

WAVERLEY BOROUGH COUNCIL

AUDIT COMMITTEE

24 JULY 2017

Title:

PROGRESS ON THE IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS

[Wards Affected: ALL]

Summary and purpose:

To inform the Audit Committee of Senior Management's progress in implementing the recommendations raised by Internal Audit following a review in their service areas. This report will enable the Committee to consider what action is required in respect of those that are overdue or appear likely to be implemented later than the target date.

How this report relates to the Council's Corporate Priorities:

Internal Audit work contributes to the safeguarding of assets against loss and waste and for identifying other value or money issues.

Financial Implications:

Internal audit work helps management in achieving good value for money and, individual recommendations may have value for money implications.

Legal Implications:

There are no direct legal implications, although good governance is strengthened by attention to the matters raised in audit recommendations.

Introduction

1. This report provides the Audit Committee with the latest position regarding the implementation of Internal Audit recommendations.

Annexe 1 provides the current position on recommendations due for completion at the end of the month of the Audit Committee date.

Annexe 2 details the request for change of implementation due date.

2. Recommendations relate to the control environment and hence the overall governance and risk management of the Council and it is important that agreed actions are completed within timeframes agreed with the relevant Head of Service.

Recommendation

It is recommended that the Committee:

1. considers the information contained in Annexe 1 and, following discussion at the Audit Committee meeting, identifies any action it wishes to be taken, particularly in relation to the Information Security Governance recommendations which are linked to the recent Data Protection review completed in preparation for the General Data Protection Regulations (GDPR) that comes into force in May 2018.
2. agrees an appropriate implementation date for the recommendations listed in Annexe 2, where a request has been made by the Head of Service for a change in the previous implementation date.

Background Papers

There are no background papers (as defined by Section 100D (5) of the Local Government Act 1972) relating to this report.

CONTACT OFFICER:






Name: Gail Beaton
Internal Audit Client Manager


Telephone: 01483 523260
E-mail: gail.beaton@waverley.gov.uk


Audit Recommendations overdue or due within next month




Generated on: 06 July 2017


Action Status	
	Cancelled
	Overdue; Neglected
	Unassigned; Check Progress
	Not Started; In Progress; Assigned
	Completed


Head of Service Taylor, Robin					
Action Code & Description	IA16/22.001 Policies	The Council's Information Management Policy, Record Disposal and Retention Schedule and the Acceptable Use of IT policy were last updated over a year ago. The policies do not cover off the process to be followed in regard to the retention, sharing and disposal of manual or electronic data. The policies also do not cover the procedure to be followed if manual or electronic data is lost or subject to misappropriation.	Exit Meeting Date	02-Jun-2016	
			Due Date	03-Jul-2017	
Audit Report Code and Description		IA16/22 Information Security Governance			
Agreed Action		<p>The Council will update the Record Disposal and Retention Schedule to ensure it includes the preferred disposal method for all types of data.</p> <p>The Council will ensure that the Information Management policy is updated to include the procedure to be followed if manual data is lost or subject to misappropriation. It should also include Council procedure in regard to manual security measures or physical security re the sharing of all types of information.</p> <p>Both the Acceptable Use of IT policy and the Information Management policy will also be updated to include how data loss/misappropriation is reported to Senior Management.</p> <p>All policy and procedural documentation relating to Information Security Governance will be reviewed and updated where necessary on an annual basis going forward.</p>			
Status		Overdue	Progress	50%	Head of Service Robin Taylor
All Notes					01-Mar-2017

Action Code & Description	IA16/22.002 Storage of Records re ISO5489	As per the most recent Information Management Policy (Section 10), all records should be stored in accordance with ISO15489. The policy does not go on to state what the requirements of ISO15489 are.	Exit Meeting Date	02-Jun-2016
			Due Date	03-Jul-2017
Audit Report Code and Description		IA16/22 Information Security Governance		
Agreed Action		The Council will detail the requirements of ISO15489 within the Information Management Policy that staff will need to comply with to ensure records are stored appropriately.		
Status		Overdue	Progress	50%
			Head of Service	Robin Taylor
All Notes				

Action Code & Description	IA16/22.004 Procedure	As per comment from the Borough Solicitor at the time of the audit, a documented procedure is not in place detailing how the Council upholds Information Security Governance responsibilities if staff normally responsible are unavailable. The Council also does not have a published structure chart in place showing the members of staff involved with Information Security Governance and the responsibilities they hold.	Exit Meeting Date	02-Jun-2016
			Due Date	03-Jul-2017
Audit Report Code and Description		IA16/22 Information Security Governance		
Agreed Action		The Council will ensure that the Information Governance Strategy is put into place as soon as possible. It will include the procedure to be followed in relation to upholding Information Security Governance responsibilities if staff members who are normally involved are unavailable. It will also include a structure chart which will detail the staff that are involved with Information Security Governance and the responsibilities they hold. The chart will be disseminated to all staff.		
Status		Overdue	Progress	50%
			Head of Service	Robin Taylor
All Notes				

Head of Service Vickers, Peter

Action Code & Description	IA16/12.001 Financial Regulations and CPRS	Our review of the Financial Regulations and Contract Procedure Rules identified that the documents do not provide any guidance on what system will be used to prepare official orders.	Exit Meeting Date	12-Jul-2016
			Due Date	30-Jun-2017
Audit Report Code and Description		IA16/12 Sharepoint Official Orders		
Agreed Action		The Council will update the Financial Regulations and Contract Procedure Rules to include the requirement for all service areas to use the same system for orders not already processed via Orchard. This will require corporate buy in to agree a system. Financial regulations could also be changed to say that the systems adopted must be approved by the Section 151 Officer.		
Status		Overdue	Progress	75%
			Head of Service	Peter Vickers
All Notes		The Agresso purchase order system implementation project is currently underway. Full roll out will be completed by the end of January 2018. The CPR's are already updated and due for adoption by Audit Committee in July 2017. The financial regulations will be updated to coincide with this roll out and taken to the 21 November 2017 Audit Committee and Council in December 2017 for adoption. Therefore a requested for an extension to the 30th December 2017 is included in Annexe 2.		12-Jul-2017

Action Code & Description	IA17/17.004 Out of Date Contracts	Our review of contracts identified that some were out of date and have not been through a further procurement process or obtained a waiver.	Exit Meeting Date	10-Apr-2017
			Due Date	30-Jul-2017
Audit Report Code and Description		IA17/17 Procurement		
Agreed Action		b) A review of contract end dates will be completed to identify those contracts which have passed this date or are due to end, to ensure that an additional procurement exercise can be completed to ensure value for money.		
Status		In Progress	Progress	80%
			Head of Service	Peter Vickers
All Notes	Work on updating the contracts register has been updated. Contracts due for renewal and not currently under a renewal process have been raised with the relevant lead officer for the contract, to meet the 30 July 2017 due date.			28-Jun-2017

ANNEXE 2

Internal Audit Recommendations presented to the Audit Committee for status change of Due Date on Covalent

Report ref/ recommendation ref	Title	Recommendation	Head of Service written justification/ Reason for change in implementation date	Responsible officer
IA16/12.001	Sharepoint Official Orders	The Council will update the Financial Regulations and Contract Procedure Rules to include the requirement for all service areas to use the same system for orders not already processed via Orchard. This will require corporate buy in to agree a system. Financial regulations could also be changed to say that the systems adopted must be approved by the Section 151 Officer.	<p>The updated Agresso financial management system has recently enabled access to integrated purchase ordering. This will be adopted as the council's official ordering system. The implementation project is now underway with a completion date of the end of January 2018. The financial regulations are due a complete review and will be presented to the December 2018 Council for adoption.</p> <p>Therefore a request to extend the implementation date to 31 December 2018 is being made.</p>	Head of Finance – Peter Vickers