



Watford Borough Council  
Audit Committee – 14 March 2024

Shared Internal Audit Service –  
2023/24 Internal Audit Plan Progress Report

Recommendation

Members are recommended to:

- Note the Internal Audit Progress Report for the period to 1 March 2024
- Approve amendments to the Audit Plan as at 1 March 2024
- Agree the change to the implementation date for five recommendations (paragraph 2.5) for the reasons set out in Appendix C
- Agree removal of implemented audit recommendations set out in Appendix C
- Note the implementation status of high priority recommendations.

# Contents

- 1 Introduction and Background
  - 1.1 Purpose
  - 1.2 Background
  
- 2 Audit Plan Update
  - 2.1 Delivery of Internal Audit Plan and Key Audit Findings
  - 2.3 Status of Internal Audit Recommendations
  - 2.7 Proposed Internal Audit Plan Amendments
  - 2.8 Performance Management

## Appendices

- A Progress against the 2023/24 Internal Audit Plan
- B 2023/24 Internal Audit Plan Projected Start Dates
- C Progress against Outstanding Internal Audit Recommendations
- D Assurance and Priority Levels

# 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 Internal Audit Plan for 2023/24 as at 1 March 2024.
- b) Proposed amendments to the approved 2023/24 Internal Annual Audit Plan.
- c) Implementation status of all outstanding previously agreed internal audit recommendations from 2020/21 onwards.
- d) An update on performance management information as at 1 March 2024.

## 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 2023/24 Annual Audit Plan was approved by Audit Committee on 9 March 2023.
- 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 23 November 2023.

# 2. Audit Plan Update

## Delivery of Audit Plan and Key Audit Findings

- 2.1 As at 1 March 2024, 82% of the 2023/24 Audit Plan days had been delivered for the combined Watford Borough Council and Shared Services audit plans (excludes 'To Be Allocated' days). Appendix A provides a status update on each individual deliverable within the audit plan.
- 2.2 The following 2023/24 reports have been finalised since November 2023 Audit Committee:

<b>Audit Title</b>	<b>Date of Issue</b>	<b>Assurance Level</b>	<b>Number and Priority of Recommendations</b>
IT Operations	Dec '23	Reasonable	2 Medium
Play Safety Inspections Follow Up	Dec '23	Reasonable	2 Low
Risk Management	Dec '23	Reasonable	2 Medium

Performance Management and Data Quality	Feb '24	Reasonable	2 Medium 2 Low
---	---------	------------	-------------------

Status of Audit Recommendations

- 2.3 Audit Committee 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 as at 1 March 2024, with full details in Appendix C:

Year	Recommendations made No.	Implemented	Not yet due	Outstanding & a request made for extended time, or no update received	Percentage implemented %
2020/21	28	27	0	1	96%
2021/22	37	36	0	1	97%
2022/23	34	28	3	3	82%
2023/24	17	11	5	1	65%

- 2.5 Since 23 November 2023 Audit Committee, extension to implementation dates have been requested by action owners for five recommendations as follows:
- a) One from the 2020/21 Debtors audit, with a revised target date of 31 March 2024 (was 31 December 2023),
  - b) Three from the 2022/23 Museum audit, with revised target dates of 31 March 2024 (two were 31 December 2023 and one was 31 January 2024), and
  - c) One from the 2023/24 Play Inspections audit, with a revised target date of 31 March 2024 (was 31 January 2024).
- 2.6 No new high priority recommendations have been made since November 2023 Audit Committee.

Proposed Audit Plan Amendments

- 2.7 A grant certification was completed by the 1 March 2024 deadline in respect of the DEFRA Waste Recycling funding received by the Council. The time has been taken from the Grant Certifications allocation.

Performance Management

- 2.8 To help the Committee assess the current situation in terms of progress against the projects in the 2023/24 Audit Plan, we have provided an analysis of agreed

start dates at Appendix B. These dates have been agreed with management and resources allocated.

2.9 Annual performance indicators and associated targets were approved by the SIAS Board in March 2023. Actual performance for Watford Borough Council against the targets that can be monitored for 2023/24 is shown in the table below.

<b>Performance Indicator</b>	<b>Annual Target</b>	<b>Profiled Target to 1 March 2024</b>	<b>Actual to 1 March 2024</b>
<b>1. Planned Days</b> – percentage of actual billable days against planned chargeable days completed (excludes unused contingency)	95%	88% (200 / 227 days)	82% (187 / 227 days)
<b>2. Planned Projects</b> – percentage of actual completed projects to draft report stage against planned completed projects by 31 <sup>st</sup> March 2024	90%	67% (12 out of 18 projects to draft)	50% (9 out of 18 projects to draft)
<b>3. Planned Projects</b> – percentage of actual completed projects to Final report stage against planned completed projects by the production of the HoA Annual Report	100%	n/a	n/a New Indicator – first measurement will be May 2024 (Currently 8/18 delivered to final report)
<b>4. Client Satisfaction</b> – percentage of client satisfaction questionnaires returned at 'satisfactory overall' level (minimum of 39/65 overall)	95%	100%	71% (Based on 7 received in 23/24)
<b>5. Number of High Priority Audit Recommendations Agreed</b>	95%	95%	N/A (No high priority recommendations made)

2.10 The performance targets listed below are annual in nature. Performance against these targets will be reported on in the 2023/24 Head of Assurance's Annual Report:

- **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 financial 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 2023/24 AUDIT PLAN AT 1 MARCH 2024**

**2023/24 SIAS Audit Plan**

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS				AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		C	H	M	L				
<b>Key Financial Systems</b>									
Benefits (Shared Services Plan)						10	SIAS	9	In Fieldwork
Debt Recovery (Shared Services Plan)						12	SIAS	3	In Fieldwork
Key Financial Controls Testing (Shared Services Plan)						12	BDO	11	In Fieldwork
Main Accounting Control Risk Assessment (Shared Services Plan)						9	SIAS	8.5	Draft Report Issued
Payroll (Shared Services Plan)						10	SIAS	6.5	In Fieldwork
Parameters Testing (Shared Services Plan)						3	SIAS	3	Draft Report Issued
<b>Operational Audits</b>									
Agency Staffing (Shared Services Plan)						12	SIAS	11	In Quality Review
Asset Management System Data						10	BDO	5	In Fieldwork
Croxley Business Park						15	BDO	10	In Fieldwork
Operational Buildings Compliance Follow Up	Reasonable	0	0	3	1	6	BDO	6	Final Report Issued
Performance Management & Data Quality	Reasonable	0	0	2	2	12	SIAS	12	Final Report Issued
Play Safety Inspections Follow Up	Reasonable	0	0	0	2	5	SIAS	5	Final Report Issued
Risk Management	Reasonable	0	0	2	0	8	SIAS	8	Final Report Issued
Shared Services						15	BDO	5	In Fieldwork

**APPENDIX A - PROGRESS AGAINST THE 2023/24 AUDIT PLAN AT 1 MARCH 2024**

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS				AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		C	H	M	L				
<b>Grant Certifications</b>									
DEFRA Waste Recycling Grant	Unqualified	-	-	-	-	2	SIAS	2	Final Report Issued
Grant Certifications						0		0	
<b>Contract Management, Project Management &amp; Procurement</b>									
Project Management – Town Hall Quarter	Reasonable	0	0	1	2	12	BDO	12	Final Report Issued
<b>IT Audits</b>									
IT Operations (Shared Services Plan)	Reasonable	0	0	2	0	15	BDO	15	Final Report Issued
Cyber Security (Shared Services Plan)						15	BDO	12	In Fieldwork
<b>Follow Ups</b>									
Follow up of Audit Recommendations						8	Yes	8	Complete
<b>To Be Allocated</b>									
Unused Contingency (Shared Services Plan)						0	N/A	0	N/A
<b>Strategic Support</b>									
Audit Committee						8	Yes	7.5	Through Year
2024/25 Audit Planning						5	Yes	5	Complete



**APPENDIX A - PROGRESS AGAINST THE 2023/24 AUDIT PLAN AT 1 MARCH 2024**

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS				AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		C	H	M	L				
Head of Internal Audit Opinion 2022/23						3	Yes	3	Complete
Monitoring & Client Meetings						8	Yes	7.5	Through Year
SIAS Development						3	Yes	3	Complete
<b>Completion of 2022/23 audits</b>									
Time required to complete work commenced in 2022/23 (4 days Shared Services Plan; 5 days WBC)						9	Yes	9	Complete
<b>WBC PLAN TOTAL</b>						<b>125</b>		<b>104</b>	
<b>SHARED SERVICES PLAN TOTAL</b>						<b>102</b>		<b>83</b>	
<b>COMBINED TOTAL PLAN DAYS</b>						<b>227</b>		<b>187</b>	

Key to recommendation priority levels: C = Critical; H = High; M = Medium; L = Low / Advisory.

**APPENDIX B – AUDIT START DATES 2023/24**

<b>Apr</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>August</b>	<b>September</b>
Project Management – Town Hall Quarter <b>Final Report Issued</b>	Parameters Testing (Shared Services Plan) <b>Final Report Issued</b>	IT Operations (Shared Services Plan) <b>Final Report Issued</b>	Agency Staffing (Shared Services Plan) <b>In Quality Review</b>		Debt Recovery (Shared Services Plan) <b>In Fieldwork</b>
Operational Buildings Compliance Follow Up <b>Final Report Issued</b>		Risk Management <b>Final Report Issued</b>	Play Safety Inspections Follow Up <b>Final Report Issued</b>		Performance Management / Data Quality <b>Final Report Issued</b>
					Shared Services <b>In Fieldwork</b>

<b>October</b>	<b>November</b>	<b>December</b>	<b>January</b>	<b>February</b>	<b>March</b>
Key Financial Controls Testing (Shared Services Plan) <b>In Fieldwork</b>	Benefits (Shared Services Plan) <b>In Fieldwork</b>	Payroll (Shared Services Plan) <b>In Fieldwork</b>	Cyber Security (Shared Services Plan) <b>In Fieldwork</b>		

**APPENDIX B – AUDIT START DATES 2023/24**

---

<p>Main Accounting Control Risk Assessment (Shared Services Plan) <b>Draft Report Issued</b></p>			<p>Croxley Business Park <b>In Fieldwork</b></p>	<p>DEFRA Waste Recycling Grant <b>Final Report Issued</b></p>	
<p>Asset Management System <b>In Fieldwork</b></p>					

**Audit Plan 2020/21**

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Debtors 2020/21 Final report issued June 2021							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
03	Consideration should be given to an annual review of debtor accounts to identify duplicate or dormant for deletion or deactivation.	Low	<p>Position – July 2021 We will speak to Finance about the best way of doing this.</p> <p>Position – September 2021 A complete review of the entire Sundry Debtor service has recently been commenced and this will be included as part of the review.</p> <p>Position – November 2021 No update received.</p> <p>Position – February 2022 No update received.</p> <p>Position – July 2022 To date we have not been able to resource this review as we have had to prioritise Grant work and more recently the Council Tax Energy Rebates. We will pick up this project towards the end of the calendar year once the Energy rebate work is completed.</p> <p>Position – August 2022 No update received – target date not yet reached.</p> <p>Update received September 2022 but after reporting deadline for September 2022 Audit Committee: Finance are going to run and extract this data from the Finance System which Revs &amp; Bens will then check. It may be completed before 30 October 2022; it really depends on how many are on the list.</p> <p>Position – November 2022 The lists were provided by Finance mid-September, but work has not yet commenced</p>	Recovery Team Leader, Revenues Manager and Finance.	31 August 2021	*	<p><del>31 October 2021</del></p> <p><del>31 October 2022</del></p> <p><del>31 December 2022</del></p> <p><del>30 June 2023</del></p> <p><del>31 December 2023</del></p> <p>31 March 2024</p>

**APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024**

Debtors 2020/21 Final report issued June 2021							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<p>as the entire Revs and Bens Service was delivering the Energy Fuel Rebate payments. Work will commence on the lists, week commencing 14.11.22.</p> <p>Position – February 2023 Revs and Bens have not had the capacity to carry out this work yet as resource has diverted to Energy Fuel Rebate schemes and resource has been very low due to long term staff sickness. Revs and Bens will take ownership of checking duplicate customer account and deleting those where we are certain there is no current billing rule. Finance and the individual services will need to take responsibility for deleting or de-activating old accounts. We will remind them of this requirement.</p> <p>Position – July 2023 The list has been generated and there are 2252 accounts to check. Each one must be checked individually before it can be decided if the duplicate entry can be deleted. Work has commenced on the checking / deletion. We are allocating a little resource to this each week as BAU work is extremely high currently so it will take some time to check all 2,000 accounts.</p> <p>Position – September 2023 Revenues Manager 12.09.23 This recommendation is a low priority, and we continue to be under resourced, which means the focus on housekeeping projects is not as high as we would like. This is progressing slowly because it needs to be managed around BAU. Some further analysis of the reports from Finance is needed because some customers should have multiple account</p>				

**APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024**

Debtors 2020/21 Final report issued June 2021							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<p>references, where, for example they are being billed for different services, such as Rent, Trade Waste, or for multiple units if they are a larger business.</p> <p>Position – November 2023 We have limited resource in the Recovery Team and BAU work takes precedence, but we continue to review these accounts.</p> <p><b>Position – March 2024</b> <b>We have been unable to check many cases during Q4 due to clearing BAU work before entering the annual billing period.</b> <b>Dedicated resource of 46 Hrs per week (2 part-time officers) has now been allocated to the work to complete the first review of duplicate cases by the end of Q1 2024/25.</b></p>				

**Audit Plan 2021/22**

**APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024**

<b>Cyber Security 2021/22</b> Final report issued April 2022							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	1.1 Management should ensure that appropriate monitoring controls are in place for the password monitoring and management activities. These should include but not be limited to the following: <ul style="list-style-type: none"> <li>• brute-forcing of account passwords including password spraying,</li> <li>• login attempts from unexpected geographic areas,</li> <li>• unexpected account lockouts</li> <li>• password database for the deny list hashes,</li> <li>• other unusual behaviour from users.</li> </ul> 1.2 The above proposed controls, once in place, should be actively reported upon, through the periodic cyber security reports, to the senior management.	Medium	01 Mar 2022 the Azure AD Password Protection was implemented. Users will not be able to <b>change</b> passwords to weak passwords nor known passwords nor passwords from our Ban List of passwords. <p>1.1 – requires a third-party tool and associated funding would be required. The implementation of the password protection for Azure AD lowers the risk.</p> <p>1.2 - this would be dependent on the ability to fund with a third-party tool – 1.1.</p> <p>Position – July 2022 Third party tools currently being reviewed and costed. Item not yet due.</p> <p>Position – August 2022 1.1 - Third party tools have been evaluated and Netwrix has been selected as the preferred tool.</p> <p>1.2 – Netwrix had demonstrated the tool in detail and a 30-day trial to test the system further is available.</p> <p>1.3 – Quotation for 1- and 3-year option has been provided.                     <ul style="list-style-type: none"> <li>• 1-year option - £7,806</li> <li>• 3-year option - £16,483</li> </ul> </p> <p>1.4 – Implementation of the tool will be dependent on the ability to fund the third-party tool, this will require an approval by ITSG for an additional spend. A paper to review this recommendation and request any growth in budget 2022.</p>	Associate Director of ICT and Shared Services	31 March 2023	*	31 March 2024

**APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024**

<b>Cyber Security 2021/22</b> Final report issued April 2022							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			Position – November 2022 1.1 – Due to the audit, which was performed by DLUHC, the scope of the security posture has extended. The grant to address the sections of the new recommendations within the scope has been successfully secured. 1.2 – The evaluation of the third-party tool has been extended, due to the new requirements within the scope presented post the DLUHC audit. 1.3 The new proposed completion dates recommended by DLUHC is end of Q4 March 2024.  Position – February 2023 In progress. Produce options and costs continue to be reviewed and costed against all recommendations included within the DLUHC cyber grant budget.  Position – July 2023 1.1 – All available options offered by a number of vendors have been evaluated. The decision has been made to utilise the DLUHC grant and to expand on the existing CSOC provision from Exponential-e to meet the requirements of the recommendation. 1.2 The quotation has been provided from Exponential-e to expand the CSOC offering. This has been approved and the project is now moving to the procurement phase. The procurement should be completed by the end of October 2023.  Position – September 2023				



**APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024**

<b>Cyber Security 2021/22</b> Final report issued April 2022							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			1.1 The procurement to expand the CSOC offering is completed, duration of the contract is set for 24 months. 1.2 – The on prem virtual deployment is currently in progress, deadline to implement the solution is set for end of October 2023.  Position – November 2023 1.1 The implementation phase is completed, finetuning and baselining of the alerting with the vendor to reduce the false positives. This phase is expected to run over 8 week period. 1.2 Once the finetuning and baselining is completed, it will be handed over to CSOC for monitoring, triage, and remediation.  <b>Position – March 2024</b> <b>1.1 The CSOC Alien Vault baselining and fine tuning has completed, and it is now running in full production.</b> <b>1.2 The CSOC reports will be included within the ITSG cyber security update.</b>				
03	Management should conduct regular monthly vulnerability scans across the entire IT estate including endpoint, to identify and mitigate vulnerabilities including software flaws, missing patches, misconfigurations and malwares.	Low	This would require additional budget and would need a growth item approved, as there are licence implications for the Qualys scanner.  Position – July 2022 Extension of current third-party tools currently being reviewed and costed. Item not yet due.  Position – August 2022 1.1- Third party Qualys had introduced a new module which will enable the management of remote devices through the cloud.	Associate Director of ICT and Shared Services	31 March 2023	✓	<del>30 June 2023</del>  <del>30 November 2023</del>  Resolved 31 Jan 2024

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Cyber Security 2021/22 Final report issued April 2022							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<p>1.2 – Both options are currently being evaluated and costed. Decision made will be based on cost, functionality, and management.</p> <p>Position – November 2022</p> <p>1.1 – Due to the allocation of a new Account Manager at Qualys and the changes within the licensing structure, Qualys are currently reviewing the proposed quotation to align the requirements with the new licensing structure.</p> <p>1.2 – Workshop with Qualys has been scheduled to discuss the new proposed licensing structure and the modules which are required to enable the management of the devices remotely through the cloud and not relaying on the VPN.</p> <p>Position – February 2023</p> <p>Remains in progress, however Associate Director of ICT and Shared services requests an extension of 3 months. This is due to</p> <ol style="list-style-type: none"> <li>a. Qualys licencing for public sector has recently changed. Awaiting updated quotations.</li> <li>b. In terms of funding, a recent grant award from DLUHC will cover this item. Therefore, no requirement for additional growth within the ICT service budget.</li> </ol> <p>Position – July 2023</p> <p>1.1 The quotation from Qualys has been provided to extend the service to include the endpoint vulnerability scanning. This has been</p>				

**APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024**

<b>Cyber Security 2021/22</b> Final report issued April 2022							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			handed over to the desktop support team, who are currently reviewing the offering.  Position – September 2023 1.1 The revenue budget is currently being reviewed by the Director of Partnerships in absence of the Associate Director of ICT and Shared Services.  Position – November 2023 1.1 Meeting took place with LittleFish 15 Oct – they are preparing a quote for us to consider. 1.2 Direct meeting with vendor Qualys has take place to review available options and pricing. Request for a full system demo has been submitted, vendor to provide dates.  <b>Position – March 2024: complete                      Qualys has been procured direct from Qualys, and has been fully operational since January. We perform daily checks and record the vulnerability position dally with a weekly summary report.</b>				

**Audit Plan 2022/23**

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Watford Museum 2022/23 Final report issued October 2022							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	<p>We recommend that the statement of purpose for the Watford Museum provides a clear link and reference to the Council's cultural strategy.</p> <p>We also recommend that the existing delegated authority arrangements are reviewed to ensure that they are sufficiently clear, with a local scheme of delegation created where sub-delegations are in place (for example responsibilities assigned from the Group Head or Head of Service to the Museum Curator).</p>	Medium	<p>The statement of purpose will be developed as the forward plan is revised and to align with the ambitions for the Town Hall Quarter and to link to the cultural strategy.</p> <p>Position – November 2022 Being planned.</p> <p>Position – February 2023 Being planned, resources allocated and work commencing in April 23 to align with Town Hall Quarter Programme and ACE requirements.</p> <p>Position – July 2023 Work is underway on shaping a vision and governance for the museum. As the museum is moving location Arts Council England have informed WBC that it cannot submit for accreditation this year and will likely move to provisional accreditation whilst the museum is closed for redevelopment. Once the museum is located in the Town Hall we will be invited to submit. NOTE this is usual process for a museum capital project. The plans and policies required can still be developed and implemented in readiness for submission.</p> <p>Position – September 2023 Update to be included in a separate report from the Associate Director of Environment.</p> <p>Position – November 2023 A Vision, Mission (statement of purpose) and set of Values for the museum service were approved by Member Steering Group September 2023. These form the foundation for the development of the Forward plan and</p>	Associate Director of Environment	30 April 2023 (Subject to Arts Council Submission date)	✓	Mid-late 2024

**APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024**

Watford Museum 2022/23 Final report issued October 2022							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<p>all other policies and plans which underpin the museum service.</p> <p>The Forward Plan includes a section on Governance (a requirement for ACE Accreditation) including delegated authority. Other policies and plans (still in development) set out clear governance and delegated authority.</p> <p>Policies for the management of collections specifically are currently in draft. The Collections Development Policy establishes processes for agreeing new acquisitions and disposals; The Documentation Policy establishes processes for object entry; exit; movement &amp; location; acquisition; inventory etc.</p> <p><b>Position – March 2024</b>  <b>5 Year strategic objectives have now been written including actions to remedy historic documentation issues identified through this report. New staffing structures have been developed which assign responsibility for implementing and maintaining processes for managing the collection.</b></p> <p>Museum Governance will be reviewed as part of the process of developing the Arts Council Accreditation Forward Plan and Associated Policies (Action 2) and Town Hall Quarter redevelopment plans.</p> <p>Position – November 2022                      Being planned.</p>		30 April 2023 (Subject to Arts Council Submission date)	*	Mid-late 2024

**APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024**

<b>Watford Museum 2022/23</b> Final report issued October 2022							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<p>Position – February 2023 Being planned, resources allocated and work commencing in April 23 to align with Town Hall Quarter Programme and ACE requirements.</p> <p>Position – July 2023 Work is underway on shaping a vision and governance for the museum. As the museum is moving location Arts Council England have informed WBC that it cannot submit for accreditation this year and will likely remain on provisional accreditation while the whilst the museum is closed for redevelopment. Once the museum is located in the Town Hall we will be invited to submit. NOTE this is usual process for a museum capital project. The plans and policies required can still be developed and implemented in readiness for submission.</p> <p>Position – September 2023 Update to be included in a separate report from the Associate Director of Environment.</p> <p>Position – November 2023 As above</p> <p><b>Position – March 2024</b> <b>Paper on Museum Governance taken to Member Steering Group (THQ) on 14 December 2023 to approve sign off process for museum policies &amp; plans.</b> <b>Recommendation that all collections policies are taken to *full council (Date to be confirmed) in light of recent issues and to give confidence that issues can be resolved. Usual sign off is via Portfolio Holder and Associate Director as set out in the constitution.</b></p>				

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Watford Museum 2022/23							
Final report issued October 2022							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<p>Longer term a more substantive governance model will be developed in key areas such as exhibitions, audience development and collections management.</p> <p>Position – November 2022 Being planned.</p> <p>Position – February 2023 Being planned, resources allocated and work commencing in April 23 to align with Town Hall Quarter Programme and ACE requirements.</p> <p>Position – July 2023 Work is underway on shaping a vision and governance for the museum. As the museum is moving location Arts Council England have informed WBC that it cannot submit for accreditation this year and will likely remain on provisional accreditation whilst the museum is closed for redevelopment. Once the museum is located in the Town Hall we will be invited to submit. NOTE this is usual process for a museum capital project. The plans and policies required can still be developed and implemented in readiness for submission.</p> <p>Position – September 2023 Update to be included in a separate report from the Associate Director of Environment.</p> <p>Position – November 2023 As above</p> <p><b>Position – March 2024</b></p>		30 April 2023 (subject to Arts Council Submission date)	✓	Mid-late 2024

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Watford Museum 2022/23 Final report issued October 2022							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<b>Learning Policy &amp; Plan have been written (awaiting sign-off). An Activity Plan has been developed as part of the NLHF Redevelopment Project which includes Audience Development activities and community input into the planning of exhibitions and activities (People Panel / Young Curators). Collections Development Policy is written and awaiting sign-off. This includes process for Acquisitions &amp; Disposals.</b>				
02	<p>We recommend that all documents or policies are fully completed or subject to review and update prior to the end of the financial year, with policies passed to the Executive for approval.</p> <p>We also recommend that a log is kept of all policies, including the last and the next review dates, to ensure that they are reviewed in a timely manner in future years.</p>	Medium	<p>Arts Council re accreditation is due for submission in April 2023 at the earliest. (The Arts Council will inform us when they require us to submit). A project will be created using EPMO protocols to oversee delivery and approval of the forward plan and policies, linked to the Museum Project and THQ programme boards and revised governance. Some policies are in development already.</p> <p>Monitoring of policies will be brought into service delivery and as a KPI or service plan output.</p> <p>Position – November 2022 Being planned.</p> <p>Position – February 2023 Being planned, resources allocated and work commencing in April 23 to align with Town Hall Quarter Programme and ACE requirements.</p> <p>Position – July 2023 Work is underway on shaping a vision and governance for the museum. As the museum is moving location Arts Council England have informed WBC that it cannot</p>	Associate Director of Environment	30 April 2023 (Subject to Arts Council Submission date)	*	Mid-late 2024



**APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024**

Watford Museum 2022/23 Final report issued October 2022							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<p>submit for accreditation this year and will likely remain on provisional accreditation whilst the museum is closed for redevelopment. Once the museum is located in the Town Hall we will be invited to submit. NOTE this is usual process for a museum capital project. The plans and policies required can still be developed and implemented in readiness for submission.</p> <p>Position – September 2023 Update to be included in a separate report from the Associate Director of Environment. Written update received 08.09.23. A draft vision, mission, vision and values have been developed by the Museum Team and presented to the THQ Member Steering Group and will now go on for development, this is the first foundational step of the governance.</p> <p>Position – November 2023 Core documents including Forward Plan, Collections policies, Learning and Audience development plans are on track to be complete and approved by end of March 2024. All policies include a table stating policy owner, process for approval and date of review. The Forward Plan will include a list of all policies and their review date. Staff role descriptions are being updated to include accountability for policy documents.</p> <p><b>Position – March 2024</b> <b>As above; all documents are in draft and awaiting sign-off. Approvals process for policies and plans agreed by MSG 14 December 2023. New staff structure has been devised and accountability for policies and plans included within new JDs.</b></p>				

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Watford Museum 2022/23							
Final report issued October 2022							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<b>Consultation on new structure due to begin Spring 2024. On track for completion by end March 2024.</b>				
03	The current investigation of the one item identified as missing should be concluded at the earliest opportunity, with further advice on required actions being sought if the item cannot be located.	Medium	<p>Complete investigation.</p> <p>Position – November 2022 On hold due to staff absence, deadline will be met.</p> <p>Position – February 2023 Due to staff absence this has been on hold. To be completed by 1<sup>st</sup> May 2023.</p> <p>Position – July 2023 Draft report received and under review.</p> <p>Position – September 2023 Written update received 08.09.23. Report under review, due to staff absence this is still not completed.</p> <p>Position – November 2023 In the absence of the Heritage Manager, Museum Consultant Jo Wiltcher is working with the Collections Officer to resolve the issue. A solution has been proposed for the individual whose item is missing.</p> <p>The issues raised by the incident are being addressed through the inventory and through development of the Collection and Documentation policies with actions captured in the Documentation Action Plan.</p> <p><b>Position – March 2024 As above; a report setting out actions to resolve this issue has been written. JW is working with the Collections Officer to</b></p>		31 December 2023	*	31 March 2024

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Watford Museum 2022/23 Final report issued October 2022							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<b>resolve the outstanding documentation issues and to ensure that the processes followed are in line with the new Documentation Policy</b>				
04	We recommend that all staff are reminded of what paperwork needs to be completed for loans including the log which would summarise what items were currently on loan.	Medium	<p>Staff training on loans process to be implemented. Develop log of loans and regularly monitor.</p> <p>Position – November 2022 On hold due to staff absence, deadline will be met.</p> <p>Position – February 2023 Due to staff absence this has been on hold. To be completed by 1<sup>st</sup> May 2023.</p> <p>Position – July 2023 Diarised - being undertaken as part of refresh Documentation Procedural manual.</p> <p>Position – September 2023 Written update received 08.09.23. Diarised - being undertaken as part of refresh Documentation Procedural manual.</p> <p>Position – November 2023 Review of Loan procedures, processes and responsibilities is being reviewed through development of the Documentation Manual and Policy. The Documentation Plan will establish requirements for training.</p> <p><b>Position – March 2024 Documentation Plan now written in draft. Training plan to follow. Proposed museum structure includes a Documentation Assistant post who responsibility it is to embed all basic procedures (including</b></p>	Curator	31 December 2023	*	31 March 2024

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Watford Museum 2022/23 Final report issued October 2022							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	We also recommend that policies are updated to reflect the approval delegation authorities included within the constitution.		<p><b>Loans in and Out) according to SPECTRUM 5.1 standards.</b></p> <p>See action against recommendation 1.</p> <p>Position – November 2022 Being planned.</p> <p>Position – February 2023 Being planned, resources allocated and work commencing in April 23 to align with Town Hall Quarter Programme and ACE requirements.</p> <p>Position – July 2023 See action against recommendation 1.</p> <p>Position – September 2023 Written update received 08.09.23. See action against recommendation 1.</p> <p>Position – November 2023 As above, governance arrangements and lead officer responsibilities are captured in the policy documents and within role descriptions.</p> <p><b>Position – March 2024 Documentation Policy Written in Draft. Approvals Process and Constitutional requirements for Collections Management agreed by MSG 14 December 2023.</b></p>			*	Mid-late 2024
	Finally, consideration should be given to clarifying within the constitution the value and time thresholds above which loans of objects are required to be authorised, and below this value		<p>See action against recommendation 1.</p> <p>Position – November 2022 Being planned.</p>			✓	Mid-late 2024

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Watford Museum 2022/23 Final report issued October 2022							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	the local delegation that has been agreed.		<p>Position – February 2023 Being planned, resources allocated and work commencing in April 23 to align with Town Hall Quarter Programme and ACE requirements. Constitution has had an interim update to reflect this.</p> <p>Position – July 2023 See action against recommendation 1.</p> <p>Position – September 2023 Written update received 08.09.23. See action against recommendation 1.</p> <p>Position – November 2023 The length of an object loan as well as the time frame for processing object entry (loans and new acquisitions) is a requirement of the Documentation Policy and Manual. This is a minimum industry standard as required by ACE Accreditation. The Documentation Policy is currently being reviewed to ensure its compliance with industry best practice. The process for agreeing loans (and new acquisitions) is a requirement of the Collections Development Policy which will set out the governance and delegated authority.</p> <p><b>Position – March 2024</b> <b>See above. Documentation Policy and Collections Development Policy now written in draft and awaiting approval. Approval Process for all Collections Management Policies was approved by MSG 14 December 2023 and reflects delegation set out in the Constitution.</b></p>				
06	We recommend that advice is sought from the Council's insurers as to the frequency of review of valuations.	Low	Follow recommendation and link to action against recommendation 2.	Curator	1 May 2023	*	<del>31 January 2024</del>

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Watford Museum 2022/23 Final report issued October 2022								
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline	
	<p>Upon completion of any future revaluations, this should also support a review of the existing levels of insurance.</p> <p>Upon the above clarity being obtained, the required frequencies (or process for determining review periods) should be incorporated into the relevant policies and procedures.</p>		<p>Response from Zurich Commercial Insurance: Our Fine Arts team in Zurich Commercial usually work to a valuation every 3 years, however we would be comfortable with valuations every 5 years. That said I would always apply a flexible common-sense approach to the 5-year average guide. If for instance you know some items are subject to rapid increases in value then obviously, I would look to revalue every 3 years, whereas you may have some other items that don't move much at all in value and these items you could push out to say 7 years and everything else falls in between.</p> <p>Naturally the onus is on the council to prove the value of an item in the event of a loss, and this is always made harder after the event if the item is stolen or destroyed with no recent valuations to hand.</p> <p>Position – November 2022 Existing valuations being reviewed by staff and considering commissioning new valuations.</p> <p>Position – February 2023 Due to staff absence this has been on hold. Quotes for valuation to be obtained by 1<sup>st</sup> May 2023.</p> <p>Position – July 2023 Quotes received from Bonhams, clarification from insurance team confirmed and orders placed for valuation.</p> <p>Position – September 2023 Written update received 08.09.23. Valuation received and now with our Insurers to review. Specialist valuation of Cassiobury</p>					31 March 2024

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Watford Museum 2022/23							
Final report issued October 2022							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<p>Coronets, Robes and other specialist items being planned.</p> <p>Position – November 2023 The length of an object loan as well as the time frame for processing object entry (loans and new acquisitions) is a requirement of the Documentation Policy and Manual. This is a minimum industry standard as required by ACE Accreditation. The Documentation Policy is currently being reviewed to ensure its compliance with industry best practice. The process for agreeing loans (and new acquisitions) is a requirement of the Collections Development Policy which will set out the governance and delegated authority.</p> <p><b>Position – March 2024 Specialist valuation of Cassiobury Collection is outstanding. Bonhams have been approached to provide a quote for valuation.</b></p>				

Financial Reconciliations 2022/23							
Final report issued April 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	We recommend that the reconciliation procedure notes detail the responsible owner as well as the next review date to ensure they remain up-to-date and relevant.	Low	<p>The process notes do name the author of the note; however, we will add a next review date and responsible person. We will introduce a front sheet on each reconciliation to provide all details recommended.</p> <p>Position – July 2023</p>	Chief Accountant	31 August 2023	✓	<p><del>30 November 2023</del></p> <p>31 December 2023</p>

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Financial Reconciliations 2022/23							
Final report issued April 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<p>Process notes are in the process of being updated – on target for completion by deadline.</p> <p>Position – September 2023 Process note updates are continuing but progress is slower than anticipated due to work pressures. Completion is expected by 30<sup>th</sup> November 2023.</p> <p>Position – November 2023 Work pressures from external audit continue to delay completion of the review and update work. Completion is now expected by 31<sup>st</sup> December 2023</p> <p><b>Position – March 2024 Process notes have been updated and a process is in place to ensure regular review.</b></p>				

Treasury 2022/23							
Final report issued April 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	1) The Councils should develop an ESG policy, which ensures that investments are made in consideration with the Councils climate change, environmental and governance policies. The policy should emphasise that the Council seeks to be a responsible investor and consider ESG risks as an important overlay to the investment	Medium	<p>An ESG Policy will be developed for both Councils during 2023/24 for approval alongside the 2024/25 Treasury Management Strategy Statements.</p> <p>Position – July 2023 Guidance has been provided by our Treasury Management providers and we are on target to include an ESG policy within the 2024/25 Treasury Management Strategy Statements.</p>	Head of Finance	30 November 2023	✓	31 January 2024



**APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024**

Treasury 2022/23 Final report issued April 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	<p>process, thereby improving future sustainability of investments. Once incorporated, ESG risks should also be included in under the Risk Management section of the Treasury Management Practices document for consistency.</p> <p>2) The policy should also explain that the Councils will not knowingly invest directly in businesses whose activities and practices pose a risk of serious harm to individuals or groups, or whose activities are inconsistent with the Council’s mission and values.</p> <p>3) The policy should outline the conditions where investments should not be made with certain organisations, which have material links to:</p> <ul style="list-style-type: none"> <li>• Human rights abuse (e.g., child labour, political oppression)</li> <li>• Environmentally harmful activities (e.g., pollutants, destruction of habitat, fossil fuels)</li> <li>• Socially harmful activities (e.g., tobacco, gambling).</li> </ul>		<p><b>Position – September 2023</b> We remain on track to include an ESG Policy in the Draft Treasury Management Strategy Statements for 2024/25 which will be presented to Audit Committees in November and December.</p> <p><b>Position – November 2023</b> The draft ESG policies have been published for Audit Committees and will form part of the budget papers to Council in January (WBC) and February (TRDC).</p> <p><b>Position – March 2024</b> <b>Treasury Management Strategy Statements including ESG Policy statements have been approved by both councils (WBC 30 January 2024, TRDC 20 February 2024).</b></p>				

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Council Tax 2022/23 Final report issued May 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	<p>TRDC should ensure that a review of debt outstanding is conducted, and decisions taken regarding whether or not to proceed for write-offs.</p> <p>Subsequently, write-offs should be conducted at regular intervals going forward.</p> <p>The 'How and Why to put a write off code on a Council Tax Account' procedure should include version control to ensure that it is reviewed periodically.</p>	Medium	<p>A review of all outstanding debt will be completed during 2023/24.</p> <p>March 2024 - Ongoing</p> <p>All outstanding write-offs have been cleared since this report was written and on-going write-offs will be reviewed once a quarter.</p> <p>Agreed. Our quality team will get a version control sheet added.</p> <p>Position – July 2023 The review of all debt is underway, and this will include looking at debts suitable for write-off.</p> <p>The write-offs for Q1 are being prepared.</p> <p>Version control has been added to all procedures.</p> <p>Position – September 2023 Revenues Manager 12.09.23 The team continue to identify and put forward cases for write off where appropriate.</p> <p>Position – November 2023 Q1 write-offs have been prepared and await sign-off. Q2 write-offs are being prepared.</p> <p><b>Position – March 2024 Q1 and 2 for Council Tax being reviewed and processed. S/Debt write-offs identified during 2023/24 to date have been processed.</b></p>	Revenues Manager/Data Performance Manager	31 March 2024	*	

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Council Tax 2022/23 Final report issued May 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<b>Any further write-off's identified for 2023/24 will be processed after annual billing and processed before 31 March 2024.</b>				

NDR 2022/23 Final report issued May 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	<p>We recommend that:</p> <ul style="list-style-type: none"> <li>• Actions are taken to address the issue preventing the production of the monthly 'default arrangement list' and (subject to the issue being successfully resolved), arrangements are put in place for Senior Officers to check that these are being actioned appropriately.</li> <li>• As an interim measure, Revenues Officers should be reminded to diarise arrangements to enable checks to be conducted to confirm arrangements are being complied with.</li> </ul>	Medium	<p>The default arrangements list is working and being run. During 2022/23 much of the BAU recovery work slipped due to the service having to process energy and business grants (CARF). During 2023/24 all recovery work will be reviewed, and this will include a review of arrangements that have defaulted.</p> <p>Position – July 2023 Review is currently underway.</p> <p>Position – September 2023 Revenues Manager 12.09.23 A review of the Recovery processes is ongoing and as part of this we are looking at the ways in which this can be managed more efficiently.</p> <p>Position – November 2023 No change to the position in September. The review of recovery processes continues.</p> <p><b>Position – March 2024 The report is being run on a regular basis and worked on.</b></p>	Revenues Manager	31 March 2024	✓	

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

NDR 2022/23 Final report issued May 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
02	<p>We recommend that:</p> <ul style="list-style-type: none"> <li>Seven-day lists are produced and actioned at regular interval (e.g. monthly).</li> <li>Arrangements are put in place for Senior Officers to check that these are being actioned appropriately.</li> </ul>	Medium	<p>The 7-day list is working and being run. During 2022/23 much of the BAU recovery work slipped due to the service having to process energy and business grants (CARF). During 2023/24 all recovery work will be reviewed, and this will include a review of arrangements that have defaulted.</p> <p>Position – July 2023 Review is currently underway.</p> <p>Position – September 2023 Revenues Manager 12.09.23 A review of the Recovery processes is ongoing and as part of this we are looking at the ways in which this can be managed more efficiently.</p> <p>Position – November 2023 No change to the position in September. The review of recovery processes continues.</p> <p><b>Position – March 2024 Arrangements are being checked.</b></p>	Revenues Manager	31 March 2024	✓	

Fixed Asset Register 2022/23 Final report issued July 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	We recommend that procedures are put in place by the finance service, which make clear the information to be provided regarding the acquisition and disposal of assets in order to ensure that accurate finance records can be created and maintained.	Low	<p>We will issue updated guidance about the information to be recorded on Purchase Orders to coincide with the roll-out of upgraded Finance System.</p> <p>Pro-forma returns to be issued to capital budget holders, to be completed with support</p>	Chief Accountant	<p>31 October 2023</p> <p>31 December 2023</p>	✓	31 December 2023

**APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024**

Fixed Asset Register 2022/23							
Final report issued July 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			from Finance Business Partners, specifying information to be provided regarding additions and disposals.  Position – November 2023 Initial review of capital additions and disposals will be conducted in January 2024, ahead of interim audit. Pro-forma returns to be created in December 2023.  Position – March 2024 <b>This action has been completed with the process incorporated into year end work. This will form part of BAU in future years.</b>				

**APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024**

**Audit Plan 2023/24**

<b>Operational Buildings Compliance Follow Up 2023/24</b>							
<b>Final report issued November 2023</b>							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
03	<p>Recommendation seven from the 21/22 Operational Building Compliance stated that:</p> <p>An automated process should be implemented for the compliance checks completed by the tenants. This will ensure that all checks are recorded, reported, and escalated where necessary and decrease the risk of manual error.</p> <p>This recommendation should remain open until a live system for tenants to report their compliance checks has been implemented.</p>	Medium	<p>Compliance for 16 buildings that FM are responsible for now on Concerto. Building Manager / Tenant access for Concerto being arranged for new year.</p> <p><b>Position – March 2024</b>  <b>Initial scoping meeting to build a digitised process to confirm annual compliance checks are carried out by tenants in properties where this is the tenants responsibility. Once process has been agreed, it will be built on the councils CRM platform and tested with stakeholders prior to implementation.</b></p>	Compliance and Maintenance Officer	March / April 2024		
04	The CAM Compliance Management Guide document should be amended to include a proposed date for review.	Low	<p>Review annually but to be reviewed in June 2024.</p> <p><b>Position – March 2024</b>  <b>No update provided.</b></p>	Compliance and Maintenance Officer	30 June 2024		

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Project Management – Town Hall Quarter 2023/24							
Final report issued November 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	Consistent project plans should be maintained for all projects to support the planning and completion of all tasks within the agreed timeframe. The project plan should be updated on a regular basis with new tasks and any changes in timeframes for each task. Changes to the plan should be agreed by the project board and a record of all changes should be maintained. Completion of tasks should be updated on the project plan.	Medium	<p>The recommendation, which specifies the need to show the percentage completion of tasks, makes the assumption that Microsoft Project is used as the software to develop and manage project plans, which is not always the case. Whilst the EPMO has a range of templates and our project management framework highlights the need for a project plan, experience has shown that such a plan is a key operational document for the Project Manager and so should be in a format which works best for them. As a result, some Project Managers choose to use Microsoft Project but others find an Excel or Word document a better tool to manage the project. The Project Management Framework does not specify that a particular tool must be used and the previous audit on the Project Management Framework did not identify an issue with this approach. The Closure Report and Highlight Report in relation to Reimagining Watford both confirm that the majority of tasks were completed in advance of the project closing.</p> <p>For the Town Hall, Mace are the Employers Agent for the council and, as such, bear responsibilities for producing and maintaining the project plan, which is regularly updated should be the different revisions issued. As identified within this report, whilst there is a high level plan this is supported by a more detailed plan for each stage of the project setting out the specific tasks by the different organisations and the date that these should be completed by.</p>	EPMO Lead	22 December 2023	✓	

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Project Management – Town Hall Quarter 2023/24							
Final report issued November 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
			<p>Nevertheless, the importance of utilising project plans is accepted and Project Managers will be briefed and their existing project plans reviewed to ensure that these continue to be updated regularly. Furthermore, as the Town Hall project enters its next phase, the Project Manager is currently working on an updated Project Initiation Document which will allow an updated, detailed project plan to be developed.</p> <p><b>Position – March 2024</b>  <b>In January 2024, an updated Project Initiation Document for the Town Hall and the Colosseum was approved and updated plans have been produced based on this.</b></p>				
02	<p>The Member Steering Group and External Stakeholder Group terms of references should be reviewed to ensure the document is complete with details on frequency of meetings, quorums and up to date membership details.</p> <p>Reference to the roles and responsibilities document should be made in the Programme Board terms of reference or the current membership of the Board should be updated in the terms of reference to ensure it reflects the current position.</p> <p>A formal terms of reference should be created for all project boards and approved by the Programme Board. The terms of reference should be on the standard Council template with version control and information on</p>	Low	<p>Since the initiation of the THQ Member Steering Group, the creation of the Enterprise Programme Management Office saw the introduction of a standard terms of reference template for the council. Terms of Reference completed before this date were not updated on the new template because of the need to prioritise resource but new Terms of Reference from this date are on the new template. The audit has identified some ToR where information is missing and these will be reviewed and updated accordingly.</p> <p>The External Stakeholder Group has recently been relaunched and so the Terms of Reference will be updated to reflect the new membership.</p> <p><b>Position – March 2024</b>  <b>Updated terms of reference for both groups have now been produced on the council template and approved.</b></p>	THQ Programme Manager	22 December 2023	✓	



## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Project Management – Town Hall Quarter 2023/24							
Final report issued November 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	roles and responsibilities, membership, frequency of meetings and quorum.						
03	It is considered good practice to maintain an action tracker of all actions for each board which records the date the action was raised, a responsible officer, a target completion date and a complete record of all the updates from each meeting up until completion.	Low	It is positive that this audit provides assurance in relation to the fact that actions are captured, monitored and updated on a regular basis. The recommendation is relation to a separate tracker, in addition to the minutes of each meeting, is noted and will be implemented.  <b>Position – March 2024</b> <b>The template has now been updated and includes the requested information.</b>	THQ Programme Manager	22 December 2023	✓	

IT Operations 2023/24							
Final report issued December 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	Management should develop an overarching IT Asset Management Policy which establishes how the Council manages its IT assets in order to support the achievement of the Council's corporate objectives. The Policy should include, but not be limited to: <ul style="list-style-type: none"> <li>• Purpose</li> <li>• Scope</li> <li>• Principle (Councils' assets that are known, identified and managed with appropriate security protection in place)</li> <li>• Inventory of Physical and Virtual assets</li> </ul>	Medium	We have most of the component parts listed under 'Recommendation' captured within other ICT policies.  Inventory of data assets are out of scope for ICT, as data assets are the responsibility of the business. Consequently, we will not be reporting this inventory – this will be reflected within the policy.  The overarching policy will be created by the stated target date.  <b>Position – March 2024</b> <b>These policy changes are on target for the end of March</b>	Service Delivery Manager	31 March 2024	*	

**APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024**

IT Operations 2023/24							
Final report issued December 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	<ul style="list-style-type: none"> <li>• Inventory of data assets (Data and information assets identified and an inventory of these assets is drawn up and maintained)</li> <li>• Inventory of Software License Assets (Software and software licenses identified, and an inventory of these assets is drawn up and maintained)</li> <li>• Ownership of Assets (Individuals, roles or teams that are assigned ownership of assets)</li> <li>• Returning of Assets when they are no longer required</li> <li>• Arrangements for reporting a lost or stolen IT asset</li> <li>• The requirements for securing an IT asset</li> <li>• Policy compliance (compliance measurement, exceptions, non compliance, continual improvement)</li> </ul> <p>This policy should be approved and made available to all members of staff.</p> <p><i>Further guidance on implementing asset management for good cyber security is available via this link: <a href="https://www.ncsc.gov.uk/asset-management">Asset management - NCSC.GOV.UK</a></i></p>						
02	An over-arching policy for problem and incident management should be developed. The policy document should define:	Medium	We have most of the component parts listed under 'Recommendation' captured within other ICT policies.	Service Delivery Manager	31 March 2024	*	

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

IT Operations 2023/24							
Final report issued December 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	<ul style="list-style-type: none"> <li>The scope of incident and problem management</li> <li>Guidelines for incident and problem management operations</li> <li>Guidelines to decide urgency level</li> <li>Roles and responsibilities of incident/problem manager, team structure, RACI Matrix</li> <li>Service Level Agreements (SLAs)</li> <li>Deliverable mapping (reports and meetings)</li> <li>Life cycle of a problem and incident and the monitoring activities.</li> </ul> <p>This policy should be approved and made available to all members of staff.</p>		<p>This policy will be completed in full for the target date of March 2024.</p> <p><b>Position – March 2024</b>  <b>This policy change is on target for the end of March</b></p>				

Play Safety Inspections Follow Up 2023/24							
Final report issued December 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	<p>We identified that the correspondence between the Council and the public are kept within the email folder. We have raised a low priority finding for the email trail to be saved down onto the shared file on the Council's database to ensure there is a clear audit trail. In addition, although the Council have a procedure in place to</p>	Low	<p>A procedure document will be produced and followed by the Council/Veolia, and records of accidents will be saved to the Council's system in a shared folder.</p> <p><b>Position – March 2024</b>  <b>Records saved but procedure document not yet produced</b></p>	Contract Manager (Parks and Streetcare)	31 January 2024	*	31 March 2024

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Play Safety Inspections Follow Up 2023/24							
Final report issued December 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	respond to accidents reported by the public, we have made a low priority recommendation for this procedure to be documented outlining the steps to respond to complaints.						
02	<p>Although the overarching spreadsheet is comprehensive, we have made a recommendation for the document to include:</p> <ul style="list-style-type: none"> <li>any equipment taken out of use pending assessment or repair (this recommendation was made in the original report).</li> <li>the outcome of visual, quarterly, and annual inspections so they are easily distinguishable.</li> </ul>	Low	<p>The overarching spreadsheet will be adjusted to include this information.</p> <p><b>Position – March 2024 Complete</b></p>	Contract Manager (Parks and Streetcare)	31 January 2024	✓	

Risk Management 2023/24							
Final report issued December 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
01	<p>We recommend:</p> <ol style="list-style-type: none"> <li>The mandatory risk management E-Learning module is made available to officers to complete.</li> <li>The Council reviews its mandatory training monitoring arrangements to identify why the incomplete risk management training modules were not flagged and rectified.</li> </ol>	Medium	<p>Agree we need to get the e-learning module up and running and also look at other available training products.</p> <p><b>Position – March 2024 We are working with HCC who manage the e-learning platform to amend the module to reflect our own requirements. HCC have been given the necessary information. We are dependent on HCC to undertake this work and it is possible that it will not be</b></p>	Group Head of Democracy & Governance	31 March 2024	*	

## APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024

Risk Management 2023/24 Final report issued December 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	3) The Council reviews the E-Learning module to determine whether the training offered is sufficient to provide all officers across the Council with the knowledge and skills to be able to discharge their risk management roles and responsibilities.		<b>completed and the module available by the end of March.</b>				
02	<p>We recommend:</p> <p>1) The Finance and Revenues and Benefits Risk Registers are reviewed in line with the requirements of the Risk Management Strategy.</p> <p>The EPMO Co-ordinator maintains oversight to ensure Service Risk Register reviews are taking place as required.</p> <p>2)</p> <p>a) Gaps of completion in the Service Risk Registers (as per the Finding) are addressed by the relevant risk register owners.</p> <p>b) As part of their oversight role, the EPMO Co-Ordinator flags incomplete areas of the Service Risk Registers for responsible risk register owners to complete.</p> <p>c) The gaps identified in the Corporate Risk Register are addressed as part of the next review cycle.</p>	Medium	<p>1. As Revenues and Benefits and Finance are managed by Three Rivers, risks will be reviewed quarterly at Partnership Board for Shared Services</p> <p>Responsible Officer: Director of Partnerships</p> <p>2. a) Done for CMT 5.12.23 b) Done for CMT 5.12.23 c) Done at CMT 5.12.23</p> <p>3. Done for CMT 5.12.23</p> <p>4. Done for Corporate Risk Register 5.12.23</p> <p><b>Position – March 2024</b> <b>1, This was requested at the Partnership Board at its 11 January 2024 meeting and the registers will commence being reviewed at the next scheduled meeting in April. The Board meets quarterly. It is suggested that this deadline be moved to 30 April 2024.</b> <b>2,3 and 4 have all been resolved.</b></p>	Group Head of Democracy & Governance	<p>Commencing January 2024</p> <p>Implemented</p> <p>Implemented 31 January 2024</p>	✓	

**APPENDIX C – PROGRESS AGAINST OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS AT 1 MARCH 2024**

Risk Management 2023/24							
Final report issued December 2023							
Ref No.	Recommendation	Priority	Action to Date	Responsibility	Deadline	Resolved * or ✓	Revised Deadline
	<p>3) As part of the next EPMO Co-Ordinator review the incorrect risk scores identified in the Service and Corporate Risk Registers are reviewed and rectified.</p> <p>4) The Service and Corporate Risk Register template is updated to ensure it aligns with the current Risk Management Strategy. Risk registers for the service areas and the corporate risk register should be migrated to the new templates.</p>						

## APPENDIX D – ASSURANCE AND PRIORITY LEVEL DEFINITIONS

Audit Opinions		
Assurance Level	Definition	
Assurance Reviews		
<b>Substantial</b>	A sound system of governance, risk management and control exist, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	
<b>Reasonable</b>	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	
<b>Limited</b>	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.	
<b>No</b>	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.	
<b>Not Assessed</b>	This opinion is used in relation to consultancy or embedded assurance activities, where the nature of the work is to provide support and advice to management and is not of a sufficient depth to provide an opinion on the adequacy of governance or internal control arrangements. Recommendations will however be made where required to support system or process improvements.	
Grant / Funding Certification Reviews		
<b>Unqualified</b>	No material matters have been identified in relation the eligibility, accounting and expenditure associated with the funding received that would cause SIAS to believe that the related funding conditions have not been met.	
<b>Qualified</b>	Except for the matters identified within the audit report, the eligibility, accounting and expenditure associated with the funding received meets the requirements of the funding conditions.	
<b>Disclaimer Opinion</b>	Based on the limitations indicated within the report, SIAS are unable to provide an opinion in relation to the Council's compliance with the eligibility, accounting and expenditure requirements contained within the funding conditions.	
<b>Adverse Opinion</b>	Based on the significance of the matters included within the report, the Council have not complied with the funding conditions associated with the funding received.	
Recommendation Priority Levels		
Priority Level	Definition	
Corporate	<b>Critical</b>	Audit findings which, in the present state, represent a serious risk to the organisation as a whole, i.e. reputation, financial resources and / or compliance with regulations. Management action to implement the appropriate controls is required immediately.
Service	<b>High</b>	Audit findings indicate a serious weakness or breakdown in control environment, which, if untreated by management intervention, is highly likely to put achievement of core service objectives at risk. Remedial action is required urgently.
	<b>Medium</b>	Audit findings which, if not treated by appropriate management action, are likely to put achievement of some of the core service objectives at risk. Remedial action is required in a timely manner.
	<b>Low</b>	Audit findings indicate opportunities to implement good or best practice, which, if adopted, will enhance the control environment. The appropriate solution should be implemented as soon as is practically possible.