SWAP
INTERNAL AUDIT SERVICES
Assuring – Improving – Protecting

Cheltenham Borough Council

Report of Internal Audit Activity

Plan Progress 2019/2020
January 2020

Internal Audit ▪ Risk ▪ Special Investigations ▪ Consultancy

Contents

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Internal Audit Plan Progress 2019/2020

Our audit activity is split between:

- **Governance Audit**
- **Operational Audit**
- **Key Control Audit**
- **IT Audit**
- **Other Reviews**

Role of Internal Audit

The Internal Audit service for Cheltenham Borough Council is provided by SWAP Internal Audit Services (SWAP). SWAP is a Local Authority controlled Company. SWAP has adopted and works to the Standards of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS), and also follows the CIPFA Code of Practice for Internal Audit. The Partnership is also guided by the Internal Audit Charter.

Internal Audit provides an independent and objective opinion on the Authority's control environment by evaluating its effectiveness. Primarily the work includes:

- Governance Audits
- Operational Audits
- Key Financial System Controls
- IT Audits
- Other Special or Unplanned Review

Internal Audit work is largely driven by an Annual Internal Audit Plan. This is approved by the Section 151 Officer (Executive Director – Finance and Assets), following consultation with the Council's Management Team. The 2019/20 Audit Plan was reported to, and approved by, Audit Committee at its meeting in April 2019.

Audit assignments are undertaken in accordance with this Plan to assess current levels of governance, control and risk.

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Outturn to Date:

We rank our recommendations on a scale of 1 to 3, with 1 being a major area of concern requiring immediate corrective action and 3 being a minor or administrative concern

●   Internal Audit Work

Each completed assignment includes its respective "assurance opinion" rating together with the number and relative ranking of recommendations that have been raised with management. In such cases, the Committee can take assurance that improvement actions have been agreed with management to address these. The assurance opinion ratings have been determined in accordance with the Internal Audit "Audit Framework Definitions" as detailed in **Appendix A** of this document.

The schedule provided at **Appendix B** contains a list of all audits as agreed in the Annual Internal Audit Plan 2019/20. It is important that Members are aware of the status of all audits and that this information helps them place reliance on the work of Internal Audit and its ability to complete the plan as agreed.

As agreed with this Committee where a review has a status of 'Final' we will provide a summary of the work and further details to inform Members of any key issues, if any, are identified.

Further information on all the finalised reviews can be found within **Appendix C**.

At **Appendix D** we have included a schedule of the high priority recommendations (priority 1s and 2s) that have been identified during our audit reviews. These will be updated when the follow-up audit has been completed.

Appendix E summarises all recommendations made and the progress that has been made against these.

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Internal Audit Plan Progress 2019/2020

We keep our audit plans under regular review to ensure that we audit the right things at the right time.

- ### Approved Changes to the Audit Plan

The audit plan for 2019/20 is detailed in **Appendix B.** Inevitably changes to the plan will be required during the year to reflect changing risks and ensure the audit plan remains relevant to Cheltenham Borough Council. Members will note that where necessary any changes to the plan throughout the year will have been subject to agreement with the appropriate Service Manager and the Audit Client Officer (Executive Director – Finance and Assets).

The following changes have been made to the plan:

The planned audit of Management and Monitoring of Contracts has been deferred, due to the delay in the finalising of the procurement audits. The audit, as originally planned, will be included in the 2020/21 audit plan.

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At the conclusion of audit assignment work each review is awarded a "Control Assurance Definition";

- **No Assurance**
- **Partial**
- **Reasonable**
- **Substantial**

● Audit Framework Definitions

Control Assurance Definitions

No Assurance	The areas reviewed were found to be inadequately controlled. Risks are not well managed, and systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
Partial	In relation to the areas reviewed and the controls found to be in place, some key risks are not well managed, and systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
Reasonable	Most of the areas reviewed were found to be adequately controlled. Generally, risks are well managed, but some systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
Substantial	The areas reviewed were found to be adequately controlled. Internal controls are in place and operating effectively and risks against the achievement of objectives are well managed.

Non-Opinion – In addition to our opinion based work we will provide consultancy services. The "advice" offered by Internal Audit in its consultancy role may include risk analysis and evaluation, developing potential solutions to problems and providing controls assurance. Consultancy services from Internal Audit offer management the added benefit of being delivered by people with a good understanding of the overall risk, control and governance concerns and priorities of the organisation.

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Recommendations are prioritised from 1 to 3 on how important they are to the service/area audited. These are not necessarily how important they are to the organisation at a corporate level.

- Audit Framework Definitions

Categorisation of Recommendations
When making recommendations to Management it is important that they know how important the recommendation is to their service. There should be a clear distinction between how we evaluate the risks identified for the service but scored at a corporate level and the priority assigned to the recommendation. No timeframes have been applied to each Priority as implementation will depend on several factors; however, the definitions imply the importance.

Categorisation of Recommendations	
Priority 1	Findings that are fundamental to the integrity of the service's business processes and require the immediate attention of management.
Priority 2	Important findings that need to be resolved by management
Priority 3	Finding that requires attention.

Each audit covers key risks. For each audit a risk assessment is undertaken whereby with management risks for the review are assessed at the Corporate inherent level (the risk of exposure with no controls in place) and then once the audit is complete the Auditors assessment of the risk exposure at Corporate level after the control environment has been tested. All assessments are made against the risk appetite agreed by the SWAP Management Board.

Definitions of Risk

Risk	Reporting Implications
High	Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.
Medium	Issues which should be addressed by management in their areas of responsibility.
Low	Issues of a minor nature or best practice where some improvement can be made.

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Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	Priority			Comments
						1	2	3	
2018/19 Audits in Draft / In Progress at Annual Opinion									
Operational	Procurement and Contract Management		Final Report	Reasonable	1		1		See Appendices C & E
Key Financial Control	Systems Admin		Final Report	Reasonable	7		2	5	Reported at September Meeting
Key Financial Control	Human Resources		Final Report	Reasonable	2		1	1	See Appendices C & E
Key Financial Control	Procurement		Final Report	Partial	10		7	3	See Appendices C & E
ICT	Cyber Security		Draft Report						
Operational	Integrity of Data		Draft Report						
Advice and Consultancy	Benefits Realisation		Position Statement						

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Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	Priority			Comments
						1	2	3	
2019/20 Audit Plan									
Governance	Annual Governance Statement	1	Final Report	Substantial	2			2	See Appendices C & E
Operational	Management and Monitoring of Contracts	1	Deferred						
Operational	Asset Management	1	In Progress						
Operational	Commercial Property / Investment Property	1	In Progress						
Operational	Safeguarding	1	In Progress						
Operational	Remote Workers	1	Final Report	Substantial	2			2	See Appendices C & E
Operational	Commissioning (2018/19)	1	Audit Removed						
ICT	Software as a Service – Cloud Provision	1	ToE Issued						
ICT	Software as a Service – Dataset Management	1	ToE Issued						
Follow-Up	Ubico Financials	1	Final Report	Substantial	1			1	Reported at September Meeting
Follow-Up	Business Continuity Management	1	In Progress						
Operational	(NEW) Property (Use of Contractors)	1	Final Report	Partial	5		5		See Appendices C & E

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Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	Priority			Comments
						1	2	3	
Operational	Affordable Housing	2	In Progress						
Operational	Business Rates Reset	2	Deferred						
Operational	Apprenticeship Scheme	2	Final Report	Substantial	1		1		See Appendices C & E
ICT	Cyber Security – Incident Management	2	ToE Issued						
ICT	Cyber Security – High Risk Area (defined from 2018/19 audit)	2							
Grant Certification	Disabled Facilities Grant Certification	2	Complete						
Operational	(NEW) Planning Process and Complaints Procedure	2	In Progress						
Key Financial Control	Revenues and Benefits	3							
	• National Non-Domestic Rates		Final Report	Substantial	1			1	See Appendices C & E
	• Council Tax								
	• Council Tax Benefit		Final Report	Substantial	0				See Appendix C
Key Financial Control	Core Financials	3							
	• Accounts Payable		Final Report	Substantial	0				See Appendix C

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Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	Priority			Comments
						1	2	3	
	• Accounts Receivable		In Progress						
	• Main Accounting								
	• Payroll		In Progress						
	• Treasury Management and Bank Reconciliation								
Key Financial Control	Systems Administration	3	In Progress						
Key Financial Control	Human Resources – Use of Volunteers	3	Final Report	Reasonable	7		3	4	See Appendices C & E
Key Financial Control	Other Support Service provided by Publica • Health and Safety	3	In Progress						
ICT	Management of Service Provision	3							
ICT	ICT Business Continuity	3	In Progress						
Grant Certification	Disabled Facilities Grant Certification – Additional Grant	3	Complete						
Governance	Risk Management	4							
Governance	Performance Management	4							
Operational	Planning Applications	4							

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Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	Priority			Comments
						1	2	3	
Operational	Publica Transformation Benefits Realisation	4							
Operational	Corporate Culture	4							
Follow-Up	Follow-Up of Recommendations made in Substantial and Reasonable Audits	1 – 4	On Going						
Follow-Up	Follow-Up of Control Weaknesses identified by the Counter Fraud Unit	3 – 4	On Going						
Advice and Consultancy	Workforce Strategy	1 – 4							
Advice and Consultancy	Support to the Publica Transformation Programme	1 – 4	On Going						
Advice and Consultancy	Assurance to the Partner Councils in respect of the Publica Transformation Programme	1 – 4							
Advice and Consultancy	Support for any emerging groups / programmes / projects • Town Centre Team Project Board	1 – 4	On Going						

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Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	Priority			Comments
						1	2	3	
Advice and Consultancy	Support to the service responsible for Recyclates	1 – 4	On Going						
Other Audit Involvement	Working with the Counter Fraud Unit	1 – 4	On Going						
Other Audit Involvement	Management of the IA Function and Client Support	1 – 4	On Going						
Other Audit Involvement	Contingency – Provision for New Work based on emerging risks								

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Audit Assignments finalised since the last Audit Committee:	•	Summary of Audit Findings and High Priority Service Findings

The following information provides a brief summary of each audit review finalised since the last Committee update.

2018/19 – Procurement and Contract Management – Reasonable Assurance
Background
The Publica Procurement Service provides a collaborative approach to procurement work, information and guidance to the Publica partner Councils – Cheltenham Borough Council (CBC), Cotswold District Council (CDC), Forest of Dean District Council (FoDDC) and West Oxfordshire District Council (WODC) as well as Ubico and Cheltenham Borough Homes (CBH). The objective of the service is to improve the way the Council and partners procure services, goods and works, and manage contracts to deliver improved quality services and make sure public spending is achieving value for money.

Contracts and relationship management refers to the effective management and control of all contracts from their planned inception until their completion by the appointed contractor(s). It covers the supporting policies, procedures and systems needed to undertake it, together with broader issues from the identification and minimisation of risk, successful and timely delivery of outcomes and performance, effective control of cost and variations and the maintenance of clear communications and operational relationships with contractors. Once a contract is in place, contract management is the responsibility of the contract owner or another delegated contract manager.

The Procurement and Contract Management Strategy sets out contract management guidance and requirements. The In-Tend Portal can be used by contract managers to prompt contract management activities, with an enhanced Contract Management Wizard module in the process of being purchased and set up as an add-on to the In-Tend Portal.

Audit Conclusion / Findings
Procurement Services are provided to Cheltenham Borough Council (CBC) by Publica Group Ltd (Publica).

Evidence was found to confirm some sound procurement and due diligence processes during the tender stages. Relevant evidence and information is requested of potential suppliers at various stages, including as part of pre-procurement considerations and tender questionnaires. Proportionate and adequate supplier checks are made by

Procurement Officers in line with the value and nature of the prospective contract.

Although there is a Procurement and Contract Strategy in place for the Partner Councils, it is out of date and in need of review and update. Tools are available to contract owners through the In-Tend Procurement Portal to monitor and manage contracts. However, training to encourage use of contract management modules on the portal has been delayed due to limited staffing resource within the Procurement Team.

According to the National Procurement Strategy 2018, research by the International Association for Contract and Commercial Management (IACCM) shows that contracts exceed their expected costs by 9.4 per cent on average over their lifetime. Poor contractor performance could seriously damage the Council's reputation and its ability to deliver effective services and support to local communities. The absence of ongoing due diligence and contract management by contract owners throughout the life of the contract could expose the Council to unnecessary risk in multiple areas, such as financial, legal, compliance and operational risk.

Following on from this governance review, we will conduct a further audit on Management and Monitoring of Contracts undertaken by CBC officers as part of the 2019/20 Audit Plan.

Priority	Recommendation	Management Response	Due Date
2	Assurance is sought from Publica that the Procurement and Contract Management Strategy is reviewed and updated to ensure it meets the needs of Publica and the partner Councils.	Agreed	30th June 2020

2018/19 – Human Resources (Sickness Absence Reporting) – Reasonable Assurance
Background
HR and Payroll services are a centralised function provided by Publica Group (Support) Ltd (Publica), a Council owned company to the four partner Councils Cotswold District Council (CDC), West Oxfordshire District Council (WODC), Forest of Dean District Council (FoDDC) and Cheltenham Borough Council (CBC), as well as, Ubico Ltd, Cheltenham Borough Homes (CBH) and the Cheltenham Trust.

Payroll related processes including sickness recording are currently manual at CBC although a Self-Service functionality is available on Agresso Business World (ABW).

Testing samples were taken from ABW from the following date range: 1st November 2017 – 31st October 2018. During this time, the sickness absence recorded for CBC was 1599 FTE days.

Audit Conclusion / Findings
We are pleased to offer reasonable assurance over the following processes within the HR and Payroll Service:
• Existence of Sickness Policies.
• Appropriate action following periods of sickness absence.
• Sickness absence payment and calculations.
• Sickness payments accuracy checks.

No significant risks were identified during the review, although there are areas where there is opportunity for improvement. These areas are highlighted within the report and recommendations made to improve processes have been made in the areas as described below.

At the time of the review there was no approved Sickness Absence Policy for Publica employees, including new employees. Sickness absence policies exist for all four of the Member Councils; however, it was noted that they had not been reviewed and updated recently. This has therefore highlighted the need for timely implementation of a Publica Sickness Policy, so there are clear and consistent guidelines in place for all staff. Council sickness absence policies should also be reviewed and updated, to ensure they are still in line with relevant legislation and are appropriate to the officers retained by the Councils.

Line managers are responsible for monitoring and the reporting of sickness absence to Payroll, Cheltenham Borough Council (CBC) do not utilise self-service, so reporting to payroll is completed monthly via a manual form. Managers are also responsible for holding a return to work interview, completing a form to be signed by both employee and manager to be returned to HR for checking and filing. Testing found that not all forms were found on file or fully completed, and we have therefore recommended refresher training and guidance is provided following the review and update of relevant Sickness Policies.

Controls are in place for Payroll Advisors to monitor long-term sickness absence, ensuring any amendments to pay are

made in accordance with terms and conditions are captured and actioned at the correct time. Different methods are used across the team during this process; therefore, we recommend standardising the process for consistency.

Sickness variation reports are produced from the Business World System and checked by Payroll Officers during each payroll run. The checking of these reports highlights if there is a discrepancy in pay caused by a system anomaly and enables personnel to correct the anomaly to ensure the correct payment prior to payroll authorisation and release.

Priority	Recommendation	Management Response	Due Date
2	We recommend that the Publica Sickness and Absence Policy is finalised, approved and implemented without delay. The partner councils' Sickness and Absence Policies should also be reviewed and updated to ensure they meet the ongoing needs of the Councils and their retained staff.	The Policy is now complete and will be rolled out to managers after the summer break 2019. We will review the council policies. These will be brought in line with the new Publica policy if and when the partner Councils adopt the new Publica terms and conditions.	30th November 2019

2019/20 – Remote Workers – Substantial Assurance
Background
The Council currently has 28 lone workers managed by the following service managers:
• Head of Revenues & Benefits
• Customer & Support Services Manager
• Strategy & Engagement Manager
• Enforcement Manager
• Parking Administrator/Business Support Manager

The Enforcement team is the largest with 16 members of staff lone working on a regular basis. Other officers working in service areas such as Building Control, Planning, Licensing, etc, may on occasion lone work but generally, their appointments are made in advance and are shown in Outlook calendars, therefore colleagues based at the office know of their whereabouts. They are not included in the above figure.

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The Council's Modernisation programme is encouraging officers to 'Smart Work' which means that work can be completed at a time and place to suit the individual providing the necessary ICT equipment and health and safety systems are in place. Therefore, the likelihood of more officers potentially lone working will significantly increase thereby increasing the need to have appropriate processes in place.

Audit Conclusion / Findings

Lone Working H&S Arrangements

The Council has an up to date Lone Working Policy in place which is easily accessible on the staff intranet. Review of the policy confirms that relevant Health & Safety (H&S) legislation is referenced, roles and responsibilities are clearly identified and guidance on local arrangements is provided.

To test compliance with the Lone Working Policy, we interviewed 5 service managers and can confirm that appropriate processes are in place for the officers, who are lone workers, in these areas. Officers are trained and provided with council mobile phones so that contact is always maintained. Service specific systems are in place to monitor when lone workers start and finish their working day.

We can also confirm that CBC canvassers, working on behalf of Elections, must attend training/briefing sessions where H&S is discussed, and a Canvassers Manual is provided which contains detail in respect of H&S when undertaking their duties.

There is no corporate personal safety system in place for lone workers, therefore the information on the intranet is out of date. We can confirm that 2 service managers are exploring systems that would suit their service needs, however, there is a risk that different systems could be implemented which may result in savings from economies of scale not being achieved. Therefore, a corporate approach would mitigate this risk and ensure that an effective system is implemented in a timely manner. We were also advised that the Personal Safety Register, which is a register of potentially dangerous individuals was being reviewed to ensure that it was still fit for purpose and to ensure that it does not breach any data protection regulations.

Smart Working Policy

With the Modernisation Programme gaining pace, we were asked to review the draft Smart Working Policy that is currently being developed by the Publica HR team. We have made several observations/suggestions for consideration

which are detailed in the body of this report. It is important that the Policy and accompanying procedure/guidance documents are agreed and made available as soon as possible so that officers are aware of their roles and responsibilities and management expectations in terms of working practices.

Finally, we noted that some remote working information on the intranet is either obsolete or in need of updating. When the Smart Working Policy is agreed the intranet should be reviewed and updated with relevant up to date information.

2019/20 – Property (Use of Contractors) – Partial Assurance
Background
Following the 2018/19 audit of Accounts Payable and as part of good governance and commitment to financial transparency we were instructed to undertake a review of the Property Services Department.

The Cheltenham Borough Council (CBC) Property Services Department manage the planned and reactive maintenance requirements of the Cheltenham Borough Council property portfolio, including but not limited to the Municipal Offices, Cheltenham Town Hall, Pittville Pump Rooms and the town's leisure centre. Many of the properties are listed buildings and require specialist care and attention.

Property Services have annual budgets for reactive, planned and cyclical maintenance and programme works. Annual programmes of work are prioritised, presented to and then approved by Council.

Properties are maintained by engaging external property maintenance providers, depending on the works required. An approved contractor framework exists so that services can be obtained on the basis of pre-agreed terms and conditions, price and quality levels. The contractor framework consists of three contractors. CBC were also authorised to use the Gloucestershire County Council Contractor Framework until its renewal in April 2019.

Analysis of Property Services expenditure (incl. vat) to those contractors can be seen in the following table which includes planned and responsive works to July 2019.

Contractor	2016/17	2017/18	2018/19	2019/20	Totals
Contractor A	£0	£40,441	£14,434	£3,142	£54,875
Contractor B	£23,771	£260,605	£53,340	£5,106	£342,822
Contractor C	£0	£44,596	£131,184	£33,961	£209,741
Contractor D	£36,331	£93,532	£105,663	£8,645	£244,171

It was identified that Contractor D was not on the framework, although we can confirm this is being addressed appropriately.

Audit Conclusion / Findings
Our review focussed on the following three process areas within Property Services.

Use of the Council's Contractor Framework
We were advised by the Senior Surveyor that the Council's current contractor framework, whilst in date, was not very effective with only three contractors on it. The Gloucestershire County Council (GCC) framework was also available for use until it's renewal in April 2019. The officer explained that he has been working with the Procurement and Legal teams to get the contractor framework updated for at least two years and various issues have delayed progress on this work, which has resulted in non-compliance with the Council's Financial and Contract Rules.

How works are identified, costed and approved
Whilst we can confirm processes are operating to identify and approve works, they are not as robust as expected. There is a lack of transparency and audit trails are not always available. We recognise that responsive repairs need to be completed as soon as possible and therefore could lead to added pressures however, works must be awarded appropriately and in accordance with agreed procedures.

The awarding and payment of works
Our review found that it is not clear how responsive maintenance works are awarded to contractors. As discussed above there is a contractor framework, which is not always used, and the lack of audit trails has meant that we are unable to confirm if appropriate processes are undertaken.

Our testing identified that some contractor invoices contained limited detail as to the works undertaken, including itemisation between materials and labour, and have been authorised and paid without this detail. In addition, budget

monitoring processes were not sound, however, we can confirm steps are being taken to improve this area.

In summary, a lack of guidance and procedures has resulted in inconsistent processes operating which has led to a lack of transparency over decisions taken and has the potential of allegations being made of works being awarded inappropriately. Recommendations made in this report should be implemented urgently to improve the control environment.

An end to end process review has not been possible due to the control weaknesses identified, therefore we will undertake a further review in next year's audit plan to cover this area in more detail.

Priority	Recommendation	Management Response	Due Date
2	We recommend: i. that unless specialist skills are required to complete specific works, only approved framework contractors are used for general building works. ii. that the progress of updating the contractor framework is pursued and if necessary escalated through Publica/One Legal Client Officers and Senior Management to ensure focus on this requirement is maintained.	Now using only framework contractors or obtaining waivers for non-specialist works. Additional frameworks are being pursued though One Legal for use of the GCC framework and Publica Procurement for additional frameworks.	31st March 2020

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	2	We recommend i. that process documents and associated procedures, aligned with CBC's Contract and Financial Rules, are documented and put in place so that a consistent approach to tasks can be followed and undertaken within the team as soon as possible. ii. A review of the service design should be undertaken to ensure that appropriate and effective processes and structures are in place.	Develop flow charts and sub processes to be agreed and signed off by section 151 officer. Started and talked already with Director and Publica Procurement to produce report on options going forward for strategic procurement of building related needs.	31st March 2020
	2	We recommend i. that the frequency of budget monitoring and reconciliation between the Council's financial system and the Uniform system is undertaken in accordance with the Financial Rules so that any issues related to budgets and expenditure are identified at an early stage. Regular management information reporting should be implemented to ensure transparency of the situation. ii. Consideration should be given to investigating whether the Uniform and Business World systems can be linked to aid budget monitoring processes.	Publica Finance has now appointed an accountant to liaise with and we will reconcile the Uniform and Agresso figures quarterly. Reviews are set up to feed into the financial reporting cycle. A brainstorming session has been set up to review the way Uniform and Agresso are used and explore what functionality and data can to be shared across systems. Once this is determined, we will liaise with Publica IT to progress further.	31st March 2020

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| 2 | We recommend that the Property Services team, return any invoice that does not contain detailed information on the works completed, including materials and labour costs and ensure only sufficiently detailed invoices are approved for payment. | We have contacted the contractors and requested that a breakdown of invoices are provided in all cases. All staff have been instructed to return invoice if they are not adequately broken down. | 31st March 2020 |
| 2 | To protect the separation of duties between requisitioning and approval of works, we recommend that in urgent circumstances where this is necessary a clarification email is sent to the Head of Property and Assets to confirm the actions taken. | Implemented already. The Senior Surveyor is not raising work orders except in emergencies wherein an email is sent to the Head of Service, so he is aware of the action being undertaken. | Recommendation Actioned and therefore can be closed |

2019/20 – Apprenticeship Scheme – Substantial Assurance

Background

The Apprenticeship Levy was introduced in April 2017 and is a levy on UK employers to fund new apprenticeships. The levy applies to employers with an annual pay bill of over £3 million and is charged at 0.5% of the employer's annual pay bill. Each employer is given an allowance of £15,000 to offset against their levy payment. The Apprenticeship Levy is charged annually but employers report and pay it monthly through Pay As You Earn (PAYE), and the monthly calculation is based on the total pay bill for the tax month.

In England, control of apprenticeship funding is given to employers through the Digital Apprenticeship Service (DAS). The DAS allows employers to receive levy funds, manage apprentices and choose and pay training providers. Apprenticeship Levy funds can be used to upskill current employees as well as recruiting new employees on apprenticeships.

Based on its current annual pay bill, Cheltenham Borough Council (CBC) pays between £1500 and £1600 as a levy payment each month. As of September 2019, CBC employed 9 apprentices with 2 new positions in the process of being filled. There were also 2 existing employees benefiting from upskilling using the Apprenticeship Levy, with 5 new

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opportunities pending. It is a Government requirement that "prescribed groups and public sector bodies with 250 or more staff in England have a target to employ an average of at least 2.3% of their staff as new apprentice starts over the period of 1 April 2017 to 31 March 2021. Based on the information provided during the audit, this target is currently being met.

Audit Conclusion / Findings

Processes surrounding the recruitment and training of apprentices are robust and well-established. We are able to confirm that procurement of apprenticeship training is in line with Government requirements and providers are subject to a thorough process which ensures value for money and quality of training. Key officers are in place from recruitment of an apprentice through to ongoing mentoring in service areas.

Apprenticeship Levy payments are calculated using an automated report on Agresso Business World (ABW) by the Payroll Team Leader, who is experienced in her role. Testing concluded that payments were correctly calculated, recorded and paid through PAYE. We were able to reconcile the payments to the online Digital Apprenticeship Service (DAS), through which the HR Talent Development Business Partner can pay apprenticeship training providers using levy funds. It was identified during the audit, however, that reconciliation is not carried out by the service area. A recommendation has been made to implement a reconciliation process which will mitigate any possible financial risk.

Priority	Recommendation	Management Response	Due Date
2	We recommend that a reconciliation process is implemented for Apprenticeship Levy payments.	Reconciliation is now carried out monthly between the Finance spreadsheet, the General Ledger and the online apprenticeship levy portal. Support will be requested from Finance to ensure reconciliation is being done correctly in the initial stages.

The internal apprentice recruitment form has also been amended to ensure that the recruiting manager consults with the Finance Department to ensure there is appropriate levy funding available in the online account before the post goes for approval at the | Implemented & ongoing (to be followed up Feb 2020) |

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		Resource Managers Group.	

2019/20 – Revenues and Benefits (Council Tax and National Non-Domestic Rates) – Substantial Assurance

Background

The Revenues and Benefits service area are responsible for the day to day processing, collection and arrears management, and application of any discounts and reliefs of Council Tax and NNDR as well as Housing Benefit and Council Tax support schemes.

Council Tax is a local property tax to help fund local public services and is payable on all residential properties regardless of whether they are rented or owned. Discounts and exemptions are available under certain circumstances, including but not limited to discounts for students, single person occupation and unoccupied properties.

NNDR is also a tax collected to contribute towards the cost of local services and is payable on non-domestic properties. Reliefs and discounts are available under certain circumstances, including unoccupied or partly occupied properties, small business rate relief and charity occupied properties.

The Revenues and Benefits service area constantly handle personal information and are therefore required to comply with the regulations set out in the Data Protection Act 2018 which incorporates the General Data Protection Regulations (GDPR).

Audit Conclusion / Findings

Council Tax and National Non-Domestic Rates (NNDR) discounts and exemptions can be applied to accounts in certain circumstances. Testing found that where this is applicable, evidence and appropriate notes to support the discounts given were documented in the Council Tax and NNDR system. Ongoing discounts and exemptions are reported and reviewed periodically.

The Council Tax and NNDR systems are reconciled to the General Ledger approximately twice per month. Daily checks of the cash receipt load files into the Council Tax and NNDR system are undertaken. Testing confirmed these reconciliations are completed accurately and checked by an independent Officer. As part of the annual billing process, reconciliation of the Council Tax and NNDR bills issued by the mailing companies to that expected on the Council Tax and NNDR system is undertaken which ensures bills are issued as required.

Exception reports for areas including arrears, credits and suppressed accounts are regularly run and found to be actioned appropriately. The suspense accounts are checked and actioned on a daily basis by a Revenues Officer working with a Finance Officer to correctly re-allocate funds.

Monthly Management Information is produced and reviewed/discussed with the Head of Revenues & Benefits, and then cascaded to the rest of the team ensuring awareness of the service area's overall work status against targets.

Business Continuity Plans (BCP) are documented, have been reviewed and updated during this year and are in place for staff should they need to be instigated.

Data Protection (GDPR) education has been provided to the Revenues and Benefits staff, and processes are in place to ensure compliance with these regulations.

2019/20 – Revenues and Benefits (Housing Benefit and Council Tax Support) – Substantial Assurance
Background
The Revenues and Benefits service area are responsible for the day to day processing, collection and arrears management and application of any discounts and reliefs of Council Tax and NNDR as well as Housing Benefit and Council Tax support schemes.

Housing Benefit is a means-tested benefit which is administered on behalf of the Department of Works and Pensions (DWP). New claimants who meet the criteria for Universal Credit or existing recipients of Universal Credit are not able to claim Housing Benefit.

Local authorities are entitled to make an annual claim for the refund of the housing benefit subsidy from Central Government. The claim should be submitted by 30th April and it is then required to be independently audited by 30th

November each year.

Cheltenham Borough Council implemented a new Council Tax Support scheme from the year 2019/20. Council tax support helps people on low income to pay their council tax. The scheme is approved locally for working age customers and nationally for pension age customers.

The Revenues and Benefits service area constantly handle personal information and are therefore required to comply with the regulations set out in the Data Protection Act 2018 which incorporates the General Data Protection Regulations (GDPR).

Audit Conclusion / Findings
Reconciliations for Housing Benefits payments to the General Ledger are undertaken approximately twice per month by a Revenues and Benefits Officer. Testing identified that these are completed accurately and are routinely checked by an independent Officer.

We can confirm that claims processing is monitored via a performance report and evidence showed that processing targets were consistently met. Quality checking is performed by the Benefits Team Leader on at least 10% of all claims. Testing showed that 'critical' or 'non-critical' errors are recorded in monitoring control sheets and fed-back to the Officer concerned for correction. We note that the definitions of 'critical' and 'non-critical' errors were defined over twenty years ago and that sample checking is primarily a manual paper-based process. Although a formal recommendation is not being made, we would suggest that consideration could be given to reviewing current practices to aid efficiencies and reduce any potential data protection or document retention issues.

Monthly Management Information is produced and reviewed/discussed with the Head of Revenues & Benefits, and then cascaded to the rest of the team ensuring awareness of the service area's overall work status against targets.

The Subsidy Claim process is managed by the Deputy Revenues & Benefits Manager. Evidence of monthly reconciliations and Civica reports were seen to support the monitoring that is undertaken to provide an estimate for the year end claim. Following the External Auditor's 2017/18 qualified audit report the Deputy Revenues and Benefits Manager advised that additional controls have been introduced to prevent issues in the future.

Business Continuity Plans (BCP) are documented, have been reviewed and updated during this year and are in place for

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staff should they need to be instigated.

Data Protection (GDPR) education has been provided to the Revenues and Benefits staff, and processes are in place to ensure compliance with these regulations.

Finally, we can confirm that the two recommendations from the 2018/19 audit have been implemented.

2019/20 – Accounts Payable – Substantial Assurance
Background
As part of the 2019/20 Internal Audit plan, a review was carried out to provide our partners and clients assurance over the adequacy of procedures and controls in place within the Accounts Payable department.

Accounts Payable (based at Forest of Dean District Council) is a centralised function that processes invoices, payment requests and feeder payments, such as Accounts Receivable refunds and benefit payments, on behalf of the following clients:
• G1- Cheltenham Borough Council (CBC)
• G2- Forest of Dean District Council (FoDDC)
• G3- West Oxfordshire District Council (WODC)
• G4- Cotswold District Council (CDC)
• G5- Cheltenham Borough Homes (CBH)
• G6- Ubico
• G7- The Cheltenham Trust
• P8- Publica

All payments are processed using the financial management system: Business World. All invoices for goods and services go to FoDDC, either directly from the supplier or forwarded by service areas. Invoices are scanned and saved within the Business World transaction file. Where purchase orders have been raised by the service area, invoices can be matched to these, and assuming the goods have been receipted, payment can be made immediately. Where no purchase order has been raised the details from the invoice are entered manually into Business World. Officers within the service area that received the goods/services with appropriate approval rights are required to review the payment details and approve the payment or reject it if they require any of the payment details changing (i.e. the payment cost centre or account). Payment runs are created weekly, which are sense checked by the AP Team Leader and authorised by the

Business Partner Accountant (this process was reviewed as part of last year's audit).

Our review used payments processed between September 2018 and September 2019 on behalf of CBC. The number and value of these payments, have been compared to the same period in the previous year and shown below:

		2018/19		2019/20	
		Number	**Value**	**Number**	**Value**
G1	CBC	8371	£49,956,277	8553	£46,705,210

Audit Conclusion / Findings

We are pleased to offer Substantial Assurance over the following procedures within Accounts Payable:
• Processing invoices to ensure debts are paid by the appropriate client
• Duplicate payments are identified and recovered timely
• Limiting the use of Sundry Supplier payments
• Preventing fraudulent payments

Testing was carried out to identify outstanding duplicate payments. In all cases where duplicate payments were still outstanding the Accounts Payable Team Leader provided evidence that these payments were in the process of being recovered. We also carried out testing to ensure the service's processes around limiting the use of Sundry Supplier payments were being followed. We did not find any instances that the process described within the report was not being followed. Finally, we tested all payments made within our test period to the bank details of employees of the Councils, Publica and CBH. No fraudulent payments were identified as part of this testing.

2019/20 – Human Resources (Use of Volunteers) – Reasonable Assurance
Background
As a Local Authority, Cheltenham Borough Council (CBC), is responsible for ensuring arrangements are in place which help prevent abuse of children and vulnerable people. The Safeguarding Vulnerable Groups Act 2006 sets out the activities and work which are deemed 'Regulated Activity'. Regulated Activity is a term used to describe certain job functions carried out by an individual as defined by the Disclosure and Barring Service (DBS). These requirements are important as they determine eligibility for an Enhanced Level DBS check and a check of the DBS Barred Lists.

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The correct use of Disclosure and Barring Service (DBS) checks helps ensure safe recruitment and is an important part of preventing unsuitable people from working with vulnerable groups. The council can only legally check someone's criminal record if they are applying for certain roles, where the requirement for a check has been identified. When considering the suitability of an individual for any position with access to children or vulnerable adults the authority needs to ensure that criminal record information checks are undertaken when appropriate, at the required level, and in accordance with legislative requirements. As of September 2019, CBC have 64 registered individual volunteers and 17 constituted volunteer groups. Individual volunteers will typically work at events such as the Midsummer Fiesta and the Cycling Festival and are managed at each event by a Volunteer Supervisor employed by the Council. Constituted groups such as the 'Friends of' park groups work alongside CBC Park Rangers to maintain and make improvements to parks within the Borough.

This audit was initially agreed with the HR Business Manager to review the arrangements in place to make DBS checks on volunteers where relevant to their role. At the time of audit fieldwork, there were no volunteer roles being undertaken for CBC which fall under the definition of 'Regulated Activity' and therefore no volunteers working on behalf of the Council have been subject to standard or enhanced DBS checks. The Volunteering Policy and recruiting officer guidance was therefore also reviewed as well as mitigating factors in place to safeguard children and vulnerable people in the absence of DBS checks when recruiting volunteers.

Audit Conclusion / Findings
A reasonable assurance is offered in respect of the procedures and controls in place to ensure volunteers are subject to appropriate checks and managed with safeguarding children and vulnerable groups as a priority. No significant risks were identified in the course of this audit, which is reflected in the assurance level, although some opportunities for improvement have been highlighted within the report to enhance the robustness of process and supporting information.

Residual risk (with all controls in place) has been assessed at medium by both the service area and internal audit. This is due to the potential impact of a safeguarding risk still being at a high level, even though controls in place reduce the likelihood sufficiently. Our review has shown that process and controls in place for the recruitment of volunteers at Cheltenham Borough Council (CBC) have significantly improved since the introduction of a formal Volunteering Policy which was approved by Cabinet in May 2019. A Volunteers Handbook and guidance for officers recruiting volunteers has also been published.

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Seven recommendations have been made in this report; four are based on strengthening the volunteering recruitment process and controls in place already and three relate to EU General Data Protection Regulations (EU GDPR) which reflects an 'added value' element to the audit.

Priority	Recommendation	Management Response	Due Date
2	We recommend that a copy of a constituted group's Safeguarding Policy is received and reviewed by CBC officers before the group is allowed to participate in voluntary work on behalf of the Council.	Participation and Engagement Team leaders to review Safeguarding policy process with CBC Partnership Team Leader to agree on appropriate approach.	31st March 2020
2	We recommend that a link is included within the Volunteer Privacy Statement to the 'Your Data' page on the Cheltenham Borough Council website to ensure that volunteers have access to all information on their personal data required by the EU General Data Protection Regulations	To include a link within the Volunteer Privacy Statement to the 'Your Data' page on the CBC website.	31st December 2019
2	We recommend that all volunteers that have signed historic version of the application form are asked to sign their consent to the current data protection arrangements and retention period. The current Volunteer Privacy Statement should also be brought to the attention of all volunteers who have not previously been made aware of it.	To strive to ensure that volunteers with historic consent forms are signed up to the 5-year data protection arrangements and retention period.	31st March 2020

2019/20 – Annual Governance Statement – Substantial Assurance

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Background

Local authorities are required by the Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015 to prepare an Annual Governance Statement (AGS) by 31 May each year to report publicly on the extent to which they comply with their own governance and internal controls. The statement should comply with best practice and written in accordance with the CIPFA Delivering Good Governance Framework (2016).

Managers provide their assurance via an annual Manager's Assurance Statement (MAS) which is reflected in the Annual Governance Statement. Internal Audit also provide an Annual opinion in the review of effectiveness based on the audit assurances issued across the authority during the year. The draft AGS is then considered by Audit Committee in advance of the required deadline and a final version is published within the Authority's Annual Statement of Accounts.

The purpose of the audit is to review the process for producing the AGS and determine whether the completion of the AGS was based on well-founded control results and information and to ensure the AGS is produced in compliance with the correct governance framework and principles and good practice guidelines.

Audit Conclusion / Findings

The Directors and Executive Board attendees at Cheltenham Borough Council (CBC) are required to complete and return a Managers Assurance Statement (MAS) each year. The MAS is a declaration that governance measures are in place and should highlight any significant areas of concern to be included in the Annual Governance Statement (AGS). Statements are also sought from CBC affiliates such as The Cheltenham Trust and One Legal. It is noted that UBICO do not complete a statement. We can confirm 10 MAS were completed.

Seven Managers Assurance Statements were examined and were confirmed to be fully completed. However, it was noted that some of the statement templates completed varied slightly, therefore, a review of the templates used is recommended to ensure a consistent approach is taken to their completion.

The Annual Governance Statement has been measured against the Delivering Good Governance Framework document and meets the requirements and conforms to the areas of applicability and terminology. It contains detailed statements on each of the 7 core principles and sub-principles of good governance within the framework. The AGS was produced accurately and in a timely manner to meet the submission deadlines. No new significant issues were highlighted during the year, although the statement provided an update on the previous years' significant issues.

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The AGS is publicly available within the Annual Statement of Accounts on the CBC website. CIPFA's Good Guidance does also suggest the statement is made available with, but separately from the Annual Statement of Accounts. CBC should consider making a separate copy of the statement for download on their website.

2018/19 – Procurement – Partial Assurance
Note
Audit fieldwork for this review was carried out between March and May 2019. All findings within this report reflect the position of the Procurement Service at that time. Early draft versions of this report were issued to the service area in June 2019 and work commenced to address some of the recommendations made. **A follow-up review of this audit is planned to be carried out in January and February 2020**, the report of which will reflect the progress made by the Procurement Service to implement agreed actions, based on evidenced information.

Background
This audit review focuses on the procurement processes undertaken on behalf of West Oxfordshire District Council (WODC), Cotswold District Council (CDC), Cheltenham Borough Council (CBC) and Forest of Dean District Council (FODDC). Procurement Officers support Officers located across all client sites.

Procurement activity must be undertaken in accordance with Contract Rules, and;
• Procurement and contract management strategy (2015)
• National Procurement Strategy (2018)
• The Public Contracts Regulations (2015)
• Local Government Transparency Code (2015)

Testing was undertaken using the overarching Contract Register (February 2019) and we were provided with requisitioning and approving data from the financial management system (March 2019). Due to the format in which contract values have been recorded on the Contract Register, we have been unable to calculate the total value of all contracts across each organisation. A total of 153 contracts were included on the register and of these, 67 had a recorded end date which had passed at the time of audit work (March 2019) and 4 had no end date recorded.

Audit Conclusion / Findings
The financial management system (ABW) and Procurement portal (In-Tend) are not linked, so a full audit trail of procurement activity is not recorded within one central system. When Procurement Business Partners are requested to

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enter approved contracts onto In-Tend a record is created, all relevant documentation for approved contracts is recorded within the portal. All approved financial transactions are recorded within ABW.

Service areas are responsible for reviewing their financial management system authorisation limits, and we were advised all changes to permissions are logged through the helpdesk and must be authorised by the appropriate line manager or a finance officer. User ID's and authorisation limits were examined for a sample of Officers to assess whether approval limits are as expected for their job role and organisation. At the time of testing, a significant restructuring of Publica was underway; we would therefore suggest requisitioning and authorisation permissions are reviewed in line with the new Publica organisational structure.

At the time of audit work, Procurement were not informed of all approved contracts with a value of £5,000 and over as per process, so there was a risk the Contract Register was not a complete record. Since testing, we have been advised contract reports are now generated from the procurement portal and financial management system to provide contract data which is amalgamated into an overarching Contract Register. Testing was undertaken to assess if the details recorded on the register are complete and accurate; none of the contracts in our sample had a copy of the approved contract saved on the procurement portal as per process, so we were unable to assess if the Contract Register was an accurate record. Going forward, once approved, a copy of the contract must be saved against the contract entry on the portal; keeping this record will also help to support that separation of duties has been maintained.

At the time of audit work, different versions of the Contract Register were published on the Council websites; to ensure transparency and information is current and accurate, the same version of the Contract Register must be published on all Council websites quarterly.

At the time of audit work, the Contract Register had not been reviewed on a quarterly basis as per process due to limited resource. We were advised a piece of work to update the Contract Register for all clients was being actioned by Procurement, and a Purchase Order for development with Contract Wizards setups and training had been actioned to mitigate against this; we agree this will be beneficial to all clients.

Testing was undertaken to assess whether waivers are applied in accordance with Contract Rules; not all the waivers selected were completed in line with guidance, and a copy of only 1 waiver was saved against the contract entry on the

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procurement portal. For the waivers selected, an entry on the Contract Register could not be found for all contracts, and none of the contracts entered had a copy of the approved contract saved on the procurement portal. Procurement must be informed of all waivers so this detail can be recorded to ensure transparency. Although each Council's solicitor must keep a copy of the agreed waiver, a record should also be maintained to support the decision for applying the waiver; we were advised Procurement will be implementing a Waiver Register later in 2019.

Our review has found procurement processes are not all undertaken in accordance with Contract Rules and policy. From our discussions and the evidence provided, controls and policy guidance are in place, but testing supports procurement activity is not always undertaken in accordance with these agreed processes. Since the time of audit work, we were advised that processes relating to the population of the Contract Register have been reviewed by the Publica Procurement Business Partner, the Procurement Portal is now accessible from all Council websites, and further work has been planned to implement a Procurement Waiver Register. We were also advised that the Contracts Module on In-Tend has a planned roll out date of July; this will help to rectify the findings above which relate to contract documentation not being recorded centrally. The Procurement and Contract Management Strategy will be reviewed with the Counter Fraud Unit in 2019, and at the time of audit work, evidence was seen to support training on procurement process and Contract Rules was due to be delivered across all clients, and improvements were due to be made to the procurement portal. This is essential to improve Officer knowledge, embed procurement processes and controls across all clients to ensure they are followed correctly and in accordance with regulations and Council policy, and improve communication channels between all Service Areas and Procurement.

Publica Management Response to the Audit Findings
In response to the Procurement and the Procurement and Contract Management audit reports issued, we plan to carry out a fundamental review of the Procurement Service. This review will include an evaluation of how the Procurement Service will integrate or work alongside the new Commissioning and Contract Management teams introduced as part of the recent service review.

Priority	Recommendation	Management Response	Due Date
2	A copy of the approved contract must be held on In-Tend for all contracts over £5,000, as well as the quotes used during the tendering process, to demonstrate best value and ensure there is a complete central record.	Agreed, subject to a review of the contract value requirements.	31st December 2019
2	Budget Holders should regularly undertake monitoring of	Agreed	31st

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	expected contract spend to actual contract spend as part of contract monitoring, to ensure contracts are managed in accordance with strategy, and inform Procurement of any changes to contract values to ensure the values recorded on the Contract Register are correct.			
2	To ensure there is an audit trail to support all contract payments, the introduction of "No PO, no payment" policy should be considered to assist with the efficient monitoring of contract spend.	This will be considered		31st December 2019
2	To ensure there is a central record, when a waiver has been applied, this must be logged on the Waiver register once it has been implemented, for transparency purposes.	Agreed		31st December 2019
2	All Officers should be informed during Procurement Process training of the following to ensure when applicable; • Procurement are consulted on all contracts over £5,000 so all approved contracts are entered onto the Contract Register, and waiver details can be accurately recorded when appropriate	Agreed		31st December 2019
2	To ensure all transactions are raised and approved appropriately and in line with the current organisational structure, all requisitioning and approval permissions should be reviewed in BWO.	Following the recent organisation changes, the approvals permissions will be reviewed to ensure they are aligned with new roles and implemented accordingly on the ABW system.		31st December 2019
2	CBC must liaise with One Legal to ensure all waivers approved by Cabinet are also retained by the Council's Solicitor, in accordance with the Council's Contract Rules.	Waivers granted by Cabinet would form part of the committee report which are held by democratic services. In order to prevent multiple copies being held, the contract rules will be amended to reflect this action.		31st December 2019

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Audit Name	Priority	Recommendation	Management Response	Due Date	Update January 2020
2018/19 Business Continuity Management	2	Consideration could be given to aligning the BCP with the international standard ISO22301, as this provides a framework to plan, establish, implement, operate, monitor, review, maintain and continually improve a business continuity management system.	Consideration will be given to aligning the BCP with the international standard ISO22301 following the review of the Business Continuity Planning process which will be undertaken by the Civil Protection Team after April 2019.	30/06/19	Follow up in progress.
2018/19 Business Continuity Management	2	Consideration should be given to the clarity of the existing template and its ability to guide an officer in difficult and stressful times, and adopting an existing template, to better meet the authority's responsibilities.	An independent review of the CBC BCPs has been agreed with the Civil Protection Team this will commence after April 2019 when resources become available. The Corporate BCP will be identified as the first plan to be reviewed.	30/06/19	Follow up in progress.
2018/19 Business Continuity Management	2	Consideration could be given to the utilising the out of hours automated phone system, already in place, as an emergency information line for providing information to staff and / or the public if other methods of communication are down.	Consideration will be given to utilising the out of hours automated phone system already in place as an emergency information line after the review of the Business Continuity Plans.	30/06/19	Follow up in progress.
2018/19 Accounts Receivable	2	A review of all active subscriptions should be carried out, on behalf of each client, to identify any other duplicate subscriptions and these should all be corrected. Priority	Agreed. This will be carried out. Additional training will also be provided to AR officers to prevent this occurring again in the future.	31/03/19	Will be followed up during the annual audit of Accounts Receivable.

Audit Name	Priority	Recommendation	Management Response	Due Date	Update January 2020
2018/19 Members' and Officers' Gifts, Hospitality and Declarations of Interest	2	We recommend that consideration is given to work between CBC and the Counter Fraud Unit (CFU) to refresh the approach to the declarations process as part of their planned work discuss the introduction of a risk-based approach to conflict of interest forms in 2019/20. Priority	The CFU manager agrees to review this with the support of SWAP and Governance Group as part of the 2019/2020 work plan. The Programme Manager agrees to work with the CFU to review their risk-based approach and see if this is appropriate for implementation at CBC.	31/03/20	Work ongoing.
2018/19 Members' and Officers' Gifts, Hospitality and Declarations of Interest	2	We recommend that actions are taken to increase officer awareness on the responsibility to declare interests, gifts and hospitality. This may include (but not be limited to): - Regular reminders posted on the staff intranet - Sending out email reminders - Periodic training	The Programme Manager agrees to increase officer awareness through reminders on a quarterly basis and ensure periodic training is undertaken.	30/04/19	We were advised that this recommendation will be actioned via a new learning & development system that has been purchased. Agreed to extend implementation date to 30/06/20.

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Audit Name	Priority	Recommendation	Management Response	Due Date	Update January 2020
2018/19 Systems Admin	2	We recommend a principal Identity and Access Management process detailing requirements for 'Joiners, Movers and Leavers' is developed and documented and that complies with the requirements set out in the Information Security and Access Control Policy. The overarching process should apply to and embrace all systems that may not be included within the standard ICT team scope and should be available for all employees to view and follow. System administrators should then document or update local processes and procedures that should be in alignment with the overarching policy and process requirements. and documented on a quarterly basis as per the requirements of the Risk Management Policy	Our team ICT Administrators are now updating and documenting our Access Management system process for joiners, Movers and Leavers. A change control process will be introduced that will document significant changes to the ICT infrastructure which will also align to our ICT User Policies and guidance.	31/03/20	

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Audit Name	Priority	Recommendation	Management Response	Due Date	Update January 2020
2018/19 Systems Admin	2	We recommend that officers with systems administration responsibilities are requested to review the Security Policy and its requirements, perform a gap analysis on their current system settings and processes and devise a plan to implement those changes to ensure continued compliance with the Policy. Should it not be possible to make changes for any reason, they should be risk assessed and documented on the ICT risk register or policy exception register.	We agree with the password setting findings and risks with on systems Business World and Civica applications. However, at present these risks are mitigated by the Active Directory (AD) password settings. Both Business world and Civica systems users only access these systems via the AD. We also comply with the HMG National Cyber Security Centre (NCSC) password guidance on our network. However, we will seek to review all passwords policy setting on both applications. Our ICT Risk register will be updated to reflect these security risks and mitigations.	31/12/19	Follow-up in progress

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Progress against 2018/19 Recommendations (Sept 2019)

Progress against 2018/19 Recommendations (Jan 2020)

Progress against 2019/20 Recommendations (Jan 2020)

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