Stevenage Borough Council
Audit Committee

26 March 2018

Shared Internal Audit Service –
Progress Report

Recommendation

Members are recommended to note the Internal Audit Progress Report for the period to 9 March 2018

Contents

1 Introduction and Background

<u>Purpose of Report</u>

1.1   To provide Members with:

   a) The progress made by the Shared Internal Audit Service (SIAS) in delivering the Council's 2017/18 Internal Audit Plan as at 9 March 2018.
   b) The findings for the period 21 January to 9 March 2018.
   c) The proposed amendments required to the approved Annual Internal Audit Plan.
   d) The implementation status of previously agreed high priority audit recommendations.
   e) An update on performance management information as at 9 March 2018.

<u>Background</u>

1.2   Internal Audit's Annual Plan for 2017/18 was approved by the Audit Committee at its meeting on 28 March 2017. The Audit Committee receive periodic updates against the Annual Internal Audit Plan.

1.3   The work of Internal Audit is required to be reported to a Member Body so that the Council has an opportunity to review and monitor an essential component of corporate governance and gain assurance that its internal audit function is fulfilling its statutory obligations. It is considered good practice that progress reports also include proposed amendments to the agreed Annual Internal Audit Plan.

2 Audit Plan Update

<u>Delivery of Audit Plan and Key Audit Findings</u>

2.1   As at 9 March 2018, 86% of the 2017/18 Audit Plan days had been delivered (calculation excludes contingency days that have not been allocated).

2.2   Final reports for the following audits and projects from the 2017/18 Audit Plan have been issued or completed since the last Audit Committee papers were issued:

Audit Title	Date of Issue	Assurance Level	Number of Recommendations
Payroll	Jan '18	Substantial	Two merits attention
Housing Benefits	Feb '18	Substantial	One merits attention
Creditors	Feb '18	Substantial	Two medium One merits attention

Risk Management	Mar '18	Full	None
Treasury Management	Mar '18	Full	None

Proposed Audit Plan Amendments

2.3   There has been one change to the audit plan since the last audit committee on 5 February 2018 involving the cancellation of the Housing Development – Kenilworth Scheme review. From discussion with officers, this review is not required at this time and has been deferred to the 2018/19 audit plan. The one day released has been added to the Contract Management audit to cover the extended / amended scope.

Reporting of Audit Plan Delivery Progress

2.4   At the meeting of this Committee on 18 November 2013, it was agreed that the method for reporting on audit plan delivery progress be based on the judgement of the SIAS management team and representing the best estimate as to a reasonable expectation of progress on the audit plan. This approach is reflected in the figures at 2.12 (below).

2.5   To help the Committee in assessing the current situation in terms of progress against the 2017/18 projects in the Audit Plan we have continued to provide an overall progress update in the table below. In addition, we have agreed formal audit start dates with management and have allocated resources accordingly; details can be found in Appendix C. This is designed to help facilitate a smoother level of audit plan delivery through the year.

Final / Draft Report Issued (26)	
Confidence level in completion of this work – **Full**	
Repairs and Voids Service (final)	Incident Management (IT Disaster Recovery – Post Incident (final)
NDR (final)	Off-street Parking (final)
Local Authority Serious and Organised Crime Checklist (draft)	Health and Safety (final)
Integra Upgrade (final)	DFG Capital Grant Certification (complete)
IT Procurement (final)	Mutual Exchanges (final)
Council Tax (final)	Commercial Properties (final)
Museum Lease Payments (final)	Creditors (final)
Payroll (final)	Housing Benefits (final)
Main Accounting System (General Ledger) (draft)	Treasury Management (final)
Housing Rents (draft)	Cyber Security (draft)
GDPR Preparedness (draft)	Housing Allocations Follow-up (draft)
Debtors (draft)	Risk Management (final)
Cemetery Fuel Follow-up (draft)	Repairs and Voids Service - Standby and Callout Payments (draft)

In Fieldwork / Quality Review (7)	
Confidence level in completion of this work – **Strong to Full**	
Payroll Self-Service	Contract Management
Empty Properties / Voids	Shared Legal Services
Fire Safety	Corporate Governance
IT Shared Service Agreement	

Terms of Reference Issued / In Planning - Scope and Start date agreed with Management - preliminary work has begun (1)	
Confidence level in completion of this work – **Strong** – resources have been allocated to these activities by SIAS and management has agreed the way forward; dates are planned in diaries	
Cash and Banking (ToR)	

Allocated / No work commenced (1)	
Confidence level in completion of this work – **Low** – resources have been allocated to these activities by SIAS and management has agreed the way forward; dates are planned in diaries	
Customer Service Centre - Complaints Handling	

Cancelled / Deferred (1)	
Housing Development Schemes	

Summary – 9 March 2018		
Status	**No of Audits at this Stage**	**% of Total Audits (36)**
Draft / Final Report	26	72%
Quality Review	0	0%
In Fieldwork	7	19%
ToR Issued	1	3%
In Planning	0	0%
Allocated – Yet to start	1	3%

Cancelled / Deferred	1	3%

2.6   We have also included some similar tables to summarise the position with regard to 2016/17 audits brought forward into the 2017/18 Audit Plan. These projects will be included in our 2017/18 Head of Assurance Opinion and Internal Audit Annual Report, where they constitute assurance pieces.

Draft / Final Report Issued (5)	
Confidence level in completion of this work – **Full**	
Agency Staff (final)	Overtime (final)
Joint Review – Prevent (final)	Refugee Resettlement (final)
Joint Review – Local Authority Trading (workshop held on 16 March 2018)(complete)	

In Quality Review (0)	
Confidence level in completion of this work – **Full**	
N/A	

In Fieldwork (2)
Confidence level in completion of this work – **Strong to Full**
Managing Use of Council Vehicles (deferred to Q3 2017/18)	

Cancelled / Deferred (2)	
Concessions	Medium Term Financial Strategy

2.7   Since the February 2018 Audit Committee, further progress has been made in delivery of our two principal key performance indicators (billable days and audits to draft report stage). Of particular note, is the additional nine draft reports issued since the previous Audit Committee.

High Priority Recommendations

2.8   Members will be aware that a Final Audit Report is issued when it has been agreed ("signed off") by management; this includes an agreement to implement the recommendations that have been made.

2.9   The schedule attached at Appendix B provides a history of management comments and updates for any outstanding high priority audit recommendations.

2.10   No new high priority audit recommendations have been added since the previous Audit Committee.

Performance Management

2.11   The 2017/18 annual performance indicators were approved at the SIAS Board meeting in March 2017. Targets were also agreed by the SIAS Board for the majority of the performance indicators.

2.12   The actual performance for Stevenage Borough Council's 2017/18 Audit Plan against the targets that can be monitored in year is set out in the table below.

Performance Indicator	Annual Target	Profiled Target	Actual to 9 March 2018
1. Planned Days – percentage of actual billable days against planned chargeable days completed	95%	88% (345 / 390 days)	86% (334 / 390 days)
2. Planned Projects – percentage of actual completed projects to draft report stage against planned completed projects	95%	80% (28 / 35 projects)	74% (26 / 35 projects)
3. Client Satisfaction – percentage of client satisfaction questionnaires returned at	100%	100%	100% (8 received for 2017/18 out of 16 issued)

'satisfactory' level			
4. Number of High Priority Audit Recommendations agreed	95%	N/A	100% 8 (2 from 2016/17 audit issued in June 2017 and 6 from 2017/18 work)

APPENDIX A - PROGRESS AGAINST THE 2017/18 AUDIT PLAN AT 9 MARCH 2018

2017/18 SIAS Audit Plan

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
Key Financial Systems – 100 days								
Main Accounting System (General Ledger)					8	Yes	7.5	Draft Report Issued
Debtors					10	Yes	9.5	Draft Report Issued
Creditors	Substantial	0	2	1	12	Yes	12	Final Report Issued
Treasury Management	Full	0	0	0	8	Yes	8	Final Report Issued
Payroll	Substantial	0	0	2	12	Yes	12	Final Report Issued
Council Tax	Full	0	0	0	10	Yes	10	Final Report Issued
NDR	Substantial	0	0	1	10	Yes	10	Final Report Issued
Housing Benefits	Substantial	0	0	1	12	Yes	12	Final Report Issued
Cash and Banking					8	Yes	1.0	ToR Issued
Housing Rents					10	Yes	9.5	Draft Report Issued
Operational Audits – 127 days								
Mutual Exchanges	Substantial	0	0	0	10	Yes	10	Final Report Issued
Empty Properties / Voids					10	Yes	6	In Fieldwork
Off-street Parking	Substantial	0	1	3	10	Yes	10	Final Report Issued
Repairs and Voids Service	Moderate	2	1	1	18	Yes	18	Final Report Issued
Health and Safety	Substantial	0	0	1	10	Yes	10	Final Report Issued
Commercial Properties	Moderate	0	1	1	10	Yes	10	Final Report Issued
Payroll Self-Service					10	Yes	5	In Fieldwork
Integra Upgrade	Substantial	0	1	2	10	Yes	10	Final Report Issued
Customer Service Centre - Complaints Handling					10	Yes	0.5	In Planning
Repairs and Voids Service - Standby and Callout Payments					7	Yes	6.5	Draft Report Issued
Shared Legal Services					10	Yes	4	In Fieldwork

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
Fire Safety					10	Yes	4	In Fieldwork
DFG Capital Grant Certification	N/A	0	0	0	2	Yes	2	Complete
Procurement, Contract Management and Project Management – 13.5 days								
Contract Management					11	Yes	8.5	In Fieldwork
Housing Development - Kenilworth Scheme					0	Yes	0	Cancelled
Museum Lease Payments	N/A	0	0	0	2.5	Yes	2.5	Final Report Issued
Risk Management and Governance – 12 days								
Risk Management	Full	0	0	0	6	Yes	6	Final Report Issued
Corporate Governance					6	Yes	2	In Fieldwork
IT Audits – 30.5 days								
IT Procurement	Moderate	0	2	1	6	Yes	6	Final Report Issued
Mobile Device Management and BYOD					0.5	Yes	0.5	Cancelled – deferred to 18/19
IT Shared Service Agreement					6	Yes	2.5	In Fieldwork
Incident Management	Limited	4	1	0	6	Yes	6	Final Report Issued
Cyber Security					6	Yes	5.5	Draft Report Issued
GDPR Preparedness					6	Yes	5.5	Draft Report Issued
Shared Learning and Joint Reviews – 7 days								
Shared Learning					5	Yes	4.5	Through Year
Joint Reviews					2	Yes	0.5	In Progress
Counter Fraud – 12 days								
Local Authority Serious and Organised Crime Checklist					12	Yes	11.5	Draft Report Issued
Ad Hoc Advice – 5 days								
Ad Hoc Advice					5	Yes	4.5	Through Year
Follow-up Audits – 8 days								

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
Housing Allocations					5	Yes	4.5	Draft Report Issued
Cemetery Fuel					3	Yes	2.5	Draft Report Issued
Completion of 16/17 Projects – 28 days								
Other					3		3	Complete
Refugee Resettlement Programme	Full	0	0	0	5	Yes	5	Final Report Issued
Concessions					0	Yes	0	Cancelled
Medium Term Financial Strategy Benchmarking					1	Yes	1	Cancelled
Overtime	Moderate	0	4	0	9	Yes	9	Final Report Issued
Managing Use of Council Vehicles					5	Yes	4	In Fieldwork (deferred to Q3)
Agency Staff	Full	0	0	0	4	Yes	4	Final Report Issued
Joint Review - Local Authority Trading					0.5	Yes	0.5	In Fieldwork
Joint Review - Prevent					0.5	Yes	0.5	Final Report Issued
Contingency – 0 days								
Contingency								
Strategic Support – 47 days								
Annual Report and Head of Internal Audit Opinion 2016/17					5		5	Complete
Audit Committee					10		10	Through Year
Client Liaison					8		8	Complete
Liaison with External Audit					2		2	Complete
Monitoring					12		11.5	Through Year
SIAS Development					5		5	Complete
2018/19 Audit Planning					5		5	Q3/Q4
SBC TOTAL					**390**		**334**	

No.	Report Title	Recommendation	Management Response	Responsible Officer	Implementation Date	History of Management Comments	Auditor Comment as at 14 March 2018
1.	Digital Information Management	**Digital Record Retention** Senior Management should, in conjunction with the IT Service, identify an appropriate file management system(s) through which the Councils' record retention schedules can be enforced. The digital records, which include those that are stored within IT systems, should be reviewed on a routine basis and where there is not a demonstrable need for their retention they should be disposed of. The IT Service should maintain a record of the IT systems that do not conform to the Councils' requirements for digital record retention and appropriate compensating controls should be deployed.	SBC has recruited a new Information Officer who is delivering an action plan for the Council to comply with GDPR including focus on personal data. This post currently reports to the Head of Legal Services but will transfer to AD of Corporate Projects, Customer Services and Technology in July 2017. • Action plan delivery, • GDPR Compliance at SBC, • Proposing formation of a sub group of the Corporate Governance Group to be created to focus on good information governance for SBC, • EH have a new	Assistant Director (Corporate Projects, ICT and Customer Services) (Stevenage Borough Council) / Borough Solicitor	31 July 2017 31 May 2018 30 September 2017 31 May 2018	25/08/2017 - This is a new addition and the management response opposite is the latest comment. The AD Corporate Projects, ICT and Customer Services and Senior IT Manager will be in attendance at the Audit Committee to take any questions. 30/10/2017 – An update will be provided by representatives of IT Services at the Audit Committee meeting. 23/01/2018 - An update will be provided by representatives of IT Services at the Audit Committee meeting. 14/03/2018 - Action plan in place and being delivered / under review to achieve GDPR compliance at SBC – regular updates to SLT • Corporate Information	Partly implemented.

No.	Report Title	Recommendation	Management Response	Responsible Officer	Implementation Date	History of Management Comments	Auditor Comment as at 14 March 2018
			Policy Officer leading on GDPR compliance and staff training.			Governance Group (CIGG) in place and meeting and IAO's identified and active • An Information and Records Governance Manager role has now been recruited / and will be confirmed • SIAS Audit – GDPR preparedness completed and draft report issued – moderate assurance.	
2.	Digital Information Management	**Security Standards for IT Systems** Management should establish a standard for securing the IT systems that are used to collect, process and store digital records. This should include, but not be limited to: - Password standards, which should be aligned to or exceed the requirement for active directory accounts. - All users should be uniquely identified and	ICT Policy Frameworks to be strengthened – deliver actions within the Improvement Plan from the ICT Review (already procurement of a policy framework is being investigated) Cybersecurity Action Plan in place and being delivered.	Assistant Director (Corporate Projects, ICT and Customer Services) (Stevenage Borough Council)	30 September 2017 Ongoing	25/08/2017 - This is a new addition and the management response opposite is the latest comment. The AD Corporate Projects, ICT and Customer Services and Senior IT Manager will be in attendance at the Audit Committee to take any questions. 30/10/2017 – An update will be provided by representatives of IT Services at the Audit Committee meeting. 23/01/2018 - An update	Partly implemented.

No.	Report Title	Recommendation	Management Response	Responsible Officer	Implementation Date	History of Management Comments	Auditor Comment as at 14 March 2018
		generic accounts should be locked unless there is a business requirement for their use - A full audit trail should be enabled to trace user activity. Management should maintain a record of the IT systems that do not comply with the standard and take appropriate action to mitigate the risk of a security breach.				will be provided by representatives of IT Services at the Audit Committee meeting. 14/03/2018 – New Access Control guidelines for IT Systems have been adopted and the shared IT Service are working with key stakeholders to implement these guidelines for all IT systems used by both Councils.	
3.	Repairs and Voids Service	**Recruitment issues** a) While the recruitment process continues for these key roles, the progress of these actions should be reported to a relevant forum such as SLT. b) Once recruited, the established KPIs for each role should be monitored through the new performance appraisal process. For context – Finding included as background	Agreed. The appropriate forum will be agreed with the Strategic Director and Deputy Chief Executive. Agreed.	Strategic Director and Deputy Chief Executive	30 September 2017	23/01/2018 - No new management updates as report issued in January 2018. 07/03/2018 - An update will be provided by representatives of Repairs and Voids service at the Audit Committee meeting.	Not yet implemented.

No.	Report Title	Recommendation	Management Response	Responsible Officer	Implementation Date	History of Management Comments	Auditor Comment as at 14 March 2018
		There are several roles within the Repairs and Voids Service which are currently not filled with substantive staff: a) Service Manager (filled by Interim Service Manager) b) Repairs Manager c) Contract/Supplier Manager d) Information Manager These roles are currently filled via a mix of agency staff and existing substantive employees taking on additional roles until successful candidates are recruited. There have been a number of unsuccessful recruitment cycles for each role. We noted that KPIs which reflect the objectives of the Service as outlined in the Improvement Plan have been established for each role to ensure that the progress made by implementation of each project is embedded once these posts have been filled.	Please also see below details. Following a comprehensive recruitment process we have appointed a permanent Repairs and Voids Service Manager who will join the Council on October 30th 2017. Regrettably the person who was offered the 2nd position - Repairs and Voids Manager position withdrew so we are going back out to advert for this post. We are also out to advert to recruit the permanent Information Analyst. We have been unsuccessful to date in recruiting the permanent Contract/Supplier Manager but are back out to advert Recruitment issues further link into operational roles - the requirement for NVQ				

No.	Report Title	Recommendation	Management Response	Responsible Officer	Implementation Date	History of Management Comments	Auditor Comment as at 14 March 2018
		Examination of relevant risk registers and InPhase indicates that the risk around the vacant posts has been added as a corporate risk.	2/3 has affected the service's ability to fill roles quickly. With this recognised we have adopted a skills test for agency workers which have resulted in recruitment of time served operatives with a high skill level. While the approach gets the right people in it does not create a succession plan as the requirement of NVQ 2/3 negates the ability to apply for a full time role - agency costs are circa 15% higher than full times roles. Furthermore any operative recruited on an NVQ 2 has to commit to obtaining a NVQ 3 (within work time) within a period of a year - bearing in mind the current course last 2 years. Releasing a volume				

No.	Report Title	Recommendation	Management Response	Responsible Officer	Implementation Date	History of Management Comments	Auditor Comment as at 14 March 2018
			of operatives on day release impacts on service delivery and increases the need for sub-contract support. It should also be noted that SBC has appointed the Assistant Director for Stevenage Direct Services who took the post up in early November 2017. The AD will line manage the R&V Service Manager and will be responsible for driving the necessary actions forward.				
4.	Repairs and Voids Service	**Post Project Closure Reports and Follow Up Actions** a) Management of the implementation of these actions should be included in the job objectives for the incoming Information Manager.	Agreed. Project Leads and the Information Analyst are to meet with all relevant parties on a monthly basis to review the actions and collate all relevant information and reports. This will	Service Delivery Manager	On appointment	23/01/2018 - No new management updates as report issued in January 2018. 07/03/2018 - An update will be provided by representatives of Repairs and Voids service at the Audit	Not yet implemented.

No.	Report Title	Recommendation	Management Response	Responsible Officer	Implementation Date	History of Management Comments	Auditor Comment as at 14 March 2018
			then be reviewed and signed off by the Service Delivery Manager.			Committee meeting.	
		b) Implementation of post project actions should be monitored by the ECHFL Board. For context – Finding included as background From the five projects selected, a post project closure report has been completed for four of these. The remaining one is due for completion following the final staff away day, September 2017. Whilst these projects are reported as completed, the closing reports for each project identify future actions and post project actions. The project team leaders are mostly in charge of the future actions. Some of the actions such as those for the Repairs Diagnosis project have been ongoing since July 2016. During the course of the	Agreed. Monthly reviews of this document will take place with the Service Delivery Manager and all updates will be logged and monitored. This can then be reviewed by ECHFL. Please also refer to the attached Post Programme Actions spreadsheet.	Service Delivery Manager and ECHFL Board	To be commenced October 2017		

No.	Report Title	Recommendation	Management Response	Responsible Officer	Implementation Date	History of Management Comments	Auditor Comment as at 14 March 2018
		audit, a consolidated post project action tracker was being developed to allow the orderly demobilisation of the programme management team. There was no central monitoring of actions prior to the implementation of this tracker. It is essential that the incoming management team continue to monitor and implement these actions. The consolidated tracker has been developed to ensure that as the programme closes down and permanent managers recruited the actions are available. Prior to this, individual project managers tracked the progress of post project actions. Several actions on the post programme tracker have been assigned to the 'Information Manager' post which has not yet been filled.					
5.	IT Disaster Recovery	**Network resilience**					

No.	Report Title	Recommendation	Management Response	Responsible Officer	Implementation Date	History of Management Comments	Auditor Comment as at 14 March 2018
	(Post-Incident)	Management should put in place a defined procedure for establishing a single data centre in the event of a loss of synchronisation between the two data centres. These procedures should be incorporated within the IT disaster recovery planning (see Finding 2). Furthermore, additional connectivity should be added to the IT network so that the single point of failure for Stevenage Borough Council is addressed.	Agreed. A technical procedure for establishing all IT services at a single data centre has been drafted. This will be further refined following testing and use. Additional connectivity options are being considered and will be implemented as part of the outcomes from the IT Disaster Recovery review in January 2018.	Interim Senior IT Manager	Complete 31 August 2018	23/01/2018 - No new management updates as report issued in January 2018. 14/03/2018 - The technical procedure is in place and we continue to work towards establishing a single data centre and this is part of the Disaster Recovery Planning currently being undertaken. This will be developed following the establishment of the Disaster Recovery Plan.	Implemented Not yet implemented.
5.	IT Disaster Recovery (Post-Incident)	**Environmental controls** Appropriate environmental controls should be installed at both data centres so that they can continue to operate in the event of a disaster. This should include: • Appropriate UPS deployed at both data centres • Appropriate power	Agreed. Increased power resilience will be implemented with larger capacity UPS deployed at both data centres, plus a generator will be installed to support the continued operation of the	Interim Senior IT Manager	31 May 2018	23/01/2018 - No new management updates as report issued in January 2018. 14/03/2018 - The first meeting with the supplier is due to take place in early March and installation is expected by	Not yet implemented.

No.	Report Title	Recommendation	Management Response	Responsible Officer	Implementation Date	History of Management Comments	Auditor Comment as at 14 March 2018
		sources to support the continued operation of air conditioning at the Daneshill site. Management should define the processing capacity threshold at which it is no longer possible for a data centre to operate as the single data centre. This should be monitored and, where exceeded, appropriate action should be taken.	Daneshill data centre in the event of power disruption. Capacity requirements will be considered as part of identifying the technical solution within the planned review of IT Disaster Recovery Plans. More formal improved capacity management processes will be introduced as part of the IT Service's adoption of ITIL.		31 March 2018 31 December 2018	the original target date. This will increase our ability to operate Business As Usual and enable more effective Disaster Recovery. Additional hardware is being purchased to enable greater capacity. This initial mitigation will be in place by April 2018. This will enable the re-provisioning of a greater number of remote desktops across both councils should a data centre be lost. IT staff have undergone initial ITIL training and the learning has started to be transferred to the workplace. Further training will continue on an on-going basis.	Not yet implemented. Not yet implemented.
7.	IT Disaster Recovery (Post-Incident)	**Disaster recovery planning** Working with stakeholders from both Councils, Senior Management must define the recovery time and point objectives for critical IT systems and determine the order by which they should	Agreed. A review of IT Disaster Recovery arrangements will be undertaken, which will re-establish the	Interim Senior IT Manager	31 March 2018	23/01/2018 - No new management updates as report issued in January 2018.	Not yet implemented.

No.	Report Title	Recommendation	Management Response	Responsible Officer	Implementation Date	History of Management Comments	Auditor Comment as at 14 March 2018
		be recovered by the Service. Where the Service is unable to achieve these objectives, the relevant IT system owner must identify alternative recovery solutions. The Service should put in place a defined IT disaster recovery plan, which is aligned to the Councils' continuity planning.	councils' business requirements and identify the technical solutions needed.			14/03/2018 - BDO have been commissioned to provide expertise and support to the review of Disaster Recovery Planning. This will be further supported by the expected team restructure once the new lead post has been recruited to. In the meantime, the IT team continue to progress this work, supported by experts from outside of the organisations.	
3.	IT Disaster Recovery (Post-Incident)	**Risk assessment and tolerance** Management should assess the risk of the data centres becoming unavailable and, where necessary, revise the risk treatment plans. Senior management at both Councils, supported by the Service, should perform a business impact assessment with regards to the loss of IT and define their respective risk appetites so that	Agreed. The risk appetites of the councils will be considered and addressed as part of the planned review of IT Disaster Recovery Plans.	Interim Senior IT Manager	31 March 2018	23/01/2018 - No new management updates as report issued in January 2018. 14/03/2018 - See item 7 above. This will be considered as part of the first phase of the review of Disaster Recovery Planning being supported by BDO.	Not yet implemented.

No.	Report Title	Recommendation	Management Response	Responsible Officer	Implementation Date	History of Management Comments	Auditor Comment as at 14 March 2018
		appropriate actions are taken by the Service.					

APPENDIX C - AUDIT PLAN ITEMS (APRIL 2017 TO MARCH 2018) - START DATES AGREED WITH MANAGEMENT

Apr	May	Jun	July	Aug	Sept
16/17 Audit - Overtime **(Final Report Issued)**	Follow-up – Cemetery Fuel **(Draft Report Issued)**	Local Authority Serious and Organised Crime Checklist **(Draft Report Issued)**	IT Procurement **(Final Report Issued)**	IT Disaster Recovery / Incident Management **(Final Report Issued)**	DFG Capital Grant Certification **(Complete)**
16/17 Audit – Managing Use of Council Vehicles **(In Fieldwork - Deferred to Q3 (October))**	Integra Upgrade **(Final Report Issued)**	Health and Safety Compliance **(Final Report Issued)**	Commercial Properties **(Final Report Issued)**	Mobile Device Management and BYOD **(Deferred to 18/19 – replaced by GDPR Preparedness)**	IT Shared Service Agreement **(In Fieldwork – moved to Q4)**
16/17 Audit – Refugee Resettlement Programme **(Final Report Issued)**	Payroll Self-Service **(In Fieldwork – deferred to commencement of Payroll audit)**	Cyber Security **(Draft Report Issued)**	Repairs and Voids Service **(Final Report Issued)**	Off-Street Parking **(Final Report Issued)**	Mutual Exchanges **(Final Report Issued)**
16/17 Audit – Concessions **(Cancelled)**	Repairs and Voids Service - Standby and Callout Payments **(Draft Report Issued)**		Contract Management **(In Fieldwork)**		Fire Safety **(In Fieldwork – moved to Q4)**
16/17 Audit – MTFS Benchmarking **(Cancelled)**					
16/17 Audit – Joint Reviews (Prevent and Local Authority Trading) **(Final Report Issued / Workshop)**					
16/17 Audit – Agency Staff **(Final Report Issued)**					

APPENDIX C - AUDIT PLAN ITEMS (APRIL 2017 TO MARCH 2018) - START DATES AGREED WITH MANAGEMENT

Oct	Nov	Dec	Jan	Feb	Mar
Main Accounting System (General Ledger) **(Draft Report Issued)**	Cash and Banking **(ToR Issued)**	Treasury Management **(Final Report Issued)**	Follow-up – Housing Allocations **(Draft Report Issued)**	Risk Management **(Final Report Issued)**	Housing Development - Kenilworth Scheme **(Cancelled – deferred to 2018/19)**
Debtors **(Draft Report Issued)**	NDR **(Final Report Issued)**	Payroll **(Final Report Issued)**	Empty Homes / Voids **(In Fieldwork)**	Corporate Governance **(In Fieldwork – moved to March)**	
Creditors **(Final Report Issued)**	Housing Benefits **(Final Report Issued)**	Housing Rents **(Draft Report Issued)**	Customer Service Centre – Complaints Handling **(In Planning)**	Shared Legal Service **(In Fieldwork)**	
Council Tax **(Final Report Issued)**		Museum Lease Payments **(Final Report Issued)**		GDPR Preparedness **(Draft Report Issued)**	

This is an indicative spread of audit start dates agreed prior to the start of the financial year as part of the annual planning process. It is accepted that this that may change as the financial year progresses, as the Audit Plan is intended to be dynamic and flexible. Revised start months agreed with management have been annotated on the calendar above.

All key financial systems audits have been brought forward to accommodate early closure and external audit requirements.