tiaa

Runnymede Borough Council

Standards and Audit Committee – 23 January 2024

Summary Internal Controls Assurance (SICA) Report

2023/24

January 2024

Summary Internal Controls Assurance

Introduction

1.   This summary controls assurance report provides the Standards and Audit Committee with an update on the emerging Governance, Risk and Internal Control related issues and the progress of our work at Runnymede Borough Council as at 11th January 2023.

Future of Internal Audit (IA)- Digital drivers

Use of Data analytics by TIAA

2.   TIAA is always adopting new ways of working and methodologies including innovative approaches for delivering internal audits. This is part of our continuous improvement programme which facilitates improvements in efficiency, effectiveness, and the quality of the work we deliver. We currently use data analytics as part of our work in relevant areas to test against full data sets, spot hidden risks, to target our testing and to provide 'proof in total' assurance; this adds credibility and value to the reports we produce. Data Analytics helps us to analyse large volumes of data to identify trends, patterns, and anomalies that may indicate potential risks or opportunities for improvement.

How will Artificial Intelligence (AI) enhance the delivery Internal Audit of the future?

3.   We believe that the way internal audits are delivered will change significantly in the next 3 to 5 years through the use of AI, through the use of auditing tools which contribute towards a process of continuous audit assurance, a wider use of predictive analytics to allow auditors to provide reports that are far more forward looking, and robotic process automation which will help remove much of the manual data collection work, thereby allowing Internal Audit more time to provide value-added analysis. Another branch of AI, Natural Language Processing (NLP), has the potential of also enabling auditors to analyse text in a large number of documents.

4.   In addition to the use of Data Analytics, TIAA is actively exploring, as part of our vision for the future, the use of AI, automation and other digital tools to streamline the audit process, inform planning, reduce manual effort, and enhance the quality of audit results. Automated data collection and analysis will help reduce the time required to complete audits and improve the accuracy and consistency of audit results. Innovative ways of using and integrating artificial Intelligence in the delivery of audits in response to the exponential growth in data, and how it is analysed and used in the context of Internal Audit, is part of TIAA's innovation strategy. We will also as part of our strategy be investigating more opportunities to not only use AI, but also to develop the capabilities to audit AI and the associated ethical considerations.

Audits completed since the last SICA report to the Audit Committee

5.   The table below sets out details of audits finalised since the previous meeting of the Audit Committee.

Review	Evaluation	Key Dates			Number of Recommendations			
		Draft issued	Responses Received	Final issued	1	2	3	OEM
2023/24 Audits								
Depot	Substantial	20 September 2023	20 November 2023	29 November 2023	-	-	2	-
Follow Up	N/A	As indicated in Appendix E	N/A	N/A	N/A	N/A	N/A	N/A

6. The Reports, Executive Summaries and the Management Action Plans for each of the finalised reviews are included at Appendix A. There are no issues arising from these findings which would require the annual Head of Audit Opinion to be qualified.

Progress against the 2023/24 Annual Plan

7. Our progress against the Annual Plan for 2023/24 is set out in Appendix C.

Progress in actioning priority 1 & 2 recommendations

8. We have made no Priority 1 recommendations (i.e. fundamental control issue on which action should be taken immediately) since the previous SICA. The table below summarises the extent to which confirmation has been received that management actions have been taken that the risk exposure identified has been effectively mitigated. More information is provided in Appendix C.

Mitigating risk exposures identified by internal audit reviews

Review	Date	Priority 1			Priority 2		
Depot	29.11.23	0	0	0	0	0	0
HR - Recruitment	29.09.23	0	0	0	0	0	0
Governance - Corporate	31.07.23	0	0	0	0	0	0
Housing – Repairs and Maintenance	05.09.23	0	0	0	0	0	0

Root Cause Indicators

9.   The Root Cause Indicators (RCI) have been developed by TIAA to provide a strategic rolling direction of travel governance, risk and control assessment for Runnymede Borough Council. Each recommendation made is analysed to establish the underlying cause of the issue giving rise to the recommendation (RCI). The analysis needs to be considered over a sustained period, rather than on an individual quarter basis. Percentages, rather than actual number of reviews/recommendations made permits more effective identification of the direction of travel. A downward arrow signifies a positive reduction in risk in relation to the specific RCI.

RCI – Direction of Travel Assessment

Root Cause Indicator	Qtr 3 (2022/23)	Qtr 4 (2022/23)	Qtr 1 (2023/24)	Qtr 2 (2023/24)	Medium term Direction of Travel	Audit Observation
Directed						
Governance Framework	20%	23%	14%		➡	
Risk Mitigation	-	-	-	11%	➡	
Control Compliance	80%	77%	86%	89%	➡	
Delivery						
Performance Monitoring	-	-	-		➡	
Sustainability	-	-	-		➡	
Resilience	-	-	-		➡	

Frauds/Irregularities

10.   We have not been advised of any frauds or irregularities in the period since the last SICA report was issued.

Other Matters

11.   We have issued a number of briefing notes and fraud digests, shown in Appendix D, since the previous SICA report. The actions taken by the Council are summarised below:

Client Briefing Alerts issued by TIAA

Briefing Note
Guidance issued by HMRC on tax avoidance schemes

Anti-Crime Alert
None reported since last Standards and Audit Committee

Responsibility/Disclaimer

12. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. The matters raised in this report not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Executive Summaries and Management Action Plans

The following Executive Summaries and Management Action Plans are included in this Appendix. Full copies of the reports are available to the Standards and Audit Committee on request. Where a review has a 'Limited' or 'No' Assurance assessment the full report has been presented to the Standards and Audit Committee and therefore is not included in this Appendix.

Review	Evaluation
Depot	Reasonable
Follow Up	N/A

Runnymede Borough Council

Assurance Review of Depot

2023/24

Executive Summary

OVERALL ASSESSMENT

- SUBSTANTIAL ASSURANCE
- REASONABLE ASSURANCE
- LIMITED ASSURANCE
- NO ASSURANCE

ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Poor Health and Safety Management as well as change to Government Policy.

KEY STRATEGIC FINDINGS

The controls in relation to the Depot were considered to be efficient and effective. The risks are being managed and process objectives are achieved. However, improvements could be made with regards to the following:

- Review dates being incorporated as part of the various Policies and Procedures.
- Refresher training relating to Fire Safety and Fire Extinguisher as well as COHH/COHH Assessment being incorporated as part of the training provided.

GOOD PRACTICE IDENTIFIED

Since the previous audit conducted in June 2021 and the follow up audit in October 2022 there has been a substantial number of improvements and the recommendations made have been implemented:

- A separate risk register for the Depot has been created.
- Appropriate training records are being maintained.
- Detailed stock take procedures have been documented.

SCOPE

The review focused on the following areas, which were the subject of previous audit recommendations:

- The identification and monitoring of operational risks.
- Use of the Bartec system and maximising its effectiveness.
- Completion of training and maintenance of appropriate training records.
- Infrastructure and security arrangements.
- Stock checks.

A general review was also be carried out in relation to the documentation of policies and procedures the collection of income (including Trade Waste) and that appropriate budget monitoring arrangements and performance indicators, are in place.

ACTION POINTS

Urgent	Important	Routine	Operational
0	0	2	0

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Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	The following procedures relating to the depot were obtained and reviewed. • Direct Service Organisation (DSO Uniform Policy). • Safety and PPE Requirements for People Working in or Visiting Runnymede Depot or Chertsey Depot. • Direct Service Organisation Stock Check Procedures. It was noted that in all cases there were no review dates incorporated as part of the above Policies and Procedures to ensure that the policies are updated appropriately to reflect the current processes.	Review dates be incorporated as part of the various policies and Procedures.	3	*Direct Service Organisation (DSO Uniform Policy) now includes a section stating the policy will be reviewed every two years , unless an earlier review is required due to a change in legislation or after incident. Policy has not yet been finalised, so review date has not yet been set.* *Safety and PPE Requirements for People Working in or Visiting Runnymede Depot or Chertsey Depot now includes a section stating the document will be reviewed every two years , unless an earlier review is required due to a change in legislation or after incident. Document has not yet been finalised, so review date has not yet been set.* *Direct Service Organisation Stock Check Procedures now includes a section stating the procedure will be reviewed every two years , unless an earlier review is required following an incident. A calendar entry has been made to review on 1/4/25.* *A spreadsheet has been created listing these documents, the review frequency and date of next review.*	*Uniform Policy should be finalised by the end of 2023, then a review date can be diarised.* *01/01/24* *Safety and PPE document should be finalised by the end of 2023, then a review date can be diarised.* *01/01/24* *completed*	*Health and Safety Manager (Operations)* *Health and Safety Manager (Operations)* *Health and Safety Manager (Operations)*

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Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
2	Directed	A sample of 10 staff was selected. For each staff member the training they had received was noted. The training received was then reviewed against the following: • Induction • GDPR • Health and Safety Awareness • Fire Safety • Fire Extinguisher • COHH/COHH Assessment • Defibrillator • First Aid at Work (Including Emergency First Aid). Additional discussions held with the Health and Safety Manager (DSO) confirmed the following: • In relation to Induction training, it was not relevant for a majority of the staff as they had been working within the Direct Services Organisation quite a while and that it would not be necessary to carry out the Induction Training retro-perspective. • In terms of Health and safety it would be desirable in the future for refresher training to ensure operators are familiar with the current process and procedures. • Appropriate COSHH/COSHH assessment training needs to be incorporated as part of the training provided. • Appropriate Fire Safety and Fire Extinguisher training has been conducted. • First Aid at Work (Including Emergency First Aid) they were designated members of staff who had received the appropriate first aid training. Defibrillator training was also included as part of the Emergency First Aid at Work Course.	Refresher training relating to Fire Safety and Fire Extinguisher as well as COSHH/COSHH Assessment be incorporated as part of the training provided.	3	*Fire safety awareness training will be scheduled to start Spring/Summer 2024. This will include a refresher on how to use fire extinguishers, but not practical fire extinguisher training.* *The induction presentation for new employee briefly covers chemical safety, however more detailed training will be devised for employees who use substances hazardous to health. Training for Supervisors in how to undertake COSHH assessments will be devised. Training to be rolled out from Spring 2024.*	*To start 01/05/24* *To start 01/03/24*	*Health and Safety Manager (Operations)* *Health and Safety Manager (Operations)*

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Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
No operational Effective Matters have been identified.				

Findings

Directed Risk:

Failure to properly direct the service to ensure compliance with the requirements of the organisation.

Ref	Expected Key Risk Mitigation		Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
GF	Governance Framework	There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.	In place	1	-
RM	Risk Mitigation	The documented process aligns with the mitigating arrangements set out in the corporate risk register.	In place	-	-
C	Compliance	Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	Partially In Place	1	-

Other Findings

Discussions with the Corporate Head of Environmental Services, The Health and Safety manager operations (DSO) and the Direct Services Organisation Manager confirmed that the procedures set out the current process.

The following procedures relating to the depot were obtained and reviewed.

1) Direct Service Organisation (DSO Uniform Policy).

It was noted that the policy was updated in July 2023. The main aspects outlined in the policy were as follows:

- Provision for uniform including direct-employed staff and agency staff.
- Uniform for Refuse Street Cleansing and Ground Maintenance.
- Variation for individual requirements.
- Variation for different job roles.
- Procedure for requesting Uniform and Returning the Uniform at the end of Employment.

2) Safety and PPE Requirements for People Working in or Visiting Runnymede Depot or Chertsey Depot.

The main aspects outlined in the policy were as follows:

- Requirement to wear PPE Equipment and Safety footwear.
- Visitor parking requirements.
- Expectation from all persons working in or visiting the Depot.
- Breaches of the policy.

3) Direct Service Organisation Stock Check Procedures.

It was noted that the stock take procedures were updated on the 29/6/2023. The main aspects outlined in the policy were as follows:

a) Records to be kept for all stock checks.

A stock take form has been created for each type of stock:

- Uniform/PPE.
- Horticulture - consumables and fluids for machinery.
- Horticulture - soil treatments and pitch marking fluids.
- Cleansing supplies.

Bins are recorded on a detailed spreadsheet due to the vast number of different types of bins.

b) Stock Take Procedure

- Set the date and time for the stock take when you are quiet and won't be interrupted.
- Ensure your stock records are up to date before the count starts and print them off so there is a physical copy.
- Count the physical items of stock and note down on your records the number of items you have. Continue until all items are counted.
- Review the records for any discrepancies, then establish which is correct (this might require a recount).
- Check if there are any reasons why there might be a discrepancy. For example, this could be due to a goods received note not being processed.
- Keep an eye out for any obsolete stock that might need to be removed altogether.

c) Re-Order levels

Re-order levels have been set for various kinds of Bins, Ground Maintenance equipment and cleansing materials.

Overall, the controls in relation to the development of relevant Policies and Procedures were considered to be efficient and effective.

A full audit review of the depot was conducted in June 2021 where five recommendations were made (one priority one recommendation, two priority two recommendation and two priority three recommendation. A follow up audit review was conducted in October 2022 where it was noted that very little progress had been made relating to the implementation of the recommendations made in the audit conducted in June 2021, this was attributed to a lack of resources. The key issues identified were as follows:

- A separate risk register for the Depot has been created, however this is still work in progress.

- Currently operatives do not undergo yearly training.
- The optimisation route package for the Bartec system has not yet been purchased.
- Detailed stock take procedures have not been documented.

Discussions with the Corporate Head of Environmental Services, The Health and Safety manager operations (DSO) and the Direct Services Organisation Manager and testing where appropriate as part of this audit confirmed that all the recommendations have been actioned except the one relating to the optimisation route package which will be considered when the Bartec system is due to be reviewed in October 2025. (Details relating to the recommendation and implementation of the recommendation has been outlined in the relevant part of the report).

Discussions with the Corporate Head of Environmental Services, The Health and Safety manager operations (DSO) and the Direct Services Organisation Manager confirmed that the Corporate Head of Environmental Services is overall responsible for the management of the Depot supported by the Health and Safety manager operations (DSO) and the Direct Services Organisation Manager who deal with the day-to-day operations of the Depot.

Access to the Waste Management System (Bartec), which enables all vehicles to be accurately tracked and for important data for each round to be monitored from the depot, such as the number of garden waste bin subscribers, trade waste customers and list of clinical waste collection is restricted to the office and customer service staff.

It was noted as part of the previous follow up audit that a separate risk register for the Depot had been created, however this was still work in progress. Discussions with the Corporate Head of Environmental Services, The Health and Safety manager operations (DSO) and the Direct Services Organisation Manager confirmed that a risk register specifically relating to the Depot has been developed/formulated and is being updated Bi - Annually. The risk register was due to reviewed in June 2023 but was reviewed on 24/7/23 due to the relevant member of staff being on long term sickness.

The Depot Risk Register was obtained and reviewed. It was noted that the main risks identified, and various mitigating factors were as follows:

- Change in government policy re waste and recycling - nothing at present is being done as awaiting government guidelines.
- Reduction in funding – Street Cleansing. - A review of the service should be undertaken as a mitigating factor.
- Poor Health and Safety Management - As a mitigating factor ongoing training and review of risk assessments should be conducted.

Overall, the controls in relation to the development of a separate risk register for the depot were considered to be efficient and effective.

Discussions with the Corporate Head of Environmental Services, The Health and Safety manager operations (DSO) and the Direct Services Organisation Manager confirmed that appropriate training has been provided for all staff and that appropriate training records have been maintained.

In addition, the Health and Safety manager operations (DSO) confirmed that a training matrix has been developed/formulated which records for each member of the DSO staff what training they have received as well as what training is expected for each of the roles within the DSO. The controls in relation to the provision of adequate training were considered to be only partially efficient and effective as improvements could be made as outlined in the (Key Findings and Management Action Plan above).

It was noted as part of the previous audit review that the main gate to access the Depot was broken and that though CCTV is in operation around the depot, this required upgrading. Discussions with the Depot Manager during the review confirmed that, while ad-hoc repairs have been carried out, the infrastructure at the depot is still very poor including the Intercom and CCTV as well as the entrance gate. Therefore, the following recommendation was made ""The security at the Depot be reviewed and appropriate action taken to keep the site secure by use of both physical security measures (a working gate) and via adequate surveillance"". Discussions with the Corporate Head of Environmental Services, The Health and Safety manager operations (DSO) and the Direct Services Organisation Manager and a physical inspection of the Depot confirmed that:

- The outer gate works. It is closed mid-afternoon until the next morning and can only be opened by use of an electronic fob – authorised people have a fob others must press the buzzer and speak to someone before the barrier is lifted.
- The CCTV are fully operating.

In addition, the Corporate Head of Environmental Service confirmed that she was happy with the current security arrangements and that a review of the facilities at the Depot is currently being undertaken. Overall, the controls in relation to the security of the Depot were considered to be efficient and effective.

As part of the audit the stock check relating to the Uniform and PPE carried out on the 20/6/23 and 17/7/2023 were obtained and reviewed. It was noted that the stock checks had been conducted appropriately and had been recorded on the appropriate form as per the stock check procedures and that no discrepancies had been noted. (The stock check procedure was obtained and reviewed as outlined in the policy and procedure section of the report). The control relating to stock checks being conducted were considered to be efficient and effective.

Discussion held with the Senior Exchequer Services Officer (Income) confirmed that all trade waste customers are added onto the organisations Finance System known as Total Finance. The fees and charges are reviewed at the beginning of each budget year and updated manually onto the Total Finance system. The invoices are than automatically generated depending on if the relevant customer pays monthly, quarterly, or yearly.

In relation to outstanding debt than the organisations debt collection policy is adhered to, and reminder letters are sent, and the debt forwarded to the Debt Collection Agency if appropriate.

As part of the audit a sample of 10 invoices (four monthly, three quarterly and three annually) were obtained and reviewed. The following was noted:

- Customer Number
- Invoice Date
- Service provided and Cost/Fees as per the Invoice
- Payment date or if payment made by Direct Debt expected day of payment.

In addition, the fees/charges relating to the budget year 23/24 was reconciled for six of the Invoices (two monthly, two quarterly and two annually) to ensure that the correct fees had been charged and that the Total Finance System had accurately generated these invoices.

In addition, list of outstanding payments was obtained. It was noted that the total amount outstanding was £13,829.13. They were some notes attached to the relevant outstanding invoices. No recommendation was made as part of this audit as the outstanding invoices will be reviewed as part of the Key Financial Control audit. Overall, the controls relating to the adding of trade waste customers onto the Total Finance System and accuracy of the invoices were considered to be efficient and effective.

Delivery Risk:

Failure to deliver the service in an effective manner which meets the requirements of the organisation.

Ref	Expected Key Risk Mitigation		Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
PM	**Performance Monitoring**	There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.	In Place	-	-
S	**Sustainability**	The impact on the organisation's sustainability agenda has been considered.	In Place	-	-
R	**Resilience**	Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.	In Place	-	-

Other Findings

Discussions with the Direct Services Organisation Manager confirmed that the main Key Performance Indicator (KPI) relating to the Depot is the Percentage of Bins Collected (ES3). The KPI was not reviewed as part of this audit as it is being reviewed as part of the Data Quality Audit.

Discussions with the Direct Services Organisation Manager confirmed that in relation to monitoring arrangements monthly budget statements relating to the Depot are generated by the Finance Team and monthly budget monitoring meetings are being held. These aspects were not reviewed as part of this audit as these will be reviewed as part of the Key Financial Control Audits.

Discussions with the Corporate Head of Environmental Services confirmed that the following measures had been implemented with regards to Sustainability:

- The refuse collection process has been automized using a tablet.
- Investment has taken place in electric tools rather than petrol strimmers, hedge cutters and blowers.
- Where possible everything is recycled.

Scope and Limitations of the Review

1. The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan. As set out in the Audit Charter, substantive testing is only carried out where this has been agreed with management and unless explicitly shown in the scope no such work has been performed.

Disclaimer

2. The matters raised in this report are only those that came to the attention of the auditor during the course of the review, and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Effectiveness of arrangements

3. The definitions of the effectiveness of arrangements are set out below. These are based solely upon the audit work performed, assume business as usual, and do not necessarily cover management override or exceptional circumstances.

In place	The control arrangements in place mitigate the risk from arising.
Partially in place	The control arrangements in place only partially mitigate the risk from arising.
Not in place	The control arrangements in place do not effectively mitigate the risk from arising.

Assurance Assessment

4. The definitions of the assurance assessments are:

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Acknowledgement

5. We would like to thank staff for their co-operation and assistance during the course of our work.

Release of Report

6. The table below sets out the history of this report.

Stage	Issued	Response Received
Audit Planning Memorandum:	26th July 2023	3rd August 2023
Draft Report:	1st November 2023	15th November 2023
Final Report:	20th November 2023	

AUDIT PLANNING MEMORANDUM

Client:	Runnymede Borough Council
Review:	Depot

Type of Review:	Assurance	**Audit Lead:**	Laila Somji - Auditor

Outline scope (per Annual Plan):	The review will focus on following up on the areas which were the subject of previous audit recommendations: The identification and monitoring of operational risks. Use of the Bartec system and maximising its effectiveness. Completion of training and maintenance of appropriate training records. Infrastructure and security arrangements. Stock checks. A general review will also be carried out in relation to the following areas: Up to date policies and procedures are in place for all staff working at the depot. The collection of income (including Trade Waste) is adequately controlled. Appropriate budget monitoring arrangements are in place. Appropriate performance indicators are in place, which are periodically monitored and reported.

Detailed scope will consider:	Directed Governance Framework: There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation. Risk Mitigation: The documented process aligns with the mitigating arrangements set out in the corporate risk register. Compliance: Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	Delivery Performance monitoring: There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner. Sustainability: The impact on the organisation's sustainability agenda has been considered. Resilience: Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.
Requested additions to scope:	(if required then please provide brief detail)	
Exclusions from scope:	None	

Planned Start Date:	03/08/2023	**Exit Meeting Date:**	19/10/2023	**Exit Meeting to be held with:**	Helen Clark

SELF ASSESSMENT RESPONSE

Matters over the previous 12 months relating to activity to be reviewed	Y/N (if Y then please provide brief details separately)
Has there been any reduction in the effectiveness of the internal controls due to staff absences through sickness and/or vacancies etc?	N
Have there been any breakdowns in the internal controls resulting in disciplinary action or similar?	N
Have there been any significant changes to the process?	N
Are there any particular matters/periods of time you would like the review to consider?	N

Follow up of Non ICT Audits

Introduction

1.   This summary report provides the Standards and Audit Committee with an update on the progress in implementing the priority 1, 2 and 3 recommendations arising in previous internal audit reports.

2.   This follow up review was carried out in December 2023. Since the previous follow up review was carried out (October 2023), two recommendations have reached their initial or revised target implementation date.

Key Findings & Action Points

3.   The follow up review considered whether the management action taken addresses the control issues that gave rise to the recommendations. The implementation of these recommendations can only provide reasonable and not absolute assurance against misstatement or loss. From the work carried out the following evaluations of the progress of the management actions taken to date have been identified.

Evaluation	Number of Recommendations
Implemented	2
Outstanding	0
No Longer Applicable	0
Not Implemented	0

4.   For the two recommendations that have been confirmed as implemented, no further action is necessary and specific details have not been included in this report.

5.   Five recommendations arising from the 2022/23 Safeguarding review have not been included in this follow up review as this area is subject to a full audit review in 2023/24.

6.   Recommendations relating to ICT audits have been subject to a separate follow up review which commenced during Quarter 3 2023/24.

7. Management representations were obtained on the action taken to address the recommendations and limited testing has been carried out to confirm these management representations. The following matters were identified in considering the recommendations that have not been fully implemented:

8. **Mobile Device Management**

Audit title	ICT Review of Mobile Device Management	Audit year	2018/19	Priority	2
Finding	The Council has a good base to work from but there are improvements that can be made. There are sufficient policies to cover the key elements of Mobile Device Management, however, these policies are in need of review as the majority were last reviewed eight years ago in 2011. The ICT department should consider a review cycle of at least every two to three years to help to keep the policies and procedures up to date. Additional detail can also be added to the core policies to help safeguard the organisation, as further outlined in the detailed report text.				
Recommendation	A more regular review schedule be put in place for all policies and procedure documents relating to Mobile Device Management, with additional detail to be added to the current Mobile Device Management policies as per the report text.				
Initial management response	Agreed, the policies will be updated as the contracts come up for review moving forward but all will be done by the end of the calendar year.				
Responsible Officer/s	Corporate Head of Customer, Digital & Collection Services	Original implementation date	31/12/19	Revised implementation date(s)	March 2021, then March 2022, then June 2022, then October 2022, then December 2022, then February 2023
Latest Update	It was confirmed by the Corporate Head of Customer, Digital & Collection Services that all of the ICT Policies have now been reviewed, updated and approved by CLT in November 2023. A suite of updated policies was provided, including a Mobile Phone Policy, Bring Your Own Device Policy, Email Policy, Acceptable Usage Policy, Password Policy, Access Control Policy, Data & Cyber Security Polic, and Incident Management Policy. The policies will be reviewed every three years in conjunction with the Digital Services Strategy and will then be documented in the relevant Service Action Plan to ensure they are relevant and kept up to date.				
Status	Implemented				

Audit title	ICT Review of Mobile Device Management	Audit year	2018/19	Priority		2
Finding	The Council does not currently undertake or schedule risk assessments for their mobile devices and the software installed on them. This would enable the organisation to identify risks which may compromise their data security; these risks could include data loss, public exposure through man-in-the-middle attacks and cross contamination. By identifying potential threats, the ICT Department can make an informed decision as to how to respond. This should be considered and added to the current ICT strategy going forward.					
Recommendation	Regular risk assessments of their mobile devices and installed software be implemented and scheduled.					
Initial management response	Whilst the recommendation is noted, it will be difficult to implement particularly for staff who have their own devices which they then have access to their work e-mails on. All staff sign up to the Council's ICT protocol and the Member protocol has also been reviewed so everyone is aware of the risks around data security and loss. Management will consider how security can be improved without conducting onerous risk assessments on staff personal devices.					
Responsible Officer/s	Corporate Head of Customer, Digital & Collection Services	Original implementation date	31/03/20	Revised implementation date(s)		March 2021, then March 2022, then June 2022, then October 2022, then January 2023
Latest Update	With regards to risk assessments on personal devices, it was previously advised that the Council were rolling out Intune software to provide a more efficient way to support mobile devices to manage, assess and protect devices. This was an ongoing piece of work with staff working remotely to get them in to have the software installed. The Council were also reviewing the existing mobile phone contract where devices would be streamlined. As part of this follow up review, it was confirmed by the Corporate Head of Customer, Digital & Collection Services that the roll out of Intune software is now complete, the mobile phone contract has been updated and a new policy approved and implemented from November 2023.					
Status	Implemented					

9. **Contract Management**

Audit title	ICT Review of Contract Management	Audit year	2021/22	Priority	2
Finding	There is not currently a documented policy in place setting out the Council's requirements and controls for contract management. This should include documentation of key roles and responsibilities around contract management, describe the approach taken in order to categorise suppliers and the different requirements and controls to be applied to suppliers according to category, such as the level of IT due diligence required.				
Recommendation	Management to document a corporate Contract Management Policy that undergoes regular review.				
Initial management response	Agreed.				
Responsible Officer/s	Corporate Head of Customer, Digital & Collection Services	Original implementation date	Quarter 2 2023	Revised implementation date(s)	
Latest Update	With respect to ICT contracts, regular monthly meetings take place between Procurement and Digital Services where the ICT contract register is reviewed and updated. With respect to corporate Procurement practices, a contract management framework has been drafted and is based upon the Government's Commercial Function's Contract Management Foundation course which is a series of online modules. The contract management framework includes a roles and responsibilities (RACI) matrix and contract categorisation based on a number of factors, including contract value, complexity and risk. It was advised by the Head of Procurement that the contract management toolkit is complete but has not yet been launched to the wider staff base. New contract standing orders are expected to be implemented in Quarter 4 and this will be followed by a Council wide rollout of the contract management framework. Where there is an imminent need, this can be rolled out to specific service areas sooner. For example, Housing have adopted the framework already as part of their ISO9001 accreditation process. This recommendation was therefore considered as implemented. The contract management framework will also be considered in further detail as part of a full Procurement audit, due to be carried out in Q4 2023/24.				
Status	Implemented				

Audit title	ICT Review of Contract Management	Audit year	2021/22	Priority	3
Finding	Regular contract and procurement board meetings are held in order to discuss and manage contract issues. It was noted that there are not currently formal minutes/ actions recorded from these meetings.				
Recommendation	Management to introduce minutes and/or an action log for use in managing actions from key meetings.				
Initial management response	Agreed.				
Responsible Officer/s	Corporate Head of Customer, Digital & Collection Services	Original implementation date	Quarter 2 2023	Revised implementation date(s)	
Latest Update	It was confirmed by the Corporate Head of Customer, Digital & Collection Services that regular reviews are undertaken of the contract register with the procurement team. Evidence of the latest review meeting on 23/11/23 was provided; it was confirmed that a cumulative log is maintained by the procurement team in relation to Digital Services contracts, with notes from each review meeting recorded on the contracts log, including action points where relevant. The meeting notes are then subsequently distributed by procurement to all relevant officers. This recommendation was therefore considered to be implemented.				
Status	Implemented				

10. Software Asset Management

Audit title	ICT Review of Software Asset Management	Audit year	2021/22	Priority	2
Finding	There are a number of software asset management controls in place and managed by the Digital Services and Infrastructure teams, including a documented policy in place that sets out the Council's requirements and controls for software asset management. However, the policy is dated 2011, which suggests that a review is required.				
Recommendation	Management to ensure that the asset registration and control policy is reviewed as soon as possible. The review to ensure that the policy includes the Council's requirements and controls for the management, monitoring and reporting of software assets, including licenses, versions, installed endpoints, enterprise software license agreements, subscriptions and commercial software licenses.				
Initial management response	Agreed.				
Responsible Officer/s	Corporate Head of Customer, Digital & Collection Services	Original implementation date	29/09/23	Revised implementation date(s)	
Latest Update	As noted above, i was confirmed by the Corporate Head of Customer, Digital & Collection Services that all of the ICT Policies have now been reviewed, updated and approved by CLT in November 2023. The asset register is managed within Zendesk and has been documented within the Wiki.				
Status	Implemented				

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Audit title	ICT Review of Software Asset Management	Audit year	2021/22	Priority	2
Finding	It was noted that management are in the process of reviewing and updating many of the risks and controls detailed as part of the Digital Services Risk Register and that this will be updated by the end of the financial year. This will include review of the need for additional Software Asset Management risks and controls.				
Recommendation	Management to review and update the Digital Services risk register.				
Initial management response	Agreed. We are working to take this forward during Q4 23/24.				
Responsible Officer/s	Corporate Head of Customer, Digital & Collection Services	Original implementation date	29/03/24	Revised implementation date(s)	
Latest Update	It was advised by the Corporate Head of Customer, Digital & Collection Services that the ICT Risk register was reviewed in March 2023. Various risks have now been transferred to the Corporate Risk Register and also reviewed in November 2023. Corporate Risk has transferred to the Project Management Office and a separate Teams area has been set up and regular reviews are undertaken which are then reported to CLT. The Business Planning and Performance Team have now set up an area within MS Teams where the Digital Services risk register has been incorporated and reviewed in December 2023 to include all corporate risks.				
Status	Implemented				

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11. **Service Desk**

Audit title	ICT Review of Service Desk	Audit year	2022/23	Priority	2
Finding	The Council recorded risk DS01 relating to "staff holding key knowledge either leaving or taking extended sickness". This risk is relevant in the current situation at the Council. However, the risk register has not been reviewed as scheduled. The current risk register issue date is March 2021.				
Recommendation	Re-establish regular 6 monthly reviews and updates of the risk register as per the established procedure.				
Initial management response	Agreed.				
Responsible Officer/s	Corporate Head of Customer, Digital & Collection Services	Original implementation date	31/03/24	Revised implementation date(s)	
Latest Update	It was advised by the Corporate Head of Customer, Digital & Collection Services that the ICT Risk register was reviewed in March 2023. Various risks have now been transferred to the Corporate Risk Register and risks have also recently been reviewed in November 2023. Corporate Risk has transferred to the Project Management Office and a separate Teams area has been set up and regular reviews are undertaken which are then reported to CLT. The Business Planning and Performance Team have now set up an area within MS Teams where the Digital Services risk register has been incorporated and reviewed in December 2023 to include all corporate risks. The previous 6 monthly review process has now been superseded by the new risk management area within MS teams and the corporate review process.				
Status	Implemented				

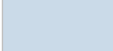| Audit title	ICT Review of Service Desk	Audit year	2022/23	Priority	2
Finding	The change requests are approved by the organisation. However, the change forms contain no record of a technical review to ensure that the changes are technically viable and all the dependencies and pre-requisites are in place.				
Recommendation	Technical reviews and associated approvals of change requests be established.				
Initial management response	Agreed.				
Responsible Officer/s	Corporate Head of Customer, Digital & Collection Services / Head of Digital Security, Infrastructure and Operations	Original implementation date	31/03/24	Revised implementation date(s)	
Latest Update	It was confirmed by the Corporate Head of Customer, Digital & Collection Services that all change request forms are subject to a secondary validation. Three recent examples were provided as evidence. It was noted that these incorporated sections relating to a technical review and it was confirmed that all had been fully completed and authorised.				
Status	Implemented				

Audit title	ICT Review of Service Desk	Audit year	2022/23	Priority	3
Finding	Samples of change request forms have been reviewed. It was identified that some information was not complete. For instance, some dates and times were missing and one request did not have a rollback plan.				
Recommendation	The change request forms be duly completed as per the established process.				
Initial management response	Agreed.				
Responsible Officer/s	Corporate Head of Customer, Digital & Collection Services / Head of Digital Security, Infrastructure and Operations	Original implementation date	30/09/23	Revised implementation date(s)	
Latest Update	It was confirmed by the Corporate Head of Customer, Digital & Collection Services that all change request forms are subject to a secondary validation. Three recent examples were provided as evidence, and it was confirmed that all had been fully completed and authorised.				
Status	Implemented				

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Progress against Annual Plan

System	Planned Quarter	Current Status	Comments	Priority
Data Quality	1	Final Report awaiting issuance by TIAA delivery support team	Final Report awaiting issuance by TIAA delivery support team	High
Recruitment	1	Completed	Final report issued 29 September 2023	High
Governance - Corporate	1	Completed	Final report issued 21 September 2023	High
Procurement/Contracts	2	In progress	Timing of audit to be exchanged with Payroll. Start date 22 January 2024	High
Risk Management	2		Original Start date 12 September 2023 – Deferred to February 2024 by client.	Medium
Housing Repair and Maintenance	2	Completed	Final report issued 5 September 2023	High
Depot	2	Final Reported Jan 2024 (P6)	Final report issued – Reported To AC	High
Commercial Property	2		Scheduled for Jan 2024 following concern about scope. To commence with Head of Business Projects Planning and Performance.	High
Community Grants	3		Start date January 2024	Medium
ICT – Virtual Cloud Based Approach to DR	3		Moved by Client to March 2024.	Medium
ICT Audit Follow up of previous recommendations	3	Completed.	Included - Appendix A (page 13)	Medium
Key Revenues Controls	3		Scheduled to Commence Jan 2024.	High
Key Financial Controls	3		Due for Draft Report 10th Jan2024	High
Main Accounting	3		Start date 8 January 2024	Low
Payroll	3	Draft Report awaiting issuance by TIAA delivery support team	Due for Draft Report 15th Jan 2024	Medium

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Treasury Management	**3**		**Start date 19 February 2024**	**Low**
Meals at Home	**3**		**Start date 3 October 2023 (Delayed as Audit lead moved on Resource to be allocated).**	**Medium**
Safeguarding	**3**		**Start date 3 October 2023**	**High**
Follow-up	**1-4**		**Report Each Audit Committee**	

KEY:

	To be commenced		Site work commenced		Draft report issued	

	Final report issued

Briefings on developments in Governance, Risk and Control

Summary of Recent TIAA Client Briefing Notes (CBNs), Alerts, Insights and Articles

TIAA produce regular briefing notes to summarise new developments in Governance, Risk, Control, Counter Fraud and Security Management which may have an impact on our clients. These are shared with clients and made available through our Online Client Portal. A summary list of those briefings issued in the last three months which may be of relevance.

Date Issued	Sector	Briefing Type	Subject	Website Link	TIAA Comments
18 DECEMBER 2023	All	Data Protection Alert	Landmark Artificial Intelligence (AI) Deal Reached By EU	[Landmark Artificial Intelligence (AI) deal reached by EU - TIAA](#)	European Union officials have reached a provisional deal on the world's first comprehensive laws to regulate the use of Artificial Intelligence (AI). **Action Required: Not urgent** • Check whether your organisation already uses AI or when it plans to. • Ensure the AI use is compliant with ICO guidance.

Date Issued	Sector	Briefing Type	Subject	Website Link	TIAA Comments
18 DECEMBER 2023	Housing	Data Protection Alert	ICO Warning to Housing Organisations	[ICO warning to Housing Organisations - TIAA](#)	On 13 December 2023 the UK Information Commissioner's Office (ICO) issued a warning to Housing organisations on compliance with data protection obligations. **Action Required: Not urgent** • You must have a DPO if you are a public authority or if your core activities include large scale monitoring of individuals or processing special category data. • Check your organisation has an up to date DPA policy and staff are aware of it • Complete mandatory DPA training, which must be thorough and relevant
01 DECEMBER 2023	All	Security Alert	Increase In People Sheltering In Waste Containers	[Increase in People Sheltering in Waste Containers - TIAA](#)	This winter, organisations are reminded of the dangers of homeless people and seasonal revellers sleeping in commercial waste containers to avoid the cold weather.
30 NOVEMBER 2023	All	Anti-Crime Alert	Salary Sacrifice Scheme Fraud	[Salary Sacrifice Scheme Fraud - TIAA](#)	**Action Required: Not urgent** The NHS Counter Fraud Authority has uncovered a concerning new scam targeting salary sacrifice schemes. These schemes, offered by many NHS organisations, provide benefits like car leasing or cycle to work programs. Fraudsters are out there, looking to take advantage by using stolen credentials of NHS staff. Ensuring there is a robust policy in place to support the salary sacrifice scheme is key to prevention.

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Date Issued	Sector	Briefing Type	Subject	Website Link	TIAA Comments
22 NOVEMBER 2023	All	TIAA Blog	"Value For Money" – Looking Beyond The Standard Definition	"Value for Money" - looking beyond the standard definition - TIAA	Discover the true meaning of "Value for Money", we look beyond the traditional definition and explore a new perspective. Gain a fresh understanding of value and uncover how cost, quality and sustainability are the most advantageous combination to achieve best value for money.
21 NOVEMBER 2023	Charities	TIAA Article	Charity Fraud – Top 5 Areas Of Weakness	Charity Fraud - Top 5 Areas of Weakness - TIAA	Our top 5 areas identified across charities as being weaknesses to fraud.
21 NOVEMBER 2023	Charities	Campaign	Charity Fraud Awareness Week	Charity Fraud Awareness Week - TIAA	TIAA is proud to support Charity Fraud Awareness Week 2023, which runs between 27th November and 1st December 2023. The campaign aims to bring together everyone involved in the charity and not for profit sectors to raise awareness and share good practice in tackling fraud and cybercrime.
12th – 18th NOVEMBER 2023	All	Campaign	International Fraud Awareness Week 2023	International Fraud Awareness Week 2023 - TIAA	Hundreds of organisations across the world participated in International Fraud Awareness Week (IFAW) (12th – 18th November 2023) to raise awareness of fraud risks and key reporting lines. The campaign aims to start discussions amongst peers, co-workers, executives and stakeholders in the community about how important fraud prevention is to society as a whole.
10 NOVEMBER 2023	All	Security Alert	Terrorism (Protection Of Premises) Bill Update	Terrorism (Protection of Premises) Bill Update - TIAA	His Majesty King Charles III recently (7th November 2023) performed one of his key duties as monarch, reading the King's Speech at the State Opening of Parliament. This included the proposed Terrorism (Protection of Premises) Bill, also known as Martyn's Law.
01 NOVEMBER 2023	Healthcare	Newsletter	Fraud Stop Healthcare – Autumn 2023	Fraud Stop Healthcare – Autumn 2023 - TIAA	The Autumn 2023 edition of our Fraud Stop Healthcare publication features emerging fraud trends identified at healthcare organisations, case studies that our specialists have been involved in and methods of fraud prevention.

Date Issued	Sector	Briefing Type	Subject	Website Link	TIAA Comments
01 NOVEMBER 2023	All	Newsletter	Fraud Stop All Sectors – Autumn 2023	Fraud Stop All Sectors – Autumn 2023 - TIAA	The Autumn 2023 edition of our Fraud Stop All Sectors publication features emerging fraud trends identified at organisations, case studies that our specialists have been involved in and methods of fraud prevention.
01 NOVEMBER 2023	Charities	Newsletter	Fraud Stop – Charity Edition – Autumn 2023	Fraud Stop – Charity Edition – Autumn 2023 - TIAA	The Charity Fraud Autumn 2023 edition of our Fraud Stop publication features emerging fraud trends identified at organisations, case studies that our specialists have been involved in and methods of fraud prevention.
26 OCTOBER 2023	All	TIAA Blog	TIAA Blog - What Is "Value for Money"?	What is "Value for Money"? - TIAA	Discover the true meaning of value for money, this blog dives deep into this concept and takes a look at the key components. From 'quality and effectiveness' – value for money doesn't mean simply choosing the cheapest option to 'long-term perspective' - while immediate cost savings are important, value for money often emphasises the long-term perspective.
20 OCTOBER 2023	All	TIAA Podcast	Organisational Culture And Whistleblowing Podcast	Organisational Culture and Whistleblowing Podcast - TIAA	The first in our Podcast series. Hosted by David Foley, TIAA's Advisory Director, with guest Professor David Lewis, Head of Whistleblowing Research at Middlesex University. Discover this eye-opening podcast on organisational culture and whistleblowing. Join us as we delve into real-life stories, thought-provoking discussions, and expert insights that will challenge your perception of workplace culture.
23 OCTOBER 2023	All	TIAA Webinar	Whistleblowing And Organisational Culture Round Up Webinar	Whistleblowing And Organisational Culture Round Up Webinar - TIAA	This webinar follows our last session, whereby our experts provide an update on the landscape, including details of our recent survey that TIAA conducted across clients.