



**INTERNAL AUDIT FOLLOW UP
OF RECOMMENDATIONS REPORT**

OXFORD CITY COUNCIL

2023/2024

IDEAS | PEOPLE | TRUST

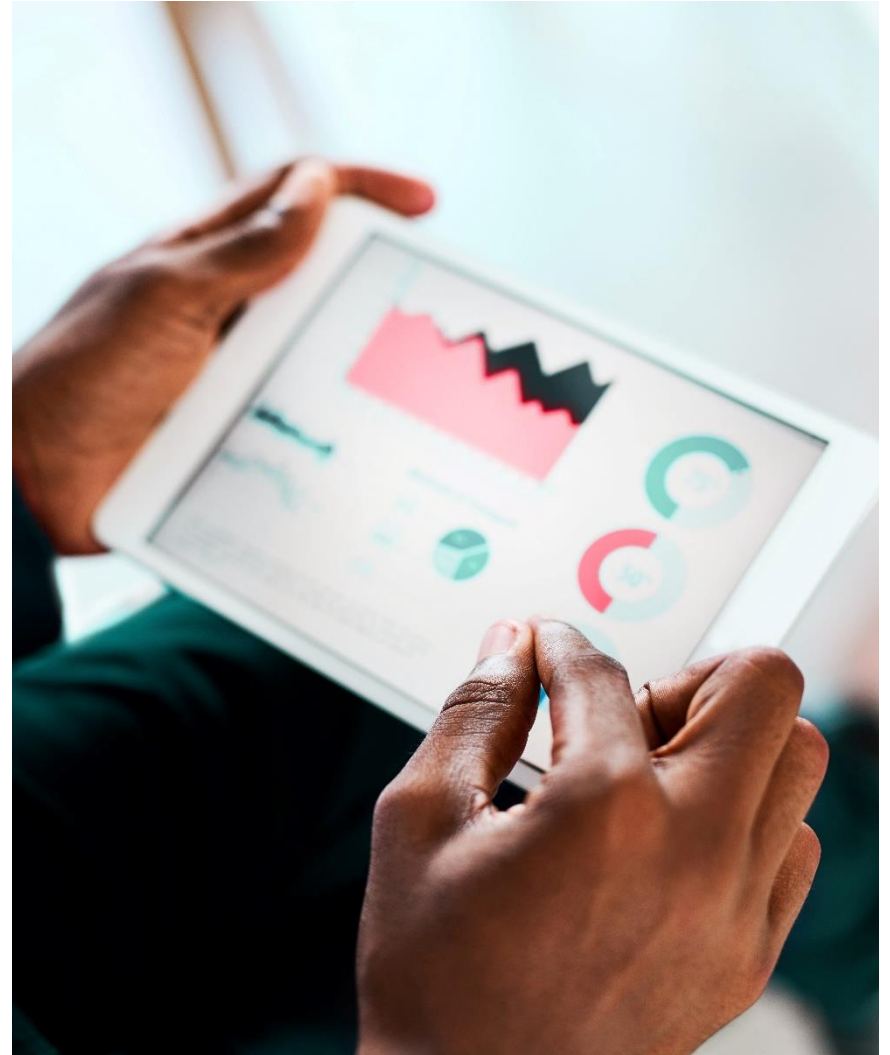
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Agenda Item 8

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SUMMARY

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2021/2022 23/2024	Total Recs to follow up this Quarter (March 24)	H		M		Complete		Incomplete	
		H	M	H	M	H	M	H	M
Business Continuity & Disaster Recovery	1	-	1	-	-	-	-	-	1
Environment	12	2	10	1	5	-	-	-	6
Total	13	2	11	1	5	-	-	-	7

2022/2023	Total Recs to follow up this Quarter (March 24)	H		M		Complete		Incomplete	
		H	M	H	M	H	M	H	M
Housing Rents	1	-	1	-	-	-	-	-	1
Enforcement Restructure	1	-	1	-	-	-	-	-	1
Cyber Security	6	2	4	2	2	1	1	1	1
Income Generation	1	1	-	-	-	1	-	-	-
Total	9	3	6	2	2	2	2	2	3

2023/24	Total Recs to follow up this Quarter (March 2024)			Complete		Incomplete	
		H	M	H	M	H	M
Planning Services	1	-	1	-	-	-	1
Accounts Receivable	1	-	1	-	-	-	1
Total	2	-	2	-	-	-	2

SUMMARY

2021/2022

Please find below a summary of the status of implementation of recommendations arising from reports issued in 2023/2024, 2022/23 and 2023/24.

- ▶ Five medium and one high recommendation have been completed since the last Audit and Governance Committee and removed from the follow up tracker (Environment). However, one high recommendation has been downgraded to a medium (Environment) and five medium recommendations remain outstanding and have been issued a third revised due date of June 2024.
- ▶ One medium recommendation from the Business Continuity and Disaster Recovery review has been issued a revised implementation date due to the disaster recovery test being scheduled in March 2024.

2022/2023

- ▶ One high recommendation from the Income Generation review has been revised to December 2024 as the Council are in the early stages of the procurement of a new asset management system.
- ▶ One medium recommendation from Housing Rents review implementation date has been revised due to the IT Team currently undergoing a review of the QL workstream to automate elements of the stages for the succession of tenancies.
- ▶ Two high and two medium recommendations for Cyber Security have been implemented and one high and one medium recommendation has been issued a revised due date.

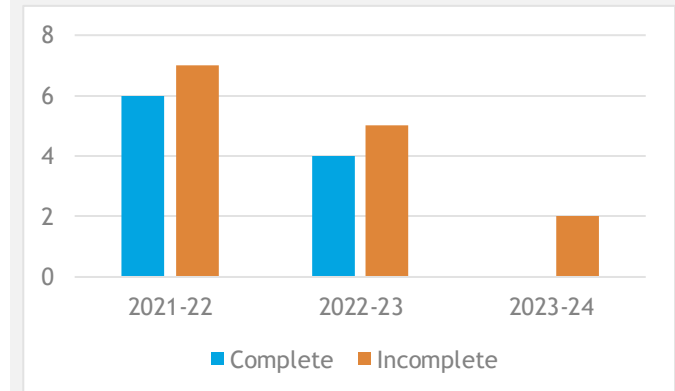
2023/2024

- ▶ Two medium recommendations due date have been revised to follow up at the next Audit Committee Accounts receivable & Planning Services.





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REQUIRED AUDIT AND GOVERNANCE COMMITTEE ACTION:



We ask the Audit and Governance Committee to note the progress against the 24 recommendations due for the March 2024 Audit and Governance Committee.






RECOMMENDATIONS: COMPLETE

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
2021/22 Environment	2.7) The SG should maintain a log of all related external funding received and applied for in relation to net zero carbon activities.	High 	Head of Corporate Strategy	28/02/2023 30/06/2023 30/09/2023 29/02/2024	Management Comments: The Council have created a log to record external funding received and applied for in relation to net zero carbon activities. Internal Audit Comments: We reviewed the template and confirm the recommendation is complete.
2021/22 Environment	3.4) Action plans resulting from corporate documents should ensure alignment with the NZOAP/CMP as far as possible. For example, we noted that an action plan for the Asset Management Strategy is currently being developed, and it would be beneficial to ensure that actions detailed in this are aligned to those in the CMP.	Medium 	Head of Corporate Strategy	31/12/2022 30/06/2023 30/09/2023 29/02/2024	Management Comments: The Asset Management Strategy actions (pages 43-48) align with City and Council NZ targets and actions. We have monthly meetings with Property Services Surveying Manager and team - to align and collaborate on Council property NZ workstreams.. Internal Audit Comments: We reviewed the Asset Management Strategy actions and discussed with Management and confirm the recommendation is complete.
2021/22 Environment	8.2) Recruitment to roles that intersect with the ES team should be discussed with relevant staff and clarity over roles and responsibilities and the interface with ES should be detailed prior to recruitment. The Council should be mindful of any potential disparities in grades	Medium 	Head of Corporate Strategy	31/12/2022 30/06/2023 30/09/2023 29/02/2024	Management Comments: The recommendation is complete and when recruitment occurs with the ES Team, the relevant staff (Head of Corporate Property) is liaised with to agree a recruitment plan and which Officers will sit on the recruitment panel. This is occurring business as usual. Internal Audit Comments: Discussions with management and review of a recent recruitment panel confirm the recommendation is complete.
2021/22 Environment	4.1) The Council should review its governance arrangements and identify a feasible solution to ensure that decisions taken by the Development Board, Housing Supply Programme Group, ODG and CMT do not contravene the opinions of the SG in relation to achieving net zero carbon by 2030. Where activities are geared towards the zero carbon Oxford by 2040 as opposed to the net zero carbon Council 2030 target, it should be made clear that this is the case.	Medium 	Executive Director of Development	31/12/2022 30/06/2023 30/09/2023 29/02/2024	Management Comments: Housing Supply Board reports up to Development Board, which makes recommendations to inform formal decision making. Also, that the Council can and should be in a position to contravene the opinions of the SG in relation to achieving net zero targets, so long as it is doing so with full sight of the issues and trade offs e.g. delivering other outcomes, or based around budget and viability. Internal Audit Comments: Discussions with management and review of a the PID/OBC/BC forms confirm the recommendation is complete.






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<p>2021/22 Environment</p>	<p>3.2) The definition of net zero in relation to construction in the local plan should be clarified. This should be consistent with the CMP definition as far as possible</p>	<p>Medium </p>	<p>Head Of Planning</p>	<p>31/12/2022 30/06/2023 30/09/2023 29/02/2024</p>	<p>Management Comments: The Planning Team have updated the Local Plan in November 2023 and has been submitted to the Secretary of State who will appoint an inspector to carry out an Independent examination. The local plan has a definition of Net zero - A situation where any emissions of carbon dioxide are balanced out by removal elsewhere - equating to no net increase. Internal Audit Comments: We reviewed the draft Local Plan and confirmed the definition of Net Zero Carbon is clarified.</p>
<p>2021/22 Environment</p>	<p>3.3) The Council should assess whether it has capacity to implement a control to verify that the construction standards are used</p>	<p>Medium </p>	<p>Head Of Planning</p>	<p>31/12/2022 30/06/2023 30/09/2023 29/02/2024</p>	<p>Management Comments: Construction standards are implemented within the Local Plan which was created in collaboration with the Environment and Sustainability Team. The Government body review the local plan to confirm the compliance with the Construction Standards. At the local authority level, the planning team are responsible for ensuring there is compliance with the Construction Standards. Internal Audit Comments: Discussions with Management confirmed controls have been identified to verify the construction standards are used.</p>

RECOMMENDATIONS: INCOMPLETE





AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
2021/22 Business Continuity & Disaster Recovery	2) Management should look to arrange a full end-to-end disaster recovery test on one or more business systems with SCC on a regular (annual) basis, in order to ensure that arrangements are feasible and can be effectively relied upon. This should be clearly documented within the disaster recovery plan.	Medium 	Chief Technology and Information Officer	30/04/2023 31/12/2023 29/02/2024 30/06/2024	Management Comments: The ICT operational Applications Manager stated it was agreed the QL Business Assurance Group that a test will be conducted on the QL (Housing Management) and DRS (appointment scheduling) business systems. The test will be carried out in March 2024 Internal Audit Comments: We have revised the due date for this recommendation and will follow up for the next Audit and Governance Committee.
2021/22 Environment	8.1) The Council should undertake a skills audit and analyse the results to identify key training needs, and consider online carbon literacy and biodiversity training for all staff	Medium 	Head of Corporate Strategy	30/11/2022 30/06/2023 30/09/2023 29/02/2024 30/06/2024	Management Comments: A training course aimed at general staff, tailored specifically for OCC, has been developed and scheduled to be developed in April Internal Audit Comments: We have revised the due date for this recommendation and will follow up for the next Audit and Governance Committee.
2021/22 Environment	1.1) Progress to document further costing detail for the CMP should be made It would be useful to compile these into one document to try and get an overview of what the realistic costs (money and time), and future benefits of each of the actions are. From our benchmarking we noted that the City of Edinburgh Council has taken a useful approach that the Council may wish to emulate. It codes its actions (resource secured; costs known; costs unknown) and includes a full list of potential funding streams. It also indicates the level of staff time as a resource.	Medium 	Head of Finance	28/02/2023 30/09/2023 29/02/2024 31/03/2025	Management Comments: The Council have approximately 8000 properties which require assessments to be undertaken. The Corporate Property Team are in the process of acquiring a new Corporate Asset Management system which will store all information on property costs. Once the system has been acquired the Council will complete the assessment on properties and produce a finance costing document. Internal Audit Comments: We have revised the due date for this recommendation to March 2025 per Management requests.

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2021/22 Environment	2.8) The SG should receive regular finance reports covering a high level overview of Council budget commitments to CMP actions, related external funding received and current bids for external funding, and the Net Zero Transition Fund.	High 	Head of Finance	28/02/2023 30/09/2023 29/02/2024 30/09/2024	Management Comments: The relating to external funding received and current bids for external funding is spread across several cost centres and therefore a finance report has not been created. We have created a report template which we intend to use from April 2024 to produce regular financial report 2024/25. Internal Audit Comments: We have downgraded this recommendation to a medium and will follow through until regular reporting occurs throughout 2024-25.
2021/22 Environment	6.2) The Head of Environmental Quality Team is provided with the necessary resources to help her continue the work she has started in mapping out the Council's land and biodiversity space and options.	Medium 	Head of Finance (supported by Head of Corporate Strategy and Head of Corporate Property)	28/02/2023 30/09/2023 29/02/2024 30/06/2024	Management Comments: The Council are in the process of recruiting an Officer in post to help the Environmental Quality Team. Resources have been allocated within the Medium Term Financial Plan budget. Internal Audit Comments: We have revised the due date for this recommendation and will follow up for the next Audit and Governance Committee
2021/22 Environment	4.3) The prioritisation matrix for capital projects should be updated to include positive weightings for net zero carbon outcomes and/or penalise projects that are detrimental to this agenda	Medium 	Executive Director of Development	28/02/2023 30/09/2023 29/02/2024 30/06/2024	Management Comments: There are formal capital prioritisation matrix documents and weightings in place however the Council do not use them. Internal Audit Comments: We expect for the next Committee it is explained how they will or are using these.
2021/22 Environment	7.1) The Council should continue to prioritise implementing up to a data asset management systems	Medium 	Head of Corporate Property	28/02/2023 30/09/2023 29/02/2024 30/06/2024	Management Comments: The council have appointed a consultant to help with the procurement. The procurement is on a short pause at present as the Council are exploring that QL may be able to service the needs and that needs to be explored. Internal Audit Comments: We revised the due date of the recommendation to July 2024 to obtain evidence of the sign off.
2022/23 Housing Rents	1.1) The Council should ensure a robust policy is in place in cases of succession of tenancies, clear guidelines should be established on this including an inspection of the property should this fall in the above category.	Medium 	Landlord Services Manager	31/07/2023 31/12/2023 29/02/2024 30/06/2024	Management Comments: A robust process map has been created which outlines the process of succession of tenancies. The IT Team are currently developing the QL workstream to automate elements of the stages for the succession of tenancies. The flow chart will be finalised once the IT Team complete the works on QL.

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Internal Audit Comments: We revised the due date of the recommendation to July 2024 to obtain evidence of the sign off.

<p>2022/23 Enforcement Restructure</p>	<p>a) The corporate KPI procedures should be updated to reflect the current target, then shared with relevant members of the team. b) Other team members should be trained to run the relevant reports and calculate the KPI.</p>	<p>Medium </p>	<p>Head of Restructuring Services</p>	<p>30/06/2024</p>	<p>Management Comments: Awaiting Response Internal audit Comments: The Head of Restructuring Services will provide a response at the Audit and Governance Committee.</p>
<p>2022/23 Income Generation</p>	<p>1.4) We understand that the Council are considering procuring a new asset management system therefore, it should be investigated whether a new system could interface directly with Agresso to reconcile the rent billed to tenants with the property management database</p>	<p>High </p>	<p>Corporate Asset Lead</p>	<p>01/01/2023 31/03/2024 30/12/2024</p>	<p>Management Comments: The Council are in the early stages of procurement for a new asset management system and have acquired the support from an external consultant to assist with the process of choosing a system which integrates with Agresso and other existing Council systems. Internal Audit Comments: We revised the due date of the recommendation to July 2024 to obtain evidence of the sign off.</p>
<p>2023/24 Accounts Receivable</p>	<p>2) Management should conduct a six-monthly check of all changes relating to automatic notifications from Agresso for customer details focussing on those which have been amended during this time period. Should this not be possible, a quarterly check should be conducted to identify any irregular changes to customer details.</p>	<p>Medium </p>	<p>Incomes Team Leader</p>	<p>31/03/2024 30/06/2024</p>	<p>Management Comments: We intend to do a quarterly checks of all changes to the customer master file, but we don't have a report that can pull out that data at this time. Now we have been through a recent upgrade we have requested for the IT Department to explore a report which pulls out the required data for management to review. The completion date should be revised to May 24 Internal Audit Comments: We revised the due date of the recommendation to July 2024 to obtain evidence of the sign off.</p>
<p>2023/24 Planning Services</p>	<p>The Council should provide a breakdown of the calculation used to justify the value section 106 contribution and document this on the Planning Application Portal</p>	<p>Medium </p>	<p>Head of Planning</p>	<p>01/02/2024 30/06/2024</p>	<p>Management Comments: Recent S106 agreements contain details of the contribution and fees required from the developer. However, we do not feel necessary for this to be made transparent agreements as to how the contributions are calculated as this a negotiation between the Council and developer. The administrative system is still a work in progress. The Team are</p>

recruiting a digital resource Officer whose responsibility will be to identify a resource.

Internal Audit Comments: We revised the due date of the recommendation to July 2024 to obtain evidence of the sign off.

FOR MORE INFORMATION:**GURPREET DULAY**
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