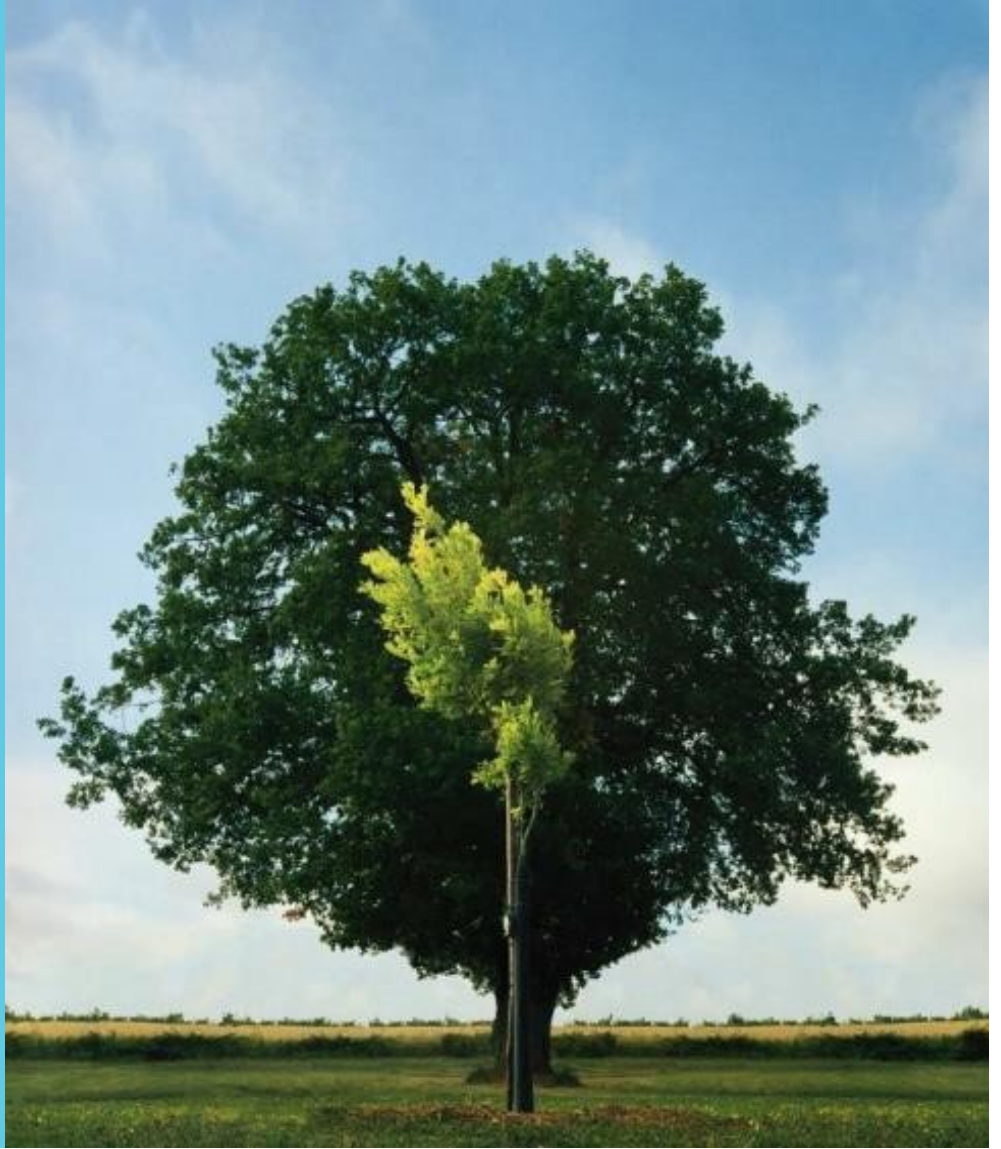


OXFORD CITY COUNCIL

INTERNAL AUDIT FOLLOW UP OF RECOMMENDATIONS REPORT

July 2018



INTRODUCTION AND EXECUTIVE SUMMARY

Introduction

Ahead of each Audit and Governance Committee we follow-up those recommendations raised by Internal Audit which are due for implementation. We request commentary by responsible officers on the progress to our recommendations and for those High and Medium recommendations due we verify progress to source evidence and conclude either that the recommendation is complete or incomplete.

There were **18** Medium recommendations due for July 2018. Please find below a summary of the **18** recommendations that were due for completion prior to the July 2018 Audit and Governance Committee:

2016 - 2017 Recommendations

- Four Medium recommendations have been implemented and can be removed from the Recommendations Tracker
- One Medium recommendation is not complete and has been given a third revised due date
- One Medium recommendation has been removed from the recommendations tracker, where we have agreed the recommendation is no longer practical and the risk is being managed

2017 - 2018 Recommendations

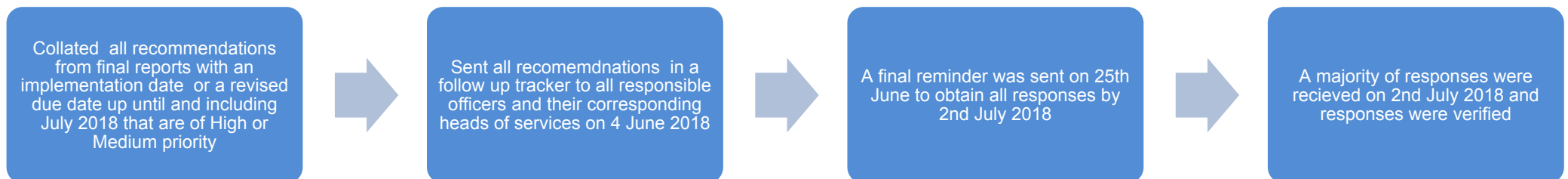
- Nine Medium recommendations have been implemented and can be removed from the Recommendations Tracker
- Three Medium recommendations are not complete and have been given a second revised due date

252

For all incomplete recommendations we will:

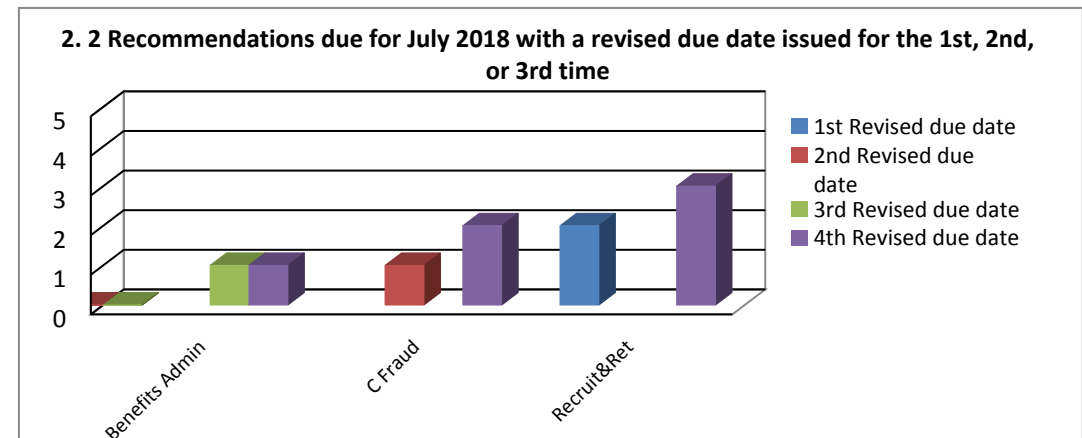
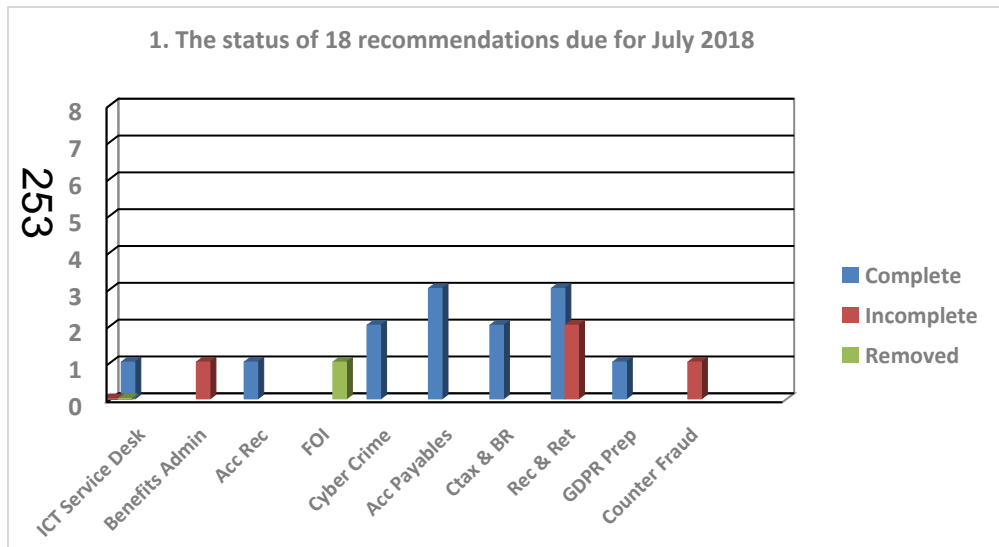
1. Continue to emphasise to staff to be realistic about the implementation dates when completing their management responses at the completion stage of each internal audit review
2. Issue the recommendations tracker to all the relevant Heads of services on a monthly basis from the December audit committee onwards
3. Issue reminder emails 6 weeks prior to the follow up review to ensure timely completion of each recommendation

Flowchart of the follow up process – below we have included a process flow chart to explain how follow up responses are obtained timescales are achieved



INTRODUCTION AND EXECUTIVE SUMMARY

The charts below reference the number of recommendations due up until and including July 2018. In total there were **18** recommendations due for follow up, chart 1 demonstrates the number of recommendations due for July 2018 of which, 13 recommendations were complete, 4 were incomplete and 1 was removed. Chart 2 demonstrates the number of recommendations incomplete summarizing revised due dates.



Please note the number of incomplete recommendations have improved in comparison to the previous Follow up report issued in March 2018:

Month	No. of Recommendations incomplete	No. of Recommendations complete	% of recommendations incomplete (Incomplete/Total Recommendations)
June 2017	14	26	35% (14/40)
Sept 2017	10	25	29% (10/35)
Dec 2017	5	15	23% (5/21)
March 2018	9	18	33% (9/27)
July 2018	4	14	28% (4/18)

RECOMMENDATIONS COMPLETE

254

Audit	Recommendation made with reference to the corresponding Internal Audit report	Priority Level	Manager Responsible	Head of Service	Original Due Date	Notes on Completion
2016 -17 ICT Service Desk	<p>5) In order to achieve the expected maturity level, Management should, for each IT operational area, define:</p> <ul style="list-style-type: none"> • The responsibility, scope and objective for the area • The relationship and interaction between each area • The procedure for monitoring the performance of each area individually and the ICT service as a whole. <p>Furthermore, Management should review and, where necessary, revise the Service Desk roles and responsibilities so that they are aligned with the services that are provided to the Council.</p>	M	Rocco Labellarte, Chief Technology and Information Officer	Helen Bishop, Head of Business Improvement	Jan—17 Apr—17 Sept—17 Mar—18 Apr—18	All teams roles, responsibilities, and job descriptions have been defined. The ITIL relationships have been mapped out and interactions and scope clarified. The service desk roles were also reviewed to ensure all Council services are supported.
2016 – 17 Cyber Crime	<p>2) Management should review and, where necessary, revise the Council's Information Security policy so that it is reflective of existing ways of working. The policy should include, but not be limited to:</p> <ul style="list-style-type: none"> • The responsibilities of all stakeholders with regards to information security, including information asset owners • The roles, responsibilities and arrangements that exist between the Council and SCC • The procedure for classifying information assets • The Council's acceptable use standards • The actions to be taken by all parties following the identification of an information security incident. 	M	Rocco Labellarte, Chief Technology and Information Officer	Helen Bishop, Head of Business Improvement	Oct—17 Mar—17 Apr—18	The Information Security Policy has been refreshed, approved and published on the Council website.

RECOMMENDATIONS COMPLETE

255

Audit	Recommendation made with reference to the corresponding Internal Audit report	Priority Level	Manager Responsible	Head of Service	Original Due Date	Notes on Completion
2016 – 17 Cyber Crime	<p>3) The Council's draft Information Asset Register should be updated to include:</p> <ul style="list-style-type: none"> • The security controls that have been applied to secure each information asset • The at-rest location of each information asset • The classification applied to each information asset, in line with the Council's and the Government's Security Classification standards. • All required information should be recorded for each information asset. • The Information Asset Register should be reviewed and approved by Senior Management and then communicated to all relevant stakeholders. 	M	Rocco Labellarte, Chief Technology and Information Officer	Helen Bishop, Head of Business Improvement	Mar—17 Apr—18	The Information Security Policy has been refreshed, approved and published on the Council website.
2016 -17 Accounts Receivable	2b) The communication regarding CDD to relevant staff including all originator departments must set out how to conduct these checks and evidence must be retained	M	Katie Ball, Incomes Manager	Nigel Kennedy, s151 Officer	Mar—18 Jun—18	Communication was sent council wide in Nov 17 (prior to trading company going live) specifying the need to complete adequate new customer due diligence. A new field has been added to the agresso customer masterfile. It is located under the relations tab. The self-service guide for customer creation includes a section on the due diligence relations tab and how to populate it before submitting a customer for approval.

RECOMMENDATIONS COMPLETE

Audit	Recommendation made with reference to the corresponding Internal Audit report	Priority Level	Manager Responsible	Head of Service	Original Due Date	Notes on Completion
2017 -18 GDPR Preparedness 256	<p>Management should put in place a defined and complete procedure for performing privacy impact assessments (PIA)</p> <p>The Council should have appropriate policy in place to ensure that a PIA is considered in relation to any new processing activities and, where a PIA is to be performed, how it will be carried out. There should be a requirement for a PIA policy to include:</p> <ul style="list-style-type: none"> • Purpose of Privacy Impact Assessment • Responsibilities of the Staff • Process for performing a PIA • Assessment of the risks to the rights of the individuals affected • Measures envisaged to address the risks and demonstrate compliance with GDPR • Assessments of the necessity and proportionality of the data processing (Screening questions) • Privacy Impact Assessment Template to record the PIA outcomes <p>The Council should also assess its existing ways of working and, where necessary, makes changes so that they comply with the principle of Privacy by Design.</p>	M	Liz Godin, Corporate Governance Manager	Helen Bishop, Head of Business Improvement	Jan-18	<p>The GDPR training has been delivered across the whole organisation including the new LATco. In addition, the DPIA Guidance is available for all staff and the template is available via the website.</p> <p>It has also been agreed with Procurement team that any orders for new software or contracts for suppliers will not be actioned until such time as they have seen sight of an approved DPIA.</p>

RECOMMENDATIONS COMPLETE

257

Audit	Recommendation made with reference to the corresponding Internal Audit report	Priority Level	Manager Responsible	Head of Service	Original Due Date	Notes on Completion
2017 – 18 Accounts Payables	<p>1a) The Council should meet with Barclaycard and investigate whether the procurement card system is able to generate time stamps for the date of review and date of approval</p> <p>1b) The Council should meet with Barclaycard and investigate whether the procurement card system is able to generate a report which lists outstanding transactions for review and/or approval</p> <p>1c) A Finance Officer must investigate whether any other individual's transactions have been approved without review due to the error made by the trainee in August 2017.</p>	M	Amanda Durnan, Strategic Procurement and Payments Manager	Nigel Kennedy, s151 Officer	Jan-18 Jun-18	<p>1a) Barclaycard have established how to generate time stamps which displays the date of review and time of review</p> <p>1b) Barclaycard have established how to generate reports which lists outstanding transactions for review and approval</p> <p>1c) The error that was made in Aug 17 was noticed and rectified straight away, and the process now does not allow for such errors.</p>
2017 – 18 Council Tax and Business Rates	<p>1a) The Council should set out standards for the use of the notepad system in Academy, detailing that all dates and specific details be recorded. All staff that use the Academy system in relation to council tax and business rates should be fully trained on these standards</p>	M	Ann Harvey Lynch, Revenues Manager	Nigel Kennedy, s151 Officer	Jan-18 Apr-18	<p>There are written procedures on how to use the academy system. The notepad system in academy generates date and time stamps when notes are recorded within the system. However, each case is unique therefore; it is not possible for all notes within the system to be consistent. All advisors are fully trained on how to use the academy system as part of their induction training.</p>
2017 – 18 Council Tax and Business Rates	<p>2a) Discrepancies found during reconciliations should be remedied on a timely basis (within one month), and any reconciliations signed off as 'works in progress' should be re-reviewed by the Financial Accounting Manager on a monthly basis.</p>		Adrian Wood, Technical Officer	Nigel Kennedy, s151 Officer	Jan-18 Apr-18	<p>All reconciling differences are investigated and rectified immediately where possible. Once reconciling differences are resolved, the reconciliation is reviewed and signed off by management.</p>

RECOMMENDATIONS COMPLETE

258

Audit	Recommendation made with reference to the corresponding Internal Audit report	Priority Level	Manager Responsible	Head of Service	Due Date	Progress to Date
2017 -18 Recruitment and Retention	<p>1)To progress the paper which is currently in draft to final and specifically ensure that future arrangements enforce:</p> <ul style="list-style-type: none"> Quarterly reports should be produced by the relevant HR teams, focusing on recruitment and staff performance KPIs and presented to the management meeting or; a one-off exercise examine critical KPIs to the department level such as agency spend, vacancy rates and staff turnover with actions taken once this analysis has been complete <p>If a one-off exercise is taken instead of a routine quarterly check, the next review date must be agreed which cannot be greater than 1 year from the previous one-off exercise.</p>	M	Paul Adams, HR Manger	Helen Bishop, Head of Business Improvement	Jun - 18	The Business Improvement Service Plan 18/19 has been agreed with a section explicitly on Recruitment – Employer of Choice. This contains a program me of activities that include: using different methods of recruitment; developing the employee brand; devising a talent management programme; implementing the next apprenticeship cohort; reviewing employee benefits; agreeing and delivering an equalities action plan; implementing a structured work experience programme; improving exit interviews; improving attendance management; devising a mental health programme; implementing on-line performance management. These initiatives are all on track for delivery as per the timescales attributed. Monthly management information is produced regarding temporary staffing and an on-line appraisal system has been implement ted making staff performance objectives and their delivery available real-time.
2017 -18 Recruitment and Retention	<p>1) Agency spend should be discussed with the Finance Panel to confirm if they feel benefit in seeing this information.</p> <ul style="list-style-type: none"> Subsequent action should be taken accordingly Trends and reasons for agency staff requests in each department should be learnt and analysed. Plans for reducing future agency demand should be initiated accordingly 	M	Paul Adams, HR Manger	Helen Bishop, Head of Business Improvement	Jun - 18	A detailed report is now being sent on a monthly since April 2018 basis to all Heads of Service and the relevant HR Business Partner, which provides information on agency staffing spend, the length of time the agency worker has been in the service as well as the expiry dates of fixed term contracts within the service. HR Business Partners discuss this report with their clients as part of the business as usual activity .

RECOMMENDATIONS COMPLETE

259

Audit	Recommendation made with reference to the corresponding Internal Audit report	Priority Level	Manager Responsible	Head of Service	Due Date	Progress to Date
2017 -18 Recruitment and Retention	2) A Retention Strategy should be put in place for all employees in the Council. See Appendix III for detailed advice on initiating an effective Retention Strategy <ul style="list-style-type: none"> Interim interviews should be conducted by individual line managers every three months, particularly for new starters, to understand staff concerns, promote initiatives and make staff feel their opinions are valued. 	M	Paul Adams, HR Manger	Helen Bishop, Head of Business Improvement	May – 18	New starters are subject to a probationary review period of six months, during which the line manager meets regularly, on both a formal and informal basis, to discuss progress, issues of concern and how the supported required to enable the new employee to make an effective and lasting contribution to the council. Outside of the probation process for new starters, all line managers and team leaders are expected to hold regular meetings with their teams to discuss service innovation, development and improvement, share key information on council initiatives and updates on new developments within the council that impact on them. Finally, all line managers are required to hold bi-monthly review meetings as part of the annual Appraisal review process to discuss and address such issues. Please see recommendation 1 above for details of the recruitment and retention initiatives agreed or delivery within the Business Improvement Service Plan for 18/19.

RECOMMENDATIONS INCOMPLETE

260

Audit	Recommendation made with reference to the corresponding Internal Audit report	Priority Level	Manager Responsible	Head of Service	Due Date	Progress to Date	Revised Due Date
2016 -17 Benefits Administration	8) E-forms – An awareness of the need to move to e-forms is already in place within the Council yet more could be done to achieve this. Methods of increasing the number of e-forms received should be analysed. This could be through increasing the number of specific e-forms available, better advertising or through the removal paper applications forms completely as per other Councils identified through the benchmarking exercise	M	Tanya Bandekar, Revenue and Benefits Manager	Nigel Kennedy, s151 Officer	Mar—17 Jan—18 Jun—18	The move to the new Capita One form for both new claims and change of circumstances has been included in the ICT work plan. This work has been scheduled into the 2018 ICT workplan and is expected to be complete by December. The Council now have the Capita connect product, which allows the contact Centre staff to sign up customers to e-billing at point of contact.	Dec - 18
2017 -18 Counter Fraud	3) The Investigation Service should undertake a full Fraud Risk Assessment across OCC and use the results to inform the direction and resourcing of its annual work-plan.	M	Scott Warner, Investigations Manager	Nigel Kennedy, s151 Officer	Mar—18 Jun—18	All potential fraud risks will be listed, a risk level will be provided depending on the likelihood and consequence. Subsequently, the top ten fraud risks will be identified and a fraud plan will be produced as a result of this. This is set to be completed in Quarter 3.	Dec - 18


RECOMMENDATIONS INCOMPLETE

261

Audit	Recommendation made with reference to the corresponding Internal Audit report	Priority Level	Manager Responsible	Head of Service	Original Due	Notes on Completion	Revised Due Date
2017 -18 Recruitment and Retention	4) Optimum guidelines on the recruitment process should set out clear expectations and guideline timelines for each stage of recruitment. HR to focus their attention on those Hiring Managers who do not often recruit staff and therefore may be at greater risk of inefficient recruitment. This focus should be documented by ensuring the Hiring Managers are identified and communicated proactively.	M	Paul Adams, HR Manger	Helen Bishop, Head of Business Improvement	Jun -18	<p>Revised recruitment and selection training developed and available for managers to book onto via iTrent. A number of training sessions have been delivered, which have received good feedback from delegates.</p> <p>HR Business Partners currently work with their service areas to ensure recruitment follows procedure, and therefore are on hand for managers less experienced at recruitment.</p> <p>Information provided to recruiting managers to guide them through the key stages of the recruitment process will be reviewed by the end of Q2.</p>	Sep-18
2017 -18 Recruitment and Retention	5) To develop a Plan to integrate the use of Social Media into the recruitment process with the majority of roles issued being also promoted via Social Media	M	Paul Adams, HR Manger	Helen Bishop, Head of Business Improvement	May – 18	Greater usage of social media for recruitment is one of a number of improvements to the council's recruitment processes and procedures under development with the aim of 'reaching out' to areas of the labour market that do not readily identify align with traditional methods of recruitment.	Sep-18

RECOMMENDATIONS REMOVED

Audit	Recommendation made with reference to the corresponding Internal Audit report	Priority Level	Manager Responsible	Head of Service	Due Date	Reason for change of priority level from High to Low or Removal
2016 – 17 Freedom of Information	<p>4b) The Council should adopt the following measures to aid further transparency:</p> <ul style="list-style-type: none"> • Create a platform similar to the ‘What do they know’ website for select FOI requests • Prior to creating an FOI request, prompt the user on whether common subject matters regarding FOI requests have been considered <p>A key word search identifier should be on the FOI request page, where certain key words within the request pop up links to relevant Council pages.</p>	REMOVED	Mike Newman, Corporate Affairs Officer	Lyndsay Cane, Interim Head of Law and Governance	Dec—18 Jan—18 Apr—18	Due to resource constraints, it is not practical for the council to report FOI requests through a platform similar to whatdotheyknow. The Council will continue to be transparent with their FOI requests through the Council website.



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