

# Cheltenham Borough Council

## Report of Internal Audit Activity

January 2022

# Contents

The contacts at SWAP in connection with this report are:

**David Hill**

Chief Executive

Tel: 01935 848540

[david.hill@swapaudit.co.uk](mailto:david.hill@swapaudit.co.uk)

**Lucy Cater**

Assistant Director

Tel: 01285 623340

[lucy.cater@swapaudit.co.uk](mailto:lucy.cater@swapaudit.co.uk)

- Appendices:

Appendix A – Internal Audit Definitions

Appendix B – Audit Plan Progress

Appendix C – Summary of Audit Assignments

Appendix D – High Priority Findings and Agreed Actions

Appendix E – Summary of Agreed Actions

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

- No
- Limited
- Reasonable
- Substantial

#### Audit Framework Definitions

#### Control Assurance Definitions

<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>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>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>Substantial</b>	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

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.

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.

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.



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.

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.

# Audit Plan Progress

## APPENDIX B

Audit Type	Audit Area	Status	Opinion	No of Rec	Priority			Comments
					1	2	3	
					2020/21 Audits in Draft / In Progress at Annual Opinion			
Key Financial Control	Payroll	Final Report	Low Substantial	0				Reported in September
ICT	Systems Admin	Final Report	Medium Reasonable	2		2		Reported in September
ICT	Data Recovery Capabilities	Final Report	Low Substantial	1			1	Reported in September

Audit Type	Audit Area	Status	Opinion	No of Rec	Priority			Comments
					1	2	3	
2021/22 Audit Plan								
Operational	Accounts Payable	In Progress		0				Quarterly review of payments made. See Appendix C
Governance	Governance of Programmes and Projects	Final Report	High Reasonable	2		2		Reported in September
Operational	Procurement Cards	In Progress						
Operational	Election Expenses – Treatment of VAT	In Progress						
Follow-Up	Planning Enforcement	Final Report	Medium Reasonable	3		2	1	See Appendix C
Operational	Procurement (Contract Management and Monitoring)	Final Report	Medium Substantial	1			1	See Appendix C
Operational	Emergency Planning	Final Report	Low Reasonable	4	1	2	1	See Appendix C
Operational	Publica Performance Information	In Progress						
Governance	Risk Management	In Progress						
Governance	Governance and Monitoring of Strategic Partnerships	In Progress						
Key Financial Control	Revenues and Benefits							
	• Council Tax and National Non-Domestic Rates	Final Report	Medium Substantial	-				See Appendix C
	• Housing and Council Tax Benefits							
Key Financial Control	Core Financials							



Audit Type	Audit Area	Status	Opinion	No of Rec	Priority			Comments
					1	2	3	
	<ul style="list-style-type: none"> <li>Accounts Payable</li> </ul>							
	<ul style="list-style-type: none"> <li>Main Accounting and Accounts Receivable</li> </ul>	In Progress						
	<ul style="list-style-type: none"> <li>Payroll</li> </ul>	Scope Agreed						
	<ul style="list-style-type: none"> <li>Treasury Management and Bank Reconciliation</li> </ul>	Final Report	High Substantial	-				See Appendix C
Key Financial Control	Human Resources							
Operational	Business Grant Funding – Post Payment Assurance	Final Report	High Substantial	-				See Appendix C
Key Financial Control	Other Support Service provided by Publica <ul style="list-style-type: none"> <li>Procurement (Compliance with Strategy)</li> </ul>							
ICT	Vulnerability Management	Scope Agreed						
ICT	Accounts with Admin Privileges	Scope Agreed						
Grant Certification	Disabled Facilities Grants	Complete						
Grant Certification	Restart Grants	Complete						
Follow-Up	Follow-Ups of Recommendations made in Substantial and Reasonable Audits	On Going						
Other Audit Involvement	Working with the Counter Fraud Unit	On Going						

Audit Type	Audit Area	Status	Opinion	No of Rec	Priority			Comments
					1	2	3	
Other Audit Involvement	Management of the IA Function and Client Support	On Going						
Other Audit Involvement	Contingency – Provision for New Work based on emerging risks							




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




## Procurement (Contract Management and Monitoring) – Final Report – November 2021

### Audit Objective

To provide assurance that appropriate systems are in place to ensure that contracts are developed, managed, and monitored in accordance with the Council's policies and procedures.

Assurance Opinion		Number of Actions		Risks Reviewed	Assessment
	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	Priority	Number	The Council does not follow legislative requirements or its own Procurement and Contract Rules.	Low
		Priority 1	0	Ineffective contract management and monitoring arrangements leave the Council unable to deliver key services	Low
		Priority 2	1		
		Priority 3	0		
		Total	1		

### Key Findings

	Two versions of the Contract Rules were published on the Council's website and an out of date version was published on the staff intranet.  An action has been agreed to review and update the out of date information.
	Robust and effective contract management and monitoring is undertaken in accordance with the terms of the contract. Evidence of pricing being subject to scrutiny and challenge was seen. There were no variations to the contract and any expenditure incurred was supported with appropriate purchase orders.
	We have revisited the agreed actions that were made in the previous procurement audit and can confirm 4 have been implemented and one is in progress.

### Audit Scope

This work addressed the above objective and reviewed the controls operating in the following areas:

- Development of contracts including legal review
- Variation to contracts
- Management and monitoring of contracts

One of the contracts for recycling material sales was selected for review.

A virtual meeting with the Contract Manager and evidence provided has helped to inform the assurance opinion.

Testing undertaken has assessed the effectiveness of processes operating.

We also followed up recommendations from our previous Procurement & Contract Management audits.

### Observation

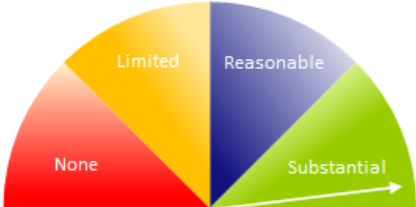
During fieldwork we identified that the contractor's business continuity arrangements were not formally reviewed. This was addressed along with other contracts managed by the officer. It may be useful to remind all officers responsible for managing and monitoring contracts that discussing and reviewing contractors' business continuity arrangements are key to ensuring minimal impact on service delivery if a problem was to occur.

Review of a contract that covered all 4 Publica councils found strong controls were operating, but contract documentation could be strengthened.

## Treasury Management and Bank Reconciliation – Final Report – September 2021




### Audit Objective

To ensure that the key controls within Treasury Management and Bank Reconciliations are operating effectively.

Assurance Opinion		Number of Actions	
	<p>A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.</p>	Priority	Number
		Priority 1	0
		Priority 2	0
		Priority 3	0
		Total	0

Risks Reviewed	Assessment
1. Inadequate treasury management arrangements in place, resulting in financial loss.	Low
2. If bank reconciliations are not regularly carried out, there is a risk of inaccurate financial reporting, loss of income and fraud.	Low
3. If previous recommendations made are not implemented, the organisation may be open to unnecessary risk exposure	Low

### Key Findings

	Treasury Management Strategies are approved in accordance with the budget setting process. Regular reports and cashflow forecasts are presented to senior management. A Treasury Management Outturn report is presented to members each year.
	Completed bank reconciliations are reviewed, anomalies investigated and approved by a senior independent officer within 2 to 3 days of month end.
	The agreed action from our previous audit has been implemented.

### Audit Scope

A high-level review was completed in the following areas:

- Treasury Management Strategy approval and reporting process
- Bank Reconciliation procedures.
- Follow up on last year's recommendations

We held discussions with the Publica Business Partner Accountant and the Senior Accounting Technician. And reviewed evidence provided to support discussions held.

Bank statements and the bank reconciliations from February 2021 were reviewed for all Councils and Publica.

### Conclusion

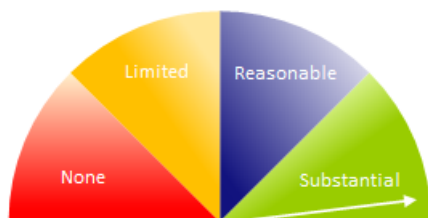
Robust controls are operating effectively within the areas reviewed. We did not identify any areas which warrant further review or reporting.

## Business Grant Post Payment Assurance – Final Report – November 2021

### Audit Objective

To provide assurance that COVID-19 related business grants were paid to eligible businesses, in accordance with Government guidance

### Assurance Opinion



A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

### Number of Actions

Priority	Number
Priority 1	0
Priority 2	0
Priority 3	0
Total	0

### Risks Reviewed

If sufficient checks and controls are not in place, ineligible recipients may receive COVID-19 business grants resulting in potential financial, fraud and reputational risk to the Council.

### Assessment

Low

### Key Findings



In February 2021 post payment assurance checks were completed for a sample of high value business grants paid between March and April 2020.

We have undertaken additional post payment assurance checks on further Government grant schemes. Work included reviewing information held on Companies House, to confirm company numbers and that businesses were active on the prescribed date. Rateable values were verified to ensure they agreed with information held on Council systems. Bank details from applications were also checked to ensure names and numbers matched.

We can confirm that no significant findings were made as a result of this work. All COVID-19 business grant payments tested were found to have been paid to eligible businesses, in accordance with Government guidance.

We can confirm post payment checks have been and continue to be undertaken by the Counter Fraud Team to identify potential fraudulent claims and then subsequent recovery actions where required. We have taken this assurance as well as the post payment assurance checks we have undertaken to support our overall opinion.

### Audit Scope

A review of a sample from all COVID-19 business grants payments since November 2020 was carried out to ensure that the payments were made to eligible recipients, in line with Government guidance.

The payments tested were made between November 2020 and July 2021. Businesses were selected at random. All grant payments made to selected businesses since November 2020 were examined.

### Further Comment

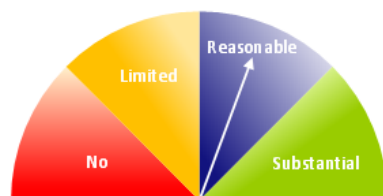
Conditions were placed on the grant schemes that had to be actioned by officers e.g. regular data submission, reconciliations. We can confirm these conditions have been met.

## Planning Enforcement Follow-Up – Final Report – November 2021

### Follow Up Audit Objective

To provide assurance that agreed actions to mitigate against risk exposure identified within the 2020/21 Planning Enforcement Position Statement have been implemented.

### Assurance Opinion



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.

### Follow Up Progress Summary

Priority	Complete	In Progress	Not Started	Summary
Priority 1	0	0	0	0
Priority 2	2	2	0	4
Priority 3	3	0	1	4
<b>Total</b>	<b>5</b>	<b>2</b>	<b>1</b>	<b>8</b>

### Key Findings



The current Local Enforcement Plan (LEP) is dated January 2014. Legislation requires the LEP to be reviewed at least every 5 years. The service area advised that review and update of the LEP has not started due to the operational changes taking place. To mitigate the risk of legal challenge, the agreed action to review and update this plan must be completed as soon as possible.



Work is in progress to review the current KPIs and ensure effective KPIs are developed to help service delivery. These will then be uploaded to the Clearview system to aid performance monitoring. A consistent process for recording case notes/discussions is being trialled and will be implemented shortly.



The 5 agreed actions relating to various administrative controls have been completed. This includes up to date consolidated information being published on the Council's website.

### Conclusion

A review of evidence provided, and testing undertaken can confirm the control environment has improved since our review in May 2021. Good progress has been made against the agreed action plan.

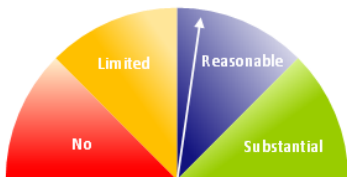





We have been advised that discussions are taking place with the System Administrator to extract more meaningful information from the Uniform system. It is hoped this will help improve current processes.

Where actions are in progress or not started, revised target implementation dates have been agreed and will be monitored as part of our agreed action tracking process.

## Emergency Planning – Final Report – November 2021

### Audit Objective

To provide assurance the emergency planning framework supports local communities in an emergency.

Assurance Opinion		Number of Agreed Actions		Risks Reviewed	Assessment
	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.	Priority	Number	Ineffective emergency planning and responses result in non-compliance with statute and insufficient actions, causing damage to human welfare and the environment.	Medium
		Priority 1	1		
		Priority 2	2		
		Priority 3	1		
		Total	4		
Key Findings					
	At the time of audit work, the DEPLO was the only CBC officer on call for emergency planning with support from the deputy-DEPLO. There were also no trained loggists. The DEPLO is liaising with ELT to ensure Emergency Planning roles, including on-call roles, are adequately resourced.				
	2 of the 4 gold commanders in the Emergency Response Plan have not undertaken training in the last 3 years as per the Emergency Response Plan. We were advised officers will be trained and a training schedule will also be introduced for members.				
	There is no guidance for how to use WhatsApp securely. The Counter Fraud Unit are developing a Social Media Policy, which will include its use. Emergency Planning will liaise with Counter Fraud to ensure officers are aware of how to share information correctly in emergency planning WhatsApp				
	The Emergency Planning Contact Directory contained officers who were no longer Council employees. Emergency Planning will liaise with HR to ensure they are notified of all leavers so the directory can be updated promptly.				
	CBC is reviewing its Emergency Planning documentation. At the time of audit work, the Flood Response Plan had been drafted and was being reviewed by the Environment Agency. All response plans are held on Resilience Direct, the central government hosted system used by the Local Resilience Forum (LRF). CBC regularly attend LRF meetings and work closely with the Gloucestershire Civil Protection team. A tabletop exercise to validate the Emergency Response Plan was undertaken in September 2021.				
Observations					
<ul style="list-style-type: none"><li>The DEPLO confirmed CBC plan to do more work with parish councils on community resilience for issues such as flooding that are becoming more common and effecting more areas.</li><li>At the time of audit work there was no Emergency Planning Comms. Plan. The DEPLO advised it was being drafted and would be introduced as an appendix of, or alongside the Emergency Response Plan.</li><li>Emergency planning being under resourced and having 1 officer on call is a risk to the Council fulfilling its obligation as a category 1 responder, but we note the substantial assurance given for CBC’s response to the Covid-19 pandemic.</li></ul>					
Audit Scope					
<p>In October 2021 a review of Emergency Planning documentation and procedures was undertaken. We looked at a selection of controls in the below areas;</p> <ul style="list-style-type: none"><li>Planning and implementation</li><li>Information sharing and communication</li><li>Ongoing management</li></ul> <p>Discussions were held with the DEPLO, and a demonstration of the Resilience Direct system was provided.</p> <p>The Emergency Planning Internal Contact Directory was reviewed to ensure it was current. And CBC’s Flood Response Plan was checked to ensure it was in place and had been recently updated.</p>					

## Accounts Payable – Continuous Auditing Analysis - December 2021

### Audit Scope

- 1. Duplicate payments** – review covers a period of 2 years, checking for potential duplicate payments for the Council and between Councils and/or Publica and/or CBH. Findings have been summarised and reported to AP for further review and correction where necessary. Findings have been followed-up during the subsequent review.
- 2. Sundry Suppliers** – review covers current quarter, checking for numerous payments made to a supplier. Where examples of these are identified they have been reported to AP for further review and where appropriate the creation of a specific supplier record on AP will be required.

Testing / Findings	Q1 (Aug 21)	Q2 (Nov 21)	Q3	Q4
<b>Duplicate Payments</b>				
Number of Duplicate Payments identified (paid twice including HRA expenditure)	6	1		
Value of Duplicate Payments identified (paid twice by including HRA expenditure)	£3,614.64	£150.00		
Number of Payments recovered either by Credit Note or Refund request from previous quarter	n/a	£0		
Value of Payments outstanding from previous quarter	n/a	£3,614.64		
Number of Duplicate Payments identified (paid by CBC and CBH)	3	0		
Value of Duplicate Payments identified (paid by CBC and CBH)	£2,116.18	£0		
Number of Payments recovered either by Credit Note or Refund request from previous quarter	n/a	2		
Value of Payments outstanding from previous quarter	n/a	£1,112.54		
<b>Sundry Suppliers</b>				
Number of supplier(s) appearing more than once under the Sundry Supplier Record	1	1		
Number of payments made to supplier(s) who appear more than once under the Sundry Supplier Record	2	2		
Supplier record created on BW	0	0		

### For Information

This continuous report will be included within the annual AP audit report and will support the annual assurance score.



## Council Tax, NNDR, Housing Benefits and Ctax Support – Final Report - December 2021

### Audit Objective

To ensure key financial system controls are operating effectively for Council Tax, Non-Domestic Rates, Housing Benefits and Council Tax Support, and that opportunities for error, fraud or corruption are minimised.

### Assurance Opinion



Substantial - 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.

### Number of Actions

Priority	Number
Priority 1	0
Priority 2	0
Priority 3	0
Total	0

### Risks Reviewed

1. The Council does not collect all Council Tax and Business Rates due as a result of errors, omissions or fraud leading to financial loss or reputational damage.

Low

2. Housing Benefits and Council Tax Support claims are not processed correctly, completely and on a timely basis as a result of errors, omissions or fraud leading to financial loss or reputational damage to the Council.

Low

### Key Findings



During another challenging year for the Revenues and Benefits Service area, key control processes continue to be performed. Financial reconciliations are completed frequently, accurately and independently checked. Any items in the suspense accounts are regularly checked and cleared. Council Tax processes to collect arrears and refund overpayments are returning to normal. Due to the demand Business Grants payments had on the team, there is an understandable backlog in some Non-Domestic Rates arrears processing, however processing has recommenced and is performed regularly. Also, due to the increased workloads, 2 previous low priority agreed actions have not yet been fully implemented and we have therefore extended the target dates and will follow-up on these in due course.



As things begin to return to normal, the Benefits team are now consistently achieving their processing targets for new claims and change in circumstances. The recovery of Housing Benefit overpayments is now receiving more focus following an Officer's temporary role change in response to the Pandemic. More time to quality checking to ensure processes are actioned accurately is being devoted, although this is yet to return to pre-pandemic levels.

### Audit Scope

This audit reviewed key control processes in the following areas.

#### Council Tax and Business Rates

- Key controls to include financial reconciliations and variance reporting.
- Follow up of last year's recommendations

#### Housing Benefit and Council Tax Support

- Financial reconciliations and variance reporting.
- HB & CTS Application processing times. Following the increased grant processing work, assurance that business as usual has not been adversely impacted.

### Additional Information

The Service Area recognises their Business Continuity Plan is need of a review and update. As part of this process, it is important some thought is given to the impact of a significant ICT outage, such as a 'ransomware' attack.

## High Priority Findings and Agreed Actions

## APPENDIX D

Audit Name	Priority	Finding	Agreed Action(s)	Due Date / Rev Date	Responsible Officer	Update December 2021
Planning Enforcement Follow-Up 44904	2	Enforcement performance monitoring is not recorded.	<p>The Enforcement Manager advised the recording of one-to-ones in the conversation section of the L&amp;D system is being trialled. The officer is hoping to have this action fully implemented by the end of October 2021.</p> <p>Review of the Enforcement Notices Issued spreadsheet can confirm the total number of Enforcement Notices issued are recorded against properties accordingly.</p>	Nov 2021	Senior Enforcement & Compliance Officer	Ongoing
Planning Enforcement Follow-Up 45224	2	Formal Planning Enforcement KPIs are not maintained.	Data quality will be reviewed to determine future KPIs. And that these KPIs will be added into Clearview along with the rationale behind them.	Jan 2022	Enforcement Manager	
Emergency Planning 46219	1	CBC Emergency Planning is not fully resourced	We will liaise with ELT to ensure Emergency Planning roles and on-call roles are adequately resourced.	Jan 2022	DEPLO	
Emergency Planning 46173	2	Some Gold Commanders have not undertaken training in the last 3 years.	<p>We will;</p> <ul style="list-style-type: none"> <li>•Ensure all officers undertake training every 3 years as per the ERP.</li> <li>•Introduce a cycle of awareness sessions for Members.</li> </ul>	Mar 2022	DEPLO	

## High Priority Recommendation Follow-Up

## APPENDIX D

Audit Name	Priority	Finding	Agreed Action(s)	Due Date / Rev Date	Responsible Officer	Update December 2021
Emergency Planning 46171	2	No guidance for the use of Emergency Response WhatsApp groups.	We will liaise with the Counter Fraud Unit and ensure the Social Media Policy and guidance for WhatsApp use is provided to all emergency response officers. This guidance will ensure officers share information relating to emergency incidents securely, and chats are removed from personal devices when necessary.	Jan 2022	DEPLO	
Procurement (Contract Management and Monitoring) 46226	2	Two versions of the Contract Rules were published on the Council's website and an out of date version was published on the staff intranet. The version within the Constitution does not include the 'Invitation to Tender' section. The section also refers to paragraph 11.3, but there is no paragraph 11.3.	The Head of Finance will ensure the correct version of Contract Rules are published in the Constitution and on the staff intranet.	Mar 2022	Chief Executive Officer	
Systems Admin 45115	2	Previous Recommendations not implemented		Jan 2022	ICT Audit and Compliance Manager	
Systems Admin 45236	2	Some controls not as robust as expected		Jan 2022	ICT Audit and Compliance Manager	

## High Priority Recommendation Follow-Up

## APPENDIX D

Audit Name	Priority	Finding	Agreed Action(s)	Due Date / Rev Date	Responsible Officer	Update December 2021
Governance of Programmes and Projects 45523	2	The Corporate Project Management Guidelines Document (2016) and old template documentation from 2016 are in the project management guide. We were advised the guide was updated in 2020, but old content has not yet been removed. The Business Change Team Leader confirmed the resource that would action this has been involved with the response to the pandemic and elections.	<ul style="list-style-type: none"> <li>We will review the intranet and remove old content from the project management guide.</li> <li>We will review and update project template documentation.</li> </ul>	Oct 2021	Business Change Team Leader	<p>PM guide on the intranet has been updated. Templates have been updated.</p> <p>Agreed Action Complete and recommendation closed.</p>
Governance of Programmes and Projects 45816	2	Benefits realisation processes are currently inconsistent. The Business Change Team Leader advised Clearview will be used going forward to inform managers when this needs to be completed. The officer advised service areas should have ownership of tracking outcomes and user experiences; however, this is not clearly stated in the project management guide.	<ul style="list-style-type: none"> <li>We will update principle 4 on the project management guide to state benefits realisation is the responsibility of the service area.</li> <li>ELT will ensure there is ongoing oversight of projects and programmes in Clearview.</li> </ul>	Oct 2021	Executive Director of People & Change	Ongoing
Accounts Payable 45450	2	Amendments to supplier accounts cannot be monitored.	We will contact Publica Business World On System Support & Maintenance to investigate how we can monitor amendments made to supplier accounts, and we will monitor account amendments weekly.	Sept 2021	AP Team Leader	This will be followed up during the annual Accounts Payable audit.

## High Priority Recommendation Follow-Up

## APPENDIX D

Audit Name	Priority	Finding	Agreed Action(s)	Due Date / Rev Date	Responsible Officer	Update December 2021
Human Resources (Learning and Development) 45225	2	The Action Plan, which underpins CBC's People Strategy, does not include timeframes, target dates or key deliverables. It would benefit from more frequent review and update to ensure that actions are delivered on time and in line with requirements. The Action Plan or equivalent revised document should be shared with CBC ELT on a regular basis to provide oversight and ensure actions meet the objectives set out in the CBC People Strategy.	In line with the People Strategy and the Council's aspirations and objectives, a formalised/documentated work plan will be produced annually to detail the work required of the Learning and Development Team by Cheltenham Borough Council. This work plan will include an outline of the project or work required, key deliverables and timeframes. Quarterly progress reports will be produced for the Executive Leadership Team (ELT). At the end of the year, a summary of work delivered will also be produced based on the work plan and shared with ELT.	Jun 2021	Talent Development Business Partner	L & D Reports were quarterly but have changed to six monthly as quarterly was too frequent. IA received a copy of the latest report.  Agreed Action Complete and recommendation closed.

## High Priority Recommendation Follow-Up

## APPENDIX D

Audit Name	Priority	Finding	Agreed Action(s)	Due Date / Rev Date	Responsible Officer	Update December 2021
ICT Business Continuity 44817	2	It is important the ICT Service have a full understanding of each Service Area and the wider organisation's business requirements to ensure a structured recovery in the event of a disruption to service. Business applications have been grouped together and documented in the ICT BCP plans, however there are some inconsistencies between the criticality of Service area's tolerable downtime, and the potential restoration of those services by the ICT team. There are also inconsistencies within the plan itself whereby it is stated Business Applications will be restored within 48 hours, but then also state recovery will be within 1 week to 10 days.	<ol style="list-style-type: none"> <li>1. Work on the Asset Inventory has already commenced and is to be completed.</li> <li>2. A revised BCM &amp; Emergency Plans template is being introduced by CBC DEPLO / ICT Audit &amp; Compliance Manager.</li> </ol>	Dec 2021	ICT Audit and Compliance Manager	<p>Asset inventory work is in progress and ongoing. Hardware and Software inventory Audits are due to be undertaken in this year's Audit plan.</p> <p>New Business Continuity Templates include Business Impact Analysis' have been issued and are in use.</p> <p>Agreed Action Complete and recommendation closed.</p>

## High Priority Recommendation Follow-Up

## APPENDIX D

Audit Name	Priority	Finding	Agreed Action(s)	Due Date / Rev Date	Responsible Officer	Update December 2021
Asset Management 44678	2	Reconciliation between the Uniform system and the Council's finance system is not completed as per the Financial Rules.	Work with finance to implement a process whereby income recorded in Uniform is reconciled with the Business World system in accordance with the financial rules.	<del>May 2021</del> Mar 2022	Head of Finance	<p>Finance Business Partner for CBC advised the following: "I would suggest that the below would be more beneficial, add more value and improve the accuracy and completeness of our financial information:</p> <p>1.A process mapping of reoccurring invoices raised in property. I think this will highlight many manual processes open to human error and a lack of segregation of duty</p> <p>2.A focus on how new leases are processed and sent to AR, what checks happen here</p> <p>3.As above, but when tenants leave leases and the close down process</p> <p>As these invoices are mainly on reoccurring invoices set up by AR I think the focus really needs to be on the adding, and deleting of these reoccurring invoices rather than periodic snap shots."</p> <p>The CBC Head of Finance is aware of this and has agreed to a revised implementation date</p>



## High Priority Recommendation Follow-Up

## APPENDIX D

Audit Name	Priority	Finding	Agreed Action(s)	Due Date / Rev Date	Responsible Officer	Update December 2021
ICT Incident Management 44560	2	As part of the Information Security framework of policies, the Incident Management Policy is out of date and requires review, update, and approval. Update of the policies has been impacted by the Covid-19 pandemic, and the need for a review is recognised by the ICT Audit & Compliance Manager.	ICT Audit and Compliance Manager will review and update all ICT Security Policies following the completion of the Cyber Security audit report. The aim to have drafted policies by April 2021 for circulation to all network users.	<del>April 2021</del> Mar 2022	ICT Audit and Compliance Manager	The refresh and update of all ICT Policies is in progress and will be subject to consultation.  Revised implementation date
ICT Incident Management 44562	2	There is a lack of detailed standard operating procedural documentation. Incident management investigation is currently based on a high-level process flow-chart denoted in the Incident Management policy; however, this lacks detailed information on how to conduct an incident investigation.	We have now commenced with documenting our cyber incident and investigation managements procedures	Jan 2022	ICT Audit and Compliance Manager	Ongoing  The ICT Audit and Compliance Manager is working with the Security Engineer on an incident playbook that define the procedures and steps to be taken during an incident investigation. On target for completion by January 2022.
Property Use of Contractors 42058	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.	<del>Mar 2020</del> Oct 2021	<del>Senior Building Surveyor</del> Head of Finance	We issued a follow up report in April 21, confirming this action had been partially implemented.  But due to staff departures, the remaining elements have not been completed.  Further follow up required.

# High Priority Recommendation Follow-Up

# APPENDIX D

Audit Name	Priority	Finding	Agreed Action(s)	Due Date / Rev Date	Responsible Officer	Update December 2021
Property Use of Contractors 42057	2	<p>We recommend:</p> <ul style="list-style-type: none"> <li>i. that unless specialist skills are required to complete specific works, only approved framework contractors are used for general building works.</li> <li>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.</li> </ul>	<p>Now using only framework contractors or obtaining waivers for non-specialist works.</p> <p>Additional frameworks are being pursued though One Legal for use of the GCC framework and Publica Procurement for additional frameworks.</p>	<p><del>Mar 2020</del></p> <p>Oct 2021</p>	<p><del>Senior Building Surveyor</del></p> <p>Head of Finance</p>	<p>We issued a follow up report in April 21, confirming attempts had been made to implement this action.</p> <p>But due to staff departures, the action is ongoing.</p> <p>Further follow up required.</p>

## Summary of all Agreed Actions from April 2020 and Progress against them

CBC ONLY	Priority			
	1	2	3	Total
TOTAL in Audit Period (From 4/20)	1	12	7	20
Open and current	1	4	2	7
Open and Outstanding/Overdue Subject to follow up	0	0	0	0
Open with date extended	0	5	2	7
Closed	0	3	3	6

PUB ONLY	Priority			
	1	2	3	Total
TOTAL in Audit Period (From 4/20)	0	10	13	23
Open and current	0	5	7	12
Open and Outstanding/Overdue Subject to follow up	0	1	2	3
Open with date extended	0	2	2	4
Closed	0	2	2	4