorisation from a second officer. In the meantime, a manual authorisation process should be introduced requiring a second officer to authorise all credit notes raised.	Medium	To explore modules within e-Financials  Position – June 2016 Still to be implemented – ongoing.  <b>Position – September 2016</b> <b>This is a duplication of the previous recommendation and should be closed.</b>	Revenues Manager	31 August 2016	✓	31 October 2016
02	We recommend that consideration is given to including the unit cost within the invoice to allow an arithmetic check to be performed by a second officer.  Unit costs may be in the form of, but not limited to, weekly rental amounts, hourly rates for hire or one off costs relating to services provided.	Merits Attention	To explore further, this being dependent on Service Area requirements.  Position - June 2016 Still to be implemented - ongoing.  <b>Position – September 2016</b> <b>This is a duplication of the previous recommendation and should be closed.</b>	Revenues Manager	31 August 2016	✓	31 October 2016



<b>Contract Management 2015/16</b>							
<b>Final report issued May 2016</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	It is recommended that quarterly liaison and annual review meetings are held and minuted to ensure the operational and strategic aims and overall satisfactory performance is being achieved.	Medium	Agreed – Have started to minute the fortnightly operational meetings too.  <b>Position – September 2016 Done from Q1 16/17.</b>	Housing Supply Manager	Started from Q4 - 15/16.  Then ongoing	✓	
02	It is recommended that the Council's Housing team carry out spot checks within the Hostels and Self-Contained Properties to ensure the accuracy and compliance of the Contractors inspections.	Medium	Agreed – Will ensure all properties have had at least 1 spot check by end of year and put hostels on a rolling programme  <b>Position – September 2016 Not started yet but still intend to have this done by March 2017.</b>	Housing Supply Manager	Start 1 July 2016  All complete by 31 March 2017  Then ongoing	*	
03	We recommend that contract risks should be identified and managed. The risks should be recorded either in a separate risk register for significant contracts, or for smaller contracts via a generic contract management risk within service risk registers.  A review of risks should form part of contract monitoring activity.	Medium	Agreed – The Contract Management Forum Steering Group on 1st April, agreed to run a workshop on Contract Risk Management in June 2016. The intention of the workshop is to raise awareness of risk management and to help develop guidance and templates that are user friendly to support officers when undertaking this aspect of contract management.  <b>Position – September 2016 CMF training session on managing contract risk held on 19th July. It covered</b>	Contract Procurement Manager	30 June 2016	*	<b>30 November 2016</b>

<b>Contract Management 2015/16</b>							
Final report issued May 2016							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			managing risk and the risk register and discussed a risk register template particularly for smaller projects. A further session is planned towards the end of September 2016. The aim of that session is to set objectives and actions to provide a guidance note, process and recording format to identify and manage risk.				

<b>Benefits 2015/16</b>							
Final report issued May 2016							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	Evidence should be retained to support DWP CIS system checks performed routinely by the Recovery Team.	Merits Attention	We will ensure that Overpayments staff are reminded that they must capture a copy of the CIS check on each occasion.  <b>Position – September 2016 Completed. This has been implemented from March 2016.</b>	Revenues Manager	30 September 2016	✓	

<b>Cemeteries 2015/16</b>							
Final report issued May 2016							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	It is recommended that as part of the	Medium	Agreed – A new additional post at the	Environmental	30 September	✓ <b>partly</b>	<b>March</b>

<b>Cemeteries 2015/16</b>							
<b>Final report issued May 2016</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved x or ✓	Revised Deadline
	lone working risk assessment, consideration be given to holding regular 'one to one' meetings with the Cemetery Manager on site at the cemetery with meeting / action notes completed.		Cemetery is to be recruited. As part of the process, the risk assessment will be reviewed.  Regular meetings with staff at the Cemetery will be planned and minuted.  <b>Position – September 2016</b> <b>Job description in draft and will be for an assistant cemetery manager.</b>  <b>Meetings set up for monthly 121's.</b>	Services Client Manager (Parks & Open Spaces)	2016		<b>2017 for new post in place</b>
02	It is recommended that action is taken to protect the site plans. One option to consider is to create digital copies for online storage and view, and another would be to store them in a fireproof cabinet.	Medium	Agreed – Fireproof cabinet to be purchased.  <b>Position – September 2016</b> <b>Ongoing enquiries with several companies, struggling to find a product that will fit requirements. Possible solution is digitisation of maps – costs to be determined for maps and records or through the Gower system.</b>	Cemetery Manager	30 June 2016	x	<b>31 December 2016</b>
03	a) It is recommended that the backup discs are stored in the fireproof cabinets located in the cemetery office.  b) In addition, a further copy could be sent by courier to the Service Department office in the Town Hall, with the previous week's copy being returned by courier, so that only the latest back-up is being stored off site.	Medium	Agreed  <b>Position – September 2016</b> <b>Completed</b>	Cemetery Manager	Immediate	✓	
			Agreed – options to be discussed with ICT & Legal Depts.  <b>Position – September 2016</b> <b>Completed</b>	Environmental Services Client Manager (Parks & Open Spaces)	30 June 2016	✓	

Cemeteries 2015/16							
Final report issued May 2016							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	c) This process would become obsolete if the system was linked to the Council's main-frame data storage system or a remote online connection is set up with the system provider, which is currently being reviewed as part of the cemetery strategy action plan.		Agreed – Subject to review following mainframe issues being reviewed with new ICT provider.  <b>Position – September 2016 New ICT provider in place from July 2016. To follow up with new provider.</b>	Environmental Services Client Manager (Parks & Open Spaces)	31 October 2016	*	
04	a) It is recommended that Gower is requested to provide a refresher course and further training on the use and reporting facilities of their cemetery management system.  b) Upon completion of training, it is recommended that the Cemetery Manager utilises the system to its full potential with a view to reducing the manual records currently maintained.	Merits Attention	Agreed – to be arranged.  <b>Position – September 2016 Training booked for 21.9.16</b>	Cemetery Manager	30 June 2016	*	<b>30 Sept 2016</b>
			Agreed – following review of current procedures with the Council's Finance team.  <b>Position – September 2016 See above.</b>	Environmental Services Client Manager (Parks & Open Spaces)	30 June 2016	*	<b>30 Sept 2016</b>
05	It is recommended that a more robust system for raising invoices and subsequent debt recovery is agreed, approved and put in place. The following points should be considered:  a) Process all invoices through the Council's E-fin system at the time of transaction.  b) The system invoice is printed	Medium	Agreed – review and update of current procedures in conjunction with the Cemetery Manager and Finance Department will be completed.  <b>Position – September 2016 No change due to restructures in Finance department. Now in place, to be reviewed in September / October</b>	Environmental Services Client Manager (Parks & Open Spaces)	31 August 2016	*	<b>31 October 2016</b>

Cemeteries 2015/16							
Final report issued May 2016							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	<p>and sent immediately following completion of the service provided.</p> <p>c) If deemed necessary, a covering letter, offering a compassionate message from the Council, could be sent with the actual invoice.</p> <p>d) Following the 30 day term for payment, if still unpaid, the Council's debt recovery procedures should be used.</p> <p>e) Accurate records of any recovery 'chasing' action taken to be recorded electronically.</p> <p>f) An aged debt analysis report should be compiled and reviewed at least quarterly.</p> <p>g) The overall results of the quarterly review, including the total outstanding debt figure, should be reported to and monitored by Senior Management.</p> <p>h) Documented terms should be agreed with all Funeral Directors, specifically clarity on who will be invoiced and responsible for payment.</p>						
06	It is recommended that the cemetery takings are counted at least every two	Medium	Agreed	Cemetery Manager	Immediate	*	31

<b>Cemeteries 2015/16</b>							
<b>Final report issued May 2016</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	weeks and passed to the next courier for banking.		<b>Position – September 2016</b> <b>Two weekly banking commences in October 2016.</b>				<b>October 2016</b>
07	It is recommended that a monthly reconciliation of the cemetery accounting officers return and Gower system is made to the budget monitor records. The reconciliation should be countersigned by another appropriate officer and a record maintained of any discrepancies investigated and resolved.	Medium	Agreed – will be linked to reviewed procedures following implementation of Recommendation no.5 above.  <b>Position – September 2016</b> <b>Once Gower training completed on the full finance capabilities this will be done if the cemetery banking does not transfer to E financials.</b>	Cemetery Manager & Environmental Services Client Manager (Parks & Open Spaces)	31 August 2016	*	<b>31 October 2016</b>

**Audit Plan 2016/17**

<b>Freedom of Information 2016/17</b>							
<b>Final report issued August 2016</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	We recommend that FOI procedures regarding Client Liaison Officer (CLO) / Customer Service Team Leader (CSTL) responsibilities are updated and a response protocol particularly for when responses should go via Communications be drafted.  The procedures should show the date of last review and be subject to	Merits Attention	Agreed  <b>Position – September 2016</b> <b>No further update on above as final audit report only issued on 11 August 2016.</b>	Customer Services Team Leader	31 December 2016	*	

Freedom of Information 2016/17							
Final report issued August 2016							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	periodic review.						
02	We recommend that the Council ensures all FOI requests are responded to within the 20 day target, responses are regularly monitored and appropriate action is taken to improve the performance of timely responses.	Medium	We will investigate whether the Lagan system can generate weekly alerts which would then be used for monitoring purposes.  <b>Position – September 2016</b> <b>No further update on above as final audit report only issued on 11 August 2016.</b>	Customer Services Team Leader	31 October 2016	*	
03	We recommend that all EIR requests are identified as such when recorded, as there are some specific regulations that may need to be applied.	Merits Attention	Agreed  <b>Position – September 2016</b> <b>No further update on above as final audit report only issued on 11 August 2016.</b>	Client Liaison Officers	30 April 2017	*	
04	We recommend that regularly requested information such as Public Health Funerals is published on the Council's website.  We also recommend that the Lead Officer's half year report could be improved by detailing the FOI and EIR request split and including details of reviews / appeals which indicate additional staff time used.	Merits Attention	A review of the associated information requested about Public Health burials is being undertaken and if this indicates supply of information on the web would be of benefit this will be undertaken and regularly updated.  <b>Position – September 2016</b> <b>No further update on above as final audit report only issued on 11 August 2016.</b>  Once Client Liaison Officers have been trained and are differentiating the requests  <b>Position – September 2016</b> <b>No further update on above as final audit report only issued on 11 August 2016.</b>	Environmental Health and Licensing Section Head  Head of Democracy & Governance	31 December 2016  30 April 2017	*  *	





**Report to:** Audit Committee

**Date of meeting:** 29 September 2016

**Report of:** Head of Finance Shared Services

**Title:** External Auditors Report To Those Charged With Governance – ISA260 - (September 2016) and Approval Of The Statement of Accounts 2015/16

## 1.0 SUMMARY

1.1 This report allows the Committee to ask questions of the external auditor concerning his 'Report to those charged with Governance (ISA260)' and to approve the Statement of Accounts for 2015/16.

## 2.0 RECOMMENDATIONS

2.1 That the Committee notes the external auditor's 'Report to those charged with Governance'.

2.2 That the Committee seeks any clarification it needs concerning the processes involved in the production of the annual Statement of Accounts for 2015/16.

2.3 That the Committee confirms that it is satisfied that the accounting policies adopted are the most appropriate.

2.4 That the Statement of Accounts for 2015/16 be approved.

### **Contact Officer:**

For further information on this report please contact: -

Bob Watson, Head of Finance, Shared Services

telephone extension: 7198

email: bob.watson@threerivers.gov.uk

**Report approved by:** Joanne Wagstaffe Director of Finance

### 3.0 **DETAILS**

- 3.1 The Audit Committee at its meeting on the 27 June received the draft Statement of Accounts for 2015/16. The Accounts have since been audited by EY (UK) LLP.
- 3.2 The Auditor's 'Report to those charged with Governance' is attached at Appendix 1. It is issued in accordance with ISA260 and incorporates a conclusion on final accounts work and a value for money judgement. EY will attend the meeting to present the report and answer questions.
- 3.3 Attached at Appendix 2 is a draft letter of representation which should be signed at the meeting by the Chair of the committee and the Director of Finance.
- 3.4 The Council's Statement of Accounts for 2015/16 is attached at Appendix 3.
- 3.5 The accounts must be signed by the Chief Financial Officer before they are approved by the Committee and, subject to approval, the Chairman of the Committee shall sign and date them at the meeting.
- 3.6 Under the Council's constitution the Audit Committee has the responsibility to consider and approve the Statement of Accounts.

### 4.0 **KEY ISSUES AND INTERPRETATION OF THE ACCOUNTING STATEMENTS**

- 4.1 The purpose of the Statement of Accounts is to give interested parties an understanding of the Council's financial position. It also provides an opportunity to compare how the Council performed financially against its original plan published when setting the budgets in February 2015. The Committee are referred to the narrative statement in the Statement of Accounts.
- 4.2 The Financial Statements have been prepared under International Financial Reporting Standards (IFRS), a statutory accounting framework which is used by public sector bodies within the United Kingdom. The Chartered Institute of Public Finance and Accountancy (CIPFA) produce a Code of Practice on Local Authority Accounting (the 'Code') which reflects the statutory requirements and has been followed in preparing the financial statements.
- 4.3 A draft Annual Governance Statement (AGS) was presented to the Committee and approved on 27 June 2016. It is now included in the Statement of Accounts before the Committee, and has been signed by the Mayor and the Managing Director as required by proper practice.
- 4.4 *Summary of Financial Position*
- 4.5 The Council's medium-term financial planning has aimed to achieve a balanced budget and a prudent level of balances. With the reductions in government grant and changes to business rates, this means that the Council will need to continue to find savings through

efficiencies and increased income; some of these may impact on service level provision. Tight fiscal controls will be required to ensure that the savings identified are achieved.

## 5.0 **IMPLICATIONS**

### 5.1 **Financial**

5.1.1 Contained in the Statement of Accounts

### 5.2 **Legal Issues** (Monitoring Officer)

5.2.1 None Specific.

### 5.3 **Equalities**

5.3.1 None Specific.

### 5.4 **Potential Risks**

There are no risks associated with the decisions members are being asked to make.

## **APPENDICES**

1. Report to those charged with Governance (ISA260) – EY (UK) LLP – September 2016.
2. Letter of Representation
3. Statement of Accounts 2015/16

## **BACKGROUND PAPERS**

The Accounts and Audit (England) Regulations 2011



**Report to:** Audit Committee

**Date of meeting:** 29 September 2016

**Report of:** Head of Finance (Shared Services)

**Title:** Committee Work Programme

1.0 **SUMMARY**

1.1 To review and make necessary changes to the Audit Committee's Work Programme

2.0 **RECOMMENDATIONS**

2.1 That the Committee considers and makes necessary changes to its Work Programme.

**Contact Officer:**

For further information on this report please contact: -  
Bob Watson, Head of Finance (Shared Services)  
Telephone extension: 7188  
email: bob.watson@threerivers.gov.uk

**Report approved by:** Joanne Wagstaffe, Director of Finance

### 3.0 DETAILS

3.1 The work programme is presented at each meeting of the Committee to enable any changes to be made and to provide Members with updated information on future meetings. The programme of reports scheduled to be presented to this Committee in financial year 2016/17 are shown below;

Date	Reports
7 December 2016	<ul style="list-style-type: none"><li>▪ External Auditors Annual Audit Letter 2015/16</li><li>▪ Annual Governance Statement Update</li><li>▪ Treasury Management Mid Year Report 2016/17</li><li>▪ Risk Management Strategy</li><li>▪ Freedom of Information Update</li><li>▪ Emerging Risks</li><li>▪ Standing items</li></ul>
16 March 2017	<ul style="list-style-type: none"><li>▪ RIPA 2016</li><li>▪ Corporate Risk Register</li><li>▪ External Audit Certification Work Report 2015/16</li><li>▪ Accounting Policies 2017/18</li><li>▪ SIAS Internal Audit Plans 2017/18</li><li>▪ Standing items</li></ul>

Standing items are: -

- SIAS Internal Audit Progress Report
- External Audit Progress Report – Recommendations
- Committee’s Work Programme

3.2 Attached at Appendix 1 is a list of topics that can be scheduled for discussion as part of the Committee’s Agenda business.

3.3 The annual statement accounts for the financial year 2017/18 are now subject to a closedown timetable of the draft to be produced and signed by the council’s Chief Financial Officer by 31 May. The audited accounts need to be agreed and signed by Committee by 31 July each year.

### 4.0 IMPLICATIONS

#### 4.1 Financial

4.1.1 None Specific.

#### 4.2 Legal Issues (Monitoring Officer)

4.2.1 None Specific.

#### 4.3 Equalities

4.3.1 None Specific.

#### 4.4 Potential Risks

4.4.1 There are no risks associated with the decisions members are being asked to make.

## APPENDIX 1

The table below contains a list of proposed discussion topics for the Audit Committee and offers the opportunity to express an interest in each topic.

Topic	Led by
Audit Committee effectiveness	SIAS
Navigating SIAS audit reports	SIAS
The role of the Audit Committee in corporate governance	Governance Officer / SIAS
The role of the Audit Committee in risk management	Risk Manager / SIAS
The role of the Audit Committee with the work of external audit	External Audit
Statement of Accounts for Audit Committees	Finance
Anti-Fraud and Corruption	Anti-Fraud Team
Emerging Risks	SIAS
Oversight of Freedom of Information (where relevant)	FOI Officer
About SIAS	SIAS

Each of the above topics could be covered as a high level 'lite bite' (15 to 30 minutes) or as an extended session (45minutes to 1 hour max) prior to the commencement of each Audit Committee. The latter may involve merging some of the proposed topics.

Shorter sessions are a popular choice for Members pressed for time and not wishing to be overwhelmed by detail.

