Subject: Report on the Status of Audit Recommendations due for implementation between 1 October and 31 December 2015

Report to: Audit and Risk Committee, 2 February 2016

Report by: Internal Audit Consortium Manager

SUBJECT MATTER / RECOMMENDATIONS

This report seeks to inform members on the latest progress made in relation to management implementation of agreed audit recommendations falling due between 1 October and 31 December 2015.

It is recommended that the Committee:

- Receives and notes the current position in relation to the completion of agreed audit recommendations.

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1.   BACKGROUND

1.1   The Audit and Risk Committee receives updates on management implementation of agreed audit recommendations. This report forms part of the overall reporting requirements to assist the Council in discharging the responsibilities in relation to its Internal Audit Service.

1.2   The Public Sector Internal Audit Standards require the Chief Audit Executive (Internal Audit Consortium Manager) to establish a process to monitor and follow up management actions to ensure that they have been effectively implemented or that senior management have accepted the risk of not taking action. The frequency of reporting at Great Yarmouth Borough Council is three times a year.

1.3   To comply with the above this report includes the status of agreed actions.

2.   OVERALL POSITION

2.1   The current position and issues in relation to the implementation of Internal Audit recommendations is shown in the report attached.

3.   CONCLUSION

3.1   In conclusion at the 31 December 2015 there are a total of 37 recommendations outstanding; 19 of which have previously been reported to the Committee, and 18 of which are reported as outstanding for the first time.

3.2   A step in the right direction has been made at the end of 2015 with 37 recommendations being closed, however it is important to highlight that there are still 37 recommendations outstanding, plus 43 that should be work in progress but are not yet due for implementation. In addition there are still 13 audits to be completed which relate to the 2015/16 financial year.

2.12   Implementation of internal audit recommendations needs to continue to be taken seriously and these implemented as agreed to ensure that risks and weaknesses can be addressed and governance at the Council ultimately improved.

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| **FINANCIAL IMPLICATIONS**: |
| None |

| **LEGAL IMPLICATIONS:** |
| None |

| **EXECUTIVE BOARD OR DIRECTOR CONSULTATION:** |
| None |

RECOMMENDATIONS

It is recommended that the Committee:

- Receives and notes the current position in relation to the implementation of agreed audit recommendations.

Does this report raise any legal, financial, sustainability, equality, crime and disorder or human rights issues and, if so, have they been considered?	Issues	None
	Legal	None
	Financial	None
	Risk	None
	Sustainability	None
	Equality	None
	Crime and Disorder	None
	Human Rights	None
	Every Child Matters	None

APPENDICES: FOLLOW UP REPORT ON INTERNAL AUDIT RECOMMENDATIONS

Eastern Internal Audit Services

Gt Yarmouth Borough Council

Follow Up Report on Internal Audit Recommendations

Period Covered: 1 October to 31 December 2015

Responsible Officer: Emma Hodds – Internal Audit Consortium Manager

CONTENTS

1. INTRODUCTION

1.1 This report is being issued to assist the Authority in discharging its responsibilities in relation to the internal audit activity.

1.2 The Public Sector Internal Audit Standards also require the Chief Audit Executive (known in this context as the Internal Audit Consortium Manager) to establish a process to monitor and follow up management actions to ensure that they have been effectively implemented or that senior management have accepted the risk of not taking action. The frequency of reporting and the specific content are for the Authority to determine.

1.3 To comply with the above this report includes:-

- The status of agreed actions.

2. STATUS OF AGREED ACTIONS

2.1 As a result of audit recommendations, management agree action to ensure implementation within a specific timeframe and by a responsible officer. The management action subsequently taken is monitored by the Internal Audit Contractor on a regular basis and reported through to this Committee. Verification work is also undertaken for those recommendations that are reported as closed.

2.2 **Appendix 1** to this report shows the details of the progress made to date in relation to the implementation of the agreed recommendations. This appendix now also reflects the year in which the audit was undertaken to enable the Committee to easily identify old outstanding recommendations. The table also identifies between outstanding recommendations that have previously been reported to this Committee and then those which have become outstanding this time round.

2.3 Following on from the previous Audit and Risk Committee whereby the position in relation to implementation of agreed internal audit recommendations was found to be less than satisfactory, the importance of follow up was discussed at a Group Managers meeting in January. The Group Managers and Directors reviewed the current position and were able to provide additional information enabling some more recommendations to be closed. At this meeting it was also agreed the resolution of these outstanding recommendations is key moving forward and Group Managers agreed that these would be a priority piece of work.

2.4 The summary position according to recommendation priority is shown in the table below, with the previously reported position in the first table and the current position n the second table to enable comparison:

Status of Recommendations as at 30 September 2015					
	P1	**P2**	**P3**	**Total**	**%**
Complete	0	10	6	16	32%
Outstanding	3	24	7	34	68%

Status of Recommendations as at 31 December 2015					
	P1	**P2**	**P3**	**Total**	**%**
Complete	4	22	13	39	51%
Outstanding	6	22	9	37	49%

Key:
Priority 1 – Urgent: Fundamental control issue on which action to implement should be taken within 1 month.
Priority 2 – Important: Control issue on which action to implement should be taken within 3 months.
Priority 3 – Needs Attention: Control issue on which action to implement should be taken within 6 months.

2.5 Also attached to this report is **Appendix 2, 3 and 4** which details the 37 recommendations (split by priority level) which are outstanding from all audits, and provides management response in relation to these.

2.6 As at the 31 December 2015 of the 37 recommendations outstanding; 19 have previously been reported to the Committee, and 18 are reported as outstanding for the first time.

2.7 <u>Priority One (Urgent) Recommendations</u>

2.7.1 Since the last report to the Committee four urgent recommendations have been implemented by management and verified and closed down by internal audit.

2.7.2 There remain 6 urgent recommendations outstanding (see **appendix 2** for detailed management responses), one of which has previously been reported to Committee; business continuity service plans, including disaster recovery plans required updating. The current position is that the Resilience Officer has received the majority of the plans from Group Managers and is due to take these to Executive Management Team for sign off at the end of February, at which point the recommendation will be implemented and closed.

2.7.3 The remaining five urgent recommendations have not been reported to Committee previously, and progress to date is summarised as follows:

The Neighbourhood Management and Community Development has one urgent recommendation outstanding; to undertake a review and subsequent update of the Constitution in terms of: process required for urgent decisions required to be made outside of the normal decision making framework; governance of the community grants process including financial control (in conjunction with external arrangements requirements as outlined in the constitution) and financial procedure rules update. The Contract Standing Orders are in the process of being updated and can be seen elsewhere on this agenda.

The recent review of Markets currently has four urgent recommendations outstanding; a verbal update was provided to the Committee in December and these four recommendations are on track for completion by the end of February.

2.8 <u>Priority Two (Important) Recommendations</u>

2.8.1 Since the last report to Committee 21 important recommendations have been implemented by management and verified and closed by internal audit.

2.8.2   There remain 22 outstanding recommendations (see **appendix 3** for detailed management responses) 12 of which have previously been reported to Committee and these relate to audits completed prior to the 2015/16 financial year.

The two important recommendations outstanding from 2011/12 will be implemented once the planned system upgrades have been completed; Capita Cash Application by 1 July 2016 and Integra Application by 28 February 2016.

The two important recommendations outstanding from 2012/13 relate to; (1) reconciling differences between the property asset register and the finance property register which will now be progressed over the next month to find a resolution and (2) once the business continuity plans have all been established there is a requirement for these to be tested, with a date stated to achieve this by the end of May 2016.

There are four important recommendations outstanding from 2013/14 which relate to; (1) markets procedural guidance, which will developed as the new processes are being developed and it planned to be in place by 31 March 2016, (2) adopting formal policy and process for approving capital expenditure in excess of the approved budget, this was a task that was not completed due maternity cover of the Capital Accountant and now the departure of the Capital Accountant, this will be progressed once the post is recruited to, (3) ensuring that risk narrative and considerations are included as standard on Committee report, this will be picked up as part of the review of the Committee system, and (4) ensuring that remote access by contractors and suppliers is regularly reviewed, this is currently underway and should be complete by 31 March 2016.

Finally there are four important recommendations outstanding form 2014/15; two in the area of Property Portfolio whereby a formal programme of planned maintenance needs to be developed to ensure the best use of resources, which will be included in the revised Asset Management Plan by the end of March 2016 and to ensure the team record and report upon performance measures, this will be actioned once the IT system (Concerto) is up to date, revised date is the end of March 2016. The other two recommendations are in the area of Data Protection & Freedom of Information whereby the Council needs to obtain PSN compliance, revised date of the end of March 2016 and confirmation of compliance with data retention schedules needs to be obtained a revised date of the end of September 2016 has been provided.

2.8.3   The remaining 10 important recommendations have not been reported to Committee previously and these are in the areas of; GY Norse Contract, Markets, Starters, Movers & Leavers (IT audit) and Patch & Change Management (IT audit), as mentioned detailed management responses can be found at **appendix 3**. Management updates have been received and revised deadline dates provided, however it is disappointing to note that recommendations are becoming overdue so soon after the agreed implementation date.

2.9   <u>Priority Three (Needs Attention) Recommendations</u>

2.9.1   Since the last report to Committee 12 'needs attention' recommendations have been implemented by management and verified and closed down by internal audit.

2.9.2   There are nine outstanding recommendations (see **appendix 4** for detailed management responses) six of which have previously been reported to Committee and these relate to audits completed prior to the 2015/16 financial year, and three relate to audits completed in the current financial year.

2.10   It is also worth noting that of the recommendations made to date, a further 43 recommendations are not yet due for implementation, three of which carry an urgent (priority

one) rating – see **Appendix 1** for the audit areas to which these relate. As mentioned although the dates for completion have not yet been reached, until they are actioned, they represent weaknesses in the control environment which leave the authority open to risk.

2.11   Group Managers and Directors have agreed that resolution of these outstanding recommendations is key moving forward and that these would be a priority piece of work. A step in the right direction has been made at the end of 2015, however it is important to highlight that there are still 37 recommendations outstanding, plus 43 that should be work in progress but are not yet due for implementation. In addition there are still 13 audits to be completed which relate to the 2015/16 financial year.

2.12   Implementation of internal audit recommendations needs to continue to be taken seriously and these implemented as agreed to ensure that risks and weaknesses can be addressed and governance at the Council ultimately improved.

APPENDIX 1 – STATUS OF AGREED INTERNAL AUDIT RECOMMENDATIONS

Audit Ref	Audit Area	Assurance Level	Completed between 1 October 2015 and 31 December 2015			Previously reported to Committee as outstanding			Outstanding			Total Outstanding	Not Yet Due for implementation		
			Priority 1	Priority 2	Priority 3	Priority 1	Priority 2	Priority 3	Priority 1	Priority 2	Priority 3		Priority 1	Priority 2	Priority 3
2011/12 Audits															
GY1217	Integra Application	Adequate					1					1			
GY1218	Capita Axis Application	Adequate					1					1			
2012/13 Audits															
GY1302	Procurement	Limited		2								0			
GY1309	Payroll & HR	Adequate						1				1			
GY1310	Property Portfolio Management	Adequate					1					1			
GY1315	Business Continuity	Limited	1			1	1					2			
2013/14 Audits															
GY1402	Tourism, Marketing, Communication and Media	Adequate		1								0			
GY1403	Markets	Unsatisfactory					1					1			
GY1405	Planned and Responsive Maintenance	Adequate										0			
GY1407	Accountancy Services	Adequate					1					1			
GY1415	Corporate Governance and Risk Management	Adequate					1					1			
GY1417	Data Centre, Backup and Disaster Recovery	Adequate	1	3								0			
GY1419	Remote Access	Adequate					1					1			
2014/15 Audits															
GY1502	Property	Limited					2					2			
GY1507	Elections	Adequate		1								0			
GY1508	Car Parking	Adequate		1								0			
GY1509	Payroll & HR	Adequate										0			
GY1510	Housing Rents	Adequate		1								0			
GY1512	Creditors	Adequate		1								0			
GY1513	Work to Support AGS	N/A		2	1							0			
GY1517	Software Licencing	Adequate		1				2				2			
GY1519	HR Payroll Chris 21	Adequate										0			
GY1520	Data Protection and Freedom Of Information	Adequate					2	2				4			
2015/16 Audits															
GY1603	Procurement	Reasonable		3	1							0	1	4	2
GY1605	Maintenance & Repairs	Reasonable		3	3					2	1	3			5
GY1606	Neighbourhood Management & Community Development	Limited	1		2			1	1			2			
GY1615	GYBS Contract	Reasonable			2							0		5	4
GY1616	Markets	No Assurance		1	2				4	3	2	9	2	6	2
GY1618	Starter, movers and leavers	Reasonable		2	2					2		2	0	1	
GY1619	Patch and Change Management	Limited	1							3		3			
GY1620	Network and Security Infrastructure	Reasonable										0		2	9
Total			**4**	**22**	**13**	**1**	**12**	**6**	**5**	**10**	**3**	**37**	**3**	**18**	**22**

APPENDIX 2 – OUTSTANDING PRIORITY ONE INTERNAL AUDIT RECOMMENDATIONS

Description	Recommendation	Priority	Imp Date	Responsible Officer	Progress On Implementation	Revised Imp Date
GY1315 Business Continuity	Management should work with all Service areas to ensure that all Service business continuity planning documentation undergo an immediate review and are sent for formal senior management approval within their respective areas. The latest templates for completing these documents should be utilised. The ICT service plan is also to include Disaster Recovery.	1	31-Jul-15	Group Manager - Environmental Services Glenn Buck	The Resilience Officer has received the majority of updated business continuity service plans from the Group Managers and is now working through them with the Group Managers. A further report on these plans will be presented to EMT at the end of February. The Resilience Officer will be working with each Group manager to look at the plans in action and develop a test regime as per my original timetable.	31-Mar-16
GY1606 Neighbourhood Management / Community Development	To undertake a review and subsequent update of the Constitution in terms of: 1 Process required for urgent decisions required to be made outside of the normal decision making framework; 2 Governance of the community grants process including financial control (in conjunction with external arrangements requirements as outlined in the constitution) and; 3 Financial procedure rules.	1	31-Dec-15	Director of Housing & Neighbourhoods	Part 1 hasn't been actioned fully and I think it now needs to form part of the governance/constitution review as part of the move to committee system. In terms of the others I would say that CSO's cover as well as council commitment via cabinet decision to move to commissioning of grants from September 16. Also there will be a working group of portfolio holders and shadows to look at Criteria for grants. Revised date April to coincide with Constitution updates (to be fed into NPLaw).	31-Mar-16
GY1616 Markets	To provide Internal Audit with a copy of the completed Annual Health & Safety Checklist for 2015/16, and provide evidence that regular checking is undertaken to ensure that food businesses are registered on a food safety management system, and a minimum standard of food hygiene rating has been set.	1	31-Dec-15	Markets Manager	Still outstanding - to be reviewed in New Year as resource is currently stretched. Revised date requested.	28-Feb-16
GY1616 Markets	To provide Internal Audit and the Transformation Programme Manager with the following: Evidence of public liability insurance for traders and a copy of the completed fire risk assessment to confirm that responsibility for PAT testing has passed to the stallholders. Confirmation of how the details of public liability insurance are recorded by the Markets Superintendent and if a copy of the insurance document is kept on file.	1	31-Dec-15	Markets Manager	Still outstanding - to be reviewed in New Year as resource is currently stretched.' Revised date requested.	28-Feb-16

Description	Recommendation	Priority	Imp Date	Responsible Officer	Progress On Implementation	Revised Imp Date
GY1616 Markets	To complete the Markets cash handling risk assessment to assess the level of risks and take action as appropriate. The risk assessment be forwarded to Finance along with the request for an amended safe limit, if deemed appropriate, in line with the risk assessment results. Cash held in the safe and in transit to comply with the approved limit.□	1	31-Dec-15	Transformation Programme Manager	Corporate Risk Officer has been contacted to provide clarification in this area. Currently two staff are collecting and banking cash and work is underway to limit cash transactions throughout the market. It is hoped this can be completely signed off in the New Year once clarification has been given by the Corporate Risk Officer.' Revised date requested.	28-Feb-16
GY1616 Markets	Cash is counted and reconciled by two people on a daily basis before it is banked with the 'Return to Treasurers form' being signed by both officers. The Markets team to keep a record of the two officers counting and reconciling the cash before banking which includes signatures of both officers and their respective printed name	1	31-Dec-15	Transformation Programme Manager	Currently two staff are collecting and banking cash and work is underway to limit cash transactions throughout the market. It is hoped this can be completely signed off in the New Year once procedures have been finalised.' Requested revised date.	28-Feb-16

APPENDIX 3 – OUTSTANDING PRIORITY TWO INTERNAL AUDIT RECOMMENDATIONS

Description	Recommendation	Priority	Imp Date	Responsible Officer	Progress On Implementation	Revised Imp Date
GYB1217 - Integra Application	Administrators should work with other Council colleagues to draft and agree a formal change control process that clearly documents all testing, results and formal acceptance of all application changes.	2	31-Mar-12	Business Analyst	Major Integration upgrade planned for go live 1st July 2016. Project Management in place to ensure documented testing and UAT processes in place. Revised formal change control processes to be agreed.	01-Jul-16
GY1218 Capita Axis Application	The issue of the information contained within the system log should be escalated within Capita to ensure that activity within the application, including security events, can be adequately reviewed.	2	31-Jan-12	Chief Cashier	The Upgrade system v9 is installed in test and there is a scheduled go live date of 02.2.2016	28-Feb-16
GY1310 Property Portfolio Management	Discrepancies between Property Services asset records and the Asset Register maintained by Finance should be subject to further investigation and resolution.	2	30-Jun-13	Group Manager - Property	As discussed in our telephone call today the matching of the outstanding records is dependent on resourcing within Finance. You are aware that Donna is away and I have therefore been unable to arrange a meeting to progress this. Can I therefore propose that we put in a revised implementation date of 31st January 2016 and this can be updated if necessary.'	31-Jan-16
GY1315 Business Continuity	Management should draft and agree a formal Business Continuity and Disaster Recovery testing programme as follows :The programme encompasses a range of differing disaster scenarios that require different resource deployments, from theoretical desktop exercises to practical incident tests that mimic the most likely incident scenarios that the Council could encounter; andThe tests should be formally documented into test reports or "lessons learnt" documents that are scrutinised and used to update the relevant plans. It should be possible to track how the plan updates have been initiated using agreed change control processes.	2	30-Jun-13	Group Manager - Environmental Services	Action plan in place to address all issues raised in the initial report - in this particular regard work in progress and revised date proposed.	31-May-16

Description	Recommendation	Priority	Imp Date	Responsible Officer	Progress On Implementation	Revised Imp Date
GY1403 Markets	Procedural guidance should be developed in relation to the administration of the markets. This should include the following areas :Application process for new traders including vetting process ;Cash receipting, handling and banking ;On site security;Complaints and Issues Procedure including recording of issues;Recovery of arrears; and Correspondence with other departments, such as Parking (for the purpose of allowing the opening of market space) for additional parking and Property and Tourism.	2	31-Mar-14	Markets Manager	Confirmed a new date of 31/3/2016 to coincide with the work being undertaken.	31-Mar-16
GY1407 Accountancy Services	A formal policy and process should be devised, approved and disseminated to relevant Project Managers/ Budget Holders, for the approval of capital expenditure in excess of the approved budget, prior to the expenditure taking place. The Capital Accountant should be notified of anticipated overspends and their approval to revise the budget over an agreed margin. Where overspends over an agreed margin are not approved this should be reported in the quarterly Finance Report to Cabinet.	2	30-Aug-14	Capital Accountant	The Capital Accountant was unable to complete this piece of work prior to her departure. It has been agreed at EMT that this post will be replaced but this will be after a review of the team needs between the Group Manager - Resources and the Section 151 Officer. This work will need to be deferred until the replacement is in post. A new deadline will need to be set of 31 July 2016.	31-Jul-16
GY1415 Corporate Governance and Risk Management	Narrative risk implications should be introduced on reports to allow for a fuller explanation of the risks.	2	01-Dec-14	Group Manager - Governance	Now that the Council has agreed to move to a Committee Form of Governance from May 2016, the revisions to the report template will now be considered as part of the overall review to be undertaken by the soon to be formed Governance Committee whose remit will include how procedures for decision making will be made under the new system, which will include how reports are presented and their format. The estimated timeline for completion of the Committees review is the end of March 2016.	31-Mar-16
GY1419 Remote Access	Management should ensure that the IT Security policy and Contractors/Suppliers connecting to Great Yarmouth BC Network Policy are reviewed as soon as possible and then at least annually thereafter. After each review, the updated policy should be communicated to all staff.	2	31-Dec-14	Information Manager	We are currently reviewing all suppliers remote access and asking them to sign the latest version of the Co-Co. Some suppliers have been slow to respond but are being chased every 2 to 3 weeks.' Revised date asked for but have changed date to 31/03/2016 based on previous discussions.	31-Mar-16

Description	Recommendation	Priority	Imp Date	Responsible Officer	Progress On Implementation	Revised Imp Date
GY1502 Property Portfolio Management	The Council's Property Services Team should develop a formal programme of planned maintenance, identifying mandatory areas required to be included annually, as well as additional areas that may be included within the next three years in order to make the best use of resources.	2	31-Mar-15	Group Manager - Property	Resources have not allowed this to happen. New asset management plan being prepared to incorporate a formal planned maintenance programme - revised date of 31/3/2016	31-Mar-16
GY1502 Property Portfolio Management	The Property Management team should provide regular reports on the achievement of KPIs and other performance measures, to the re-introduced Steering group and discuss progress.	2	31-Dec-14	Group Manager - Property	Updating of records in Concerto has been slower than anticipated raising data integrity issues with KPI reporting. Recent recruitment will allow for data to be sanity checked and new data added which will allow re starting KPI reporting function - new revised date 31/3/2016	31-Mar-16
GY1520 DP and FOI	Management should work with Norfolk County Council to understand the status of the work being carried out to renew PSN compliance from January 2015 and to ensure that PSN compliance continues uninterrupted.	2	31-Mar-15	Information Manager	'Still with Norfolk County Council who are in discussion with the national PSN compliance group.'	31-Mar-16
GY1520 DP and FOI	The Council should implement a process whereby all department heads are periodically required to confirm that they are complying with the Council's data retention schedules as they apply to their respective areas and data types. This should be supplemented by sample testing of responses.	2	31-Jul-15	Information Manager	This links to the work re data retention schedules, and requires the same revised deadline date	30-Sep-16
GY1605 Planned and Responsive Maintenance	Terms of Reference (TOR) be set up for the following groups and align with the roles outlined in the Annual Business Plan: Formal Board; Liaison Board; Strategic Partnership Board; Performance Meeting; Responsive repairs and voids meeting; Responsive repairs and voids finance meeting. TOR should outline the main Purpose / role of the group.	2	31-Dec-15	Managing Director GYN	GYBC and GYN have continued to review and adjust the operational structure of its Governance meetings and having now completed this review will commence the drafting of the required Terms of Reference for each of these meetings. Revised anticipated completion date for this task is 31/03/16.	31-Mar-16
GY1605 Planned and Responsive Maintenance	To create a separate costed schedule of rates for all rechargeable work. This needs to be in line with the repairs, which are the tenants' responsibility, as listed in the Tenants Handbook.	2	31-Dec-15	Managing Director GYN	Currently work in progress with revised completion date of the 31/03/16	31-Mar-16

Description	Recommendation	Priority	Imp Date	Responsible Officer	Progress On Implementation	Revised Imp Date
GY1616 Markets	The fees and charges book be revised to incorporate the fees for the six day markets and explicitly state the start and finish of the summer and winter periods ▯	2	31-Dec-15	Markets Manager	Update from Transformation Programme Manager to state this is completed. However, evidence to verify this has not been received, therefore this has been requested.	31-Dec-15
GY1616 Markets	Financial performance of the Markets service is monitored and reported on in the following ways:▯ An analysis of overall income is compared over recent years to identify where income has decreased. This analysis should identify the areas of significant drops in income and investigate the reasons behind this.▯ Financial analysis is undertaken on a monthly basis, plotting the income and identifying any trends taking into account expected seasonal variations. ▯ Reviewing the frequency of income/market returns posted to the /general ledger, for the various income codes, to ascertain if returns are made in a timely manner and are in accordance with what is expected+B24:B25.Rationale/Risk - To reduce the risk of income misappropriation and to ensure income is reviewed and used for service planning purposes. Issues with financial performance can be highlighted and addressed in a timely manner.▯	2	31-Dec-15	Transformation Programme Manager	A separate detailed piece of work has been undertaken in this area and is still currently in progress. Written procedures to be completed in the New Year.' Revised date requested.	28-Feb-16
GY1616 Markets	Receipt books and relating documentation be treated as controlled stationery, incorporating the following:▯ Receipts only to be written out at the time the cash/cheque is received.▯Receipt books to be used in order. Including maintaining a record of all receipt books received from reprographics followed by those used. If receipt books are used for different markets, this should be recorded. ▯All receipts be used in a receipt book and not kept blank in case receipt books run out. Receipt books be ordered from reprographics in a timely manner so that stocks do not deplete.▯ Documentation kept in the Markets office be filed in an orderly manner so that documents are located easily.Spot checks be undertaken by management to verify that the above is being done on an ongoing basis.	2	31-Dec-15	Markets Manager	A draft new receipt system is currently being tested which includes one master book which will require reconciliation with traders present.' Audit are assisting in the development of the new processes as a critical friend. This recommendation has not yet been closed as the receipt system is still in the testing stage and evidence has not been verified by Audit to confirm all aspects of the recommendation forms part of the new system. A revised date has been requested.	31-Dec-15

Description	Recommendation	Priority	Imp Date	Responsible Officer	Progress On Implementation	Revised Imp Date
GY1618 Starters, Movers and Leavers	The IT service to obtain periodic reports of all current job roles in place at the Council from the HR department and to use those reports to create and review related IT services profiles to map to the roles.Risk-rationaleThe creation of mapped roles to IT profiles will help to ensure consistent application of relevant IT services to all roles and will reduce the need to clone an existing account.If mapping processes are not used, there is an increased risk of an inconsistent application of IT services to roles, especially if the clone mechanism is used as this could result in an incorrect account being chosen as the account to be cloned.☐	2	31-Dec-15	ICT Manager/Senior HR Manager☐	The new starter form will reduce the need for the clone mechanism, reducing the risk of staff being provided with inappropriate access. Work towards the new role based solution is expected to be completed by July 2016.	31-Jul-16
GY1618 Starters, Movers and Leavers	The Computer Systems Registration Form to be updated to include a section to list IT services that are no longer required. Alternatively, the movers process to be updated such that an account for a role mover has all network services removed and then updated to map to the new role.Risk-rationaleEither of these processes will help to ensure continued alignment to relevant IT services for all users over time.If these processes are not implemented, there is an increased risk that IT services do not follow a user as they change roles over time potentially resulting in increasingly inappropriate privileges being inherited over time.☐	2	31-Dec-15	ICT Manager☐	New starters form is to form the basis of the revised starters/movers/leavers process. HR now send regular reports which are used as an interim measure. Revised date July 2016.	31-Jul-16

Description	Recommendation	Priority	Imp Date	Responsible Officer	Progress On Implementation	Revised Imp Date
GY1619 Change Control and Patch Management	Breckland and Great Yarmouth Management to work with Norfolk County Council to better understand the serve patch management process in place, the areas that are excluded / included and to receive appropriate patch status updates.	2	31-Dec-15	ICT Manager	Not started yet due to PSN compliance work taking priority - revised date June 2016	30-Jun-16
GY1619 Change Control and Patch Management	Breckland and Great Yarmouth management to satisfy themselves that the NCC project to upgrade all relevant servers to Windows Server 2008/2012 (as appropriate to each server's requirements) is progressing as required and that all relevant Breckland and Great Yarmouth servers have been included in the project. This could be implemented by receiving regular project highlight reports, or similar, depending on the process being used to manage the project	2	31-Dec-15	ICT Manager	Action plan in place to migrate all windows 2003 servers to 2008 or 2011 by March 2016	31-Mar-16
GY1619 Change Control and Patch Management	Breckland and GYBC management to work with NCC to receive training on the change management process, including the process to manage unplanned changes and confirm the process document is approved.	2	31-Dec-15	ICT Manager	To be included as part of the transition to the new contract.	30-Apr-16

APPENDIX 4 – OUTSTANDING PRIORITY THREE INTERNAL AUDIT RECOMMENDATIONS

Description	Recommendation	Priority	Imp Date	Responsible Officer	Progress On Implementation	Revised Imp Date
GY1309 Payroll and HR	The Council should investigate the potential to extend the current trends analysis processes to encompass cross-departmental comparisons.Departments with significantly higher or lower sickness absence rates than the Council average should then be investigated for: areas of best practice in absence management that could be applied elsewhere in the Council; and/or areas of potential weakness in absence management that need to be addressed.	3	30-Jun-13	Senior HR Manager - Payroll	Chris 21 doesn't have the capacity to complete departmental comparisons on absence; however, this facility may be available on other Payroll systems. We have now deferred the decision to outsource payroll pending a review of a shared HR service option with North Norfolk DC and the outcome should be known by April 2016. Until then we will continue to use the current reports on Chris 21 we have available.'	30-Apr-16
GY1517 Software Licencing	The Council should work with Norfolk County Council to ensure that the software procurement process that is implemented as part of the new support agreement with GYBC is formally documented, agreed and communicated to all relevant staff. All other relevant IT policies that may support the software procurement procedure should also be reviewed to ensure that they are aligned to the new process, agreed and communicated to all staff. Such areas as Copyright and the requirement to procure all software centrally should be included, where possible.	3	31-Oct-15	Group Manager - Customer Services	We are currently in transition from the delegation agreement to the new co-operation agreement. We currently have a process in place where any ICT related procurement requests put through to NCC are reviewed and captured by the ICT Manager. As part of the transition formal process will be developed for GYBCs future ICT related procurement.' Revised date provided of 31/03/2016.	31-Mar-16
GY1517 Software Licencing	The Council should work with Norfolk County Council to ensure that licenses for separately procured software that is not part of the standard build are monitored such that licenses freed up by leavers or by users that no longer require the relevant software are transferred to new users making the required business case for it rather than procuring a new license.	3	31-Mar-15	Group Manager - Customer Services	In progress as part of the transition, a record of licences and license keys is retained and updated with further development still required. GYBC have completed the purchase of its own Microsoft Enterprise Licences which is annually reviewed with an anniversary date of March 2018.' Revised date of 31/03/2016.	31-Mar-16
GY1520 DP and FOI	Management should ensure that the formally documented data retention schedules are reviewed on a regular basis.	3	31-Mar-15	Information Manager	Work underway but other work, i.e. new committee system, is taking priority - revised date provided.	30-Sep-16
GY1520 DP and FOI	Management should conduct a regular review of policies that make up the IT security policy framework. The review should include checks on whether elements of the framework have been superseded by policies issued by Norfolk County Council.	3	31-Jul-15	Information Manager	GYBC are still refining the mobile working strategy, which includes devices and MDM. On completion of this the security policy can be updated to reflect this.' Revised date requested but added 31/03/2016 based on previous discussions.	31-Mar-16

Description	Recommendation	Priority	Imp Date	Responsible Officer	Progress On Implementation	Revised Imp Date
GY1605 Planned and Responsive Maintenance	A timescale be finalised for implementing post job inspections and increasing tenant feedback via the resources planners, in the first instance, and further developing this through operatives obtaining feedback direct on their hand held devices.	3	31-Dec-15	Managing Director GYN	The necessary upgrade of OHMS is now not due until October 2016 therefore the completion of this recommendation will need to be revised to this date. However GYN have now recruited a full complement of surveys so will shortly commence the required level of post inspections. Pre inspections, where necessary are already undertaken.	30-Oct-16
GY1606 Neighbourhood Management / Community Development	To request a web-page and any necessary links on the new Council website for all grants, particularly the annual grants scheme to promote the new process.	3	31-Oct-15	Partnership Officer	The webpage should be up and running from mid January 2016 at the latest.	31-Jan-16
GY1616 Markets	The Council now provides the facility for customers to make payments (cash or cheque) over the counter at the Council's bank. Market traders should be encouraged to use this method of payment.	3	30-Nov-16	Transformation Programme Manager	Work is underway to inform all traders of alternative methods of payment outside of direct cash payments. To be completed in New Year.' Revised date requested.	28-Feb-16
GY1616 Markets	To update the transfer of licence process to state that the bank reference and council tax check does not apply to long standing traders. This is to include the definition of 'long-standing' and stipulate that these traders have a good history of payment. As the transfer process only covers licences that are transferred, the policy of obtaining references and the exemptions to this be documented in overall policy and procedures.	3	31-Dec-15	Markets Manager	To be included as part of New Market Policy to be implemented in New Year.' Revised date has been requested, provisional date of 28/02/2016 added in the meantime.	28-Feb-16