

**INTERNAL AUDIT FOLLOW UP
OF RECOMMENDATIONS REPORT**

75 OXFORD CITY COUNCIL

April 2022

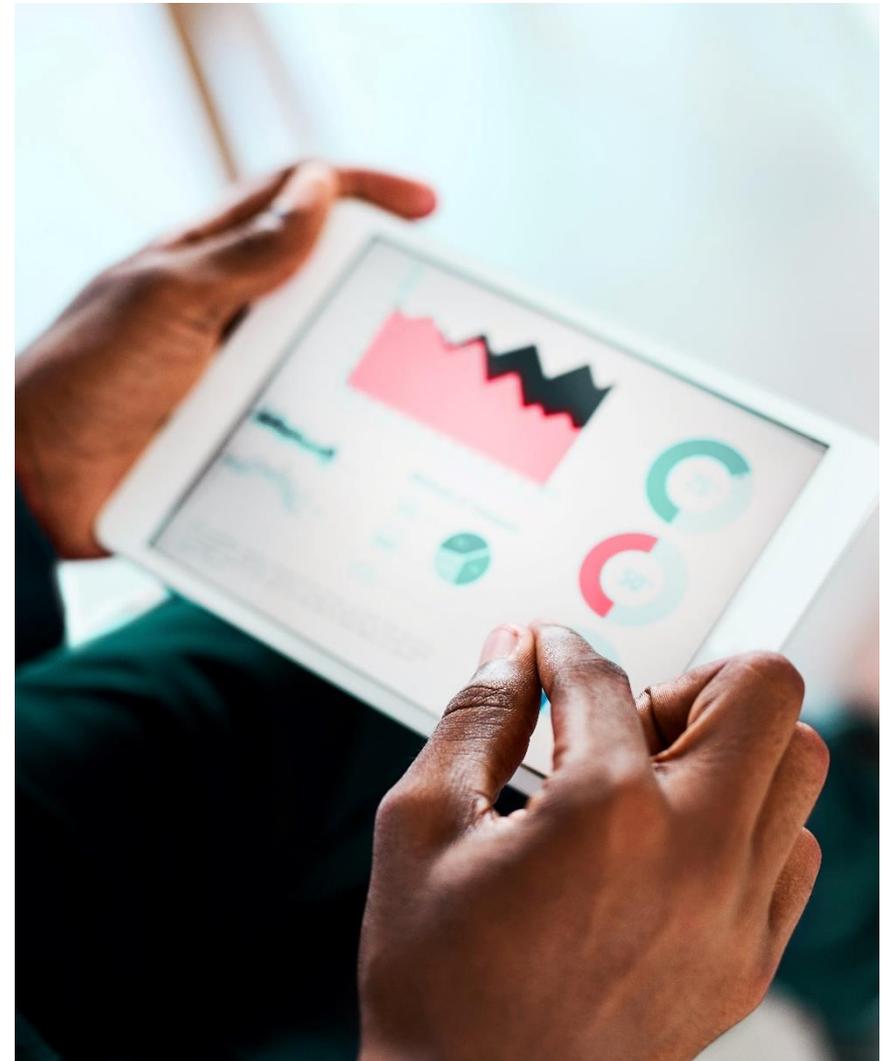
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Agenda Item 5

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SUMMARY

2020/21	Total Recs	H	M	L	To follow up	Complete		In progress		Overdue	
						H	M	H	M	H	M
Key Financial Systems Data Analytics	2	-	2	-	2	-	1	-	-	-	1
Companies Oversight	3	-	3	-	3	-	-	-	-	-	3
Total	5	-	5	-	5	-	1	-	-	-	4

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APRIL 2022	Total Recs	H	M	L	To follow up	Complete		In progress		Overdue	
						H	M	H	M	H	M
Data Analytics	2	-	2	-	2	-	2	-	-	-	-
General Ledger	2	-	2	-	2	-	2	-	-	-	-
Total	4	-	4	-	4	-	4	-	-	-	-

SUMMARY

2020/21

Please find below a summary of the status of implementation of recommendations arising from reports issued in April 20221.

- Four Medium recommendations remain incomplete, notably the Companies Oversight recommendations which are on the fifth due date. Although significant progress has been made towards the implementation of these recommendations, this remains a concern and has been raised for the Audit Committee’s attention

2021/2022

Please find below a summary of the status of implementation of recommendations arising from reports issued in April 2022.

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- Five Medium recommendations have been fully implemented - Data Analytics and General Ledger

As part of the follow-up process, we issued all recommendations due for implementation on or before April 2022 on 1 March 2022. Recommendations due were sent to all responsible officers and the corresponding heads of service. We gave responsible officers four weeks to respond. We subsequently chased officers throughout March 2022.

We are required to escalate non-responses and/or recommendations with several revised due dates to the Operational Delivery Group (ODG). We did not escalate responses to the ODG at this stage as we received all responses in a timely manner. However, recent discussions within the ODG meeting noted that the follow up tracker will be sent to the ODG for review. This is to keep all heads of services informed of the recommendations due and complete.

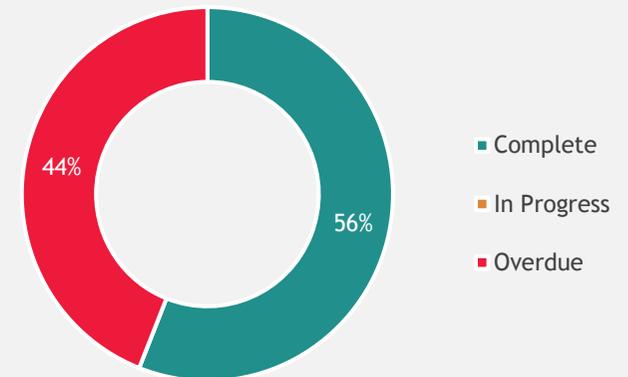
For all incomplete recommendations, we will:

- 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
- Issue the recommendations tracker to all the relevant Heads of services on a monthly basis from the December audit committee onwards
- Issue reminder emails 6 weeks prior to the follow up review to ensure timely completion of each recommendation

REQUIRED AUDIT COMMITTEE ACTION:

We ask the Audit Committee to note the progress against the recommendations.

April 2022 Cumulative implementation



RECOMMENDATIONS: COMPLETE

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
2020/2021					
Key Financial Systems Data Analytics	These will be investigated further to understand why they were created in the system.	Medium 	Management Accounting Manager	28/02/2021 31/05/2021 31/10/2021	<p>Council's Comments: IT conducted a further investigation into the system and it was concluded that the cases identified were anomalies.</p> <p>IA Comments: <i>We confirmed that an investigation into the issues has been conducted.</i></p>
2021/2022					
Data Analytics	The Council will review the system limitation as part of the next upgrade to Agresso and check the limits of officers that they are redirecting to	Medium 	Management Accounting Manager	31/01/2022	<p>Council's Comments: The Council are still assessing its options for an Agresso upgrade but this will be captured in the solution.</p> <p>IA Comments: <i>We confirmed that this option has been included as part of the Agresso upgrade plan the upgrade plan will also be reviewed as part of the 2022-23 data analytics review to ensure this area remains in scope. Therefore, we are satisfied that the system limitation will be captured.</i></p>
Data Analytics	The Council will provide refresher training which will include the need to raise timely purchase orders. Management will request the team to undertake regular KPI reporting on retrospective PO's and monitor this accordingly	Medium 	Management Accounting Manager	31/01/2022	<p>Council's Comments: Refresher training has been provided across all services and separately for new staff. KPI data was taken to a recent ODG meeting and further information will be followed up with heads of service.</p> <p>IA Comments: <i>We confirmed that refresher training has been provided to staff across service areas and so this has been implemented.</i></p>

General Ledger	The Council should continue to actively work on the testing and invoice interfaces and to plan for the testing on sales order processing	Medium 	Management Accounting Manager	28/02/2022	<p>Council's Comments: The Council continues to test interfaces and will utilise the sales order processing functionality in QL.</p> <p>IA Comments: <i>This recommendation continues to be ongoing as significant work is being undertaken on the testing of interfaces we are satisfied that this recommendation has been implemented.</i></p>
General Ledger	The Council should re-automate supplier payment interfaces as part of the QL recovery process.	Medium 	Management Accounting Manager	28/02/2022	<p>Council's Comments: Invoices are now being processed in LIVE QL through the interfaces.</p> <p>IA Comments: <i>This recommendation has been implemented and there is ongoing work to iron out issues with the interfacing.</i></p>

RECOMMENDATIONS: OVERDUE

These recommendations have been marked as overdue as they have previously revised their implementation date. Therefore, they have now missed at least two implementation dates.

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
2020/2021					
Key Financial Systems Data Analytics	To undergo a cleansing process and closedown accounts no longer in use however there was no fraudulent activity suspected.	Medium 	Management Accounting Manager	29/02/2021 31/05/2021 31/10/2021 30/06/2022	<p>Council's Comments: There is work ongoing to review all suppliers that have not been used in the past 12 months to close the accounts down.</p> <p>IA Comments: <i>Work is ongoing to close inactive accounts. Time has been consumed as part of the QL project however, we have assurance that this recommendation will be completed in time for the next Audit Committee</i></p>
Companies Oversight	The Council should update the job description of the Head of Financial Services to include details around their responsibilities in monitoring and communication with the companies and joint ventures	Medium 	Head of Business Improvement	30/08/2021 30/09/2021 30/12/2021 31/01/2022 31/04/2022	<p>Council's Comments: All Head of Service job descriptions have been drafted but further work is required on some prior to them being approved. Some are awaiting approval from the Head of Service.</p> <p>IA Comments: <i>The current job descriptions sent to the head of finance required further updates before the head of finance approves these roles. Therefore, these will be followed up at the next Audit Committee</i></p>
Companies Oversight	The Executive Directors should each have a separate job description and these should make reference to their responsibilities in monitoring and having oversight of the companies and joint ventures. Council officers sometimes need to (and can) have two hats when operating in their roles. For the roles that also involve acting as a director of a company/joint venture there should be clarity around their conduct and their	Medium 	Head of Business Improvement	30/08/2021 30/09/2021 30/12/2021 31/01/2022 31/04/2022	<p>Council's Comments: The Executive Director's job descriptions have been updated to incorporate the requirements of the recommendation. These are currently out for consultation with the directors for approval. One job description has been approved but the other two are awaiting approval.</p> <p>IA Comments:</p>

	responsibilities to advise the Shareholder. Where Heads of Service are required to act as Directors on Company Boards this should also be reflected in job descriptions				<i>We will follow this up before the next Audit Committee.</i>
Companies Oversight	All the above mentioned job descriptions should be uploaded to the Council's website and be subject to periodic review	Medium 	Head of Business Improvement	30/08/2021 30/09/2021 30/12/2021 31/01/2022 31/04/2022	Council's Comments: The revised job descriptions will be added to the website to replace the previous versions. IA Comments: <i>Currently the job descriptions are awaiting approval therefore they will be added to the website once approved. We will follow this up before the next Audit Committee.</i>

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