

Appendix 1

Summary of Internal Audit Recommendations made and implemented 2020/21 – 2023/24 (February 2024)

| Recommendations Made | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
|--|------------|------------|------------|------------|
| Number of High Priority | 1 | 1 | 0 | 1 |
| Number of Medium Priority | 20 | 13 | 18 | 18 |
| Number of Low priority | 32 | 27 | 37 | 39 |
| Total | 53 | 41 | 55 | 58 |
| Recommendations Implemented | 52 | 38 | 33 | 28 |
| High Recommendations Outstanding | 0 | 1 | 0 | 0 |
| Medium Recommendations Outstanding | 0 | 1 | 4 | 0 |
| Low Recommendations Outstanding | 1 | 1 | 5 | 3 |
| Not overdue yet | 0 | 0 | 13 | 27 |
| Total Overdue Recommendations | 1 | 3 | 9 | 4 |
| Percentage due implemented or carried fwd to next audit | 98% | 93% | 79% | 90% |

BDC Internal Audit Recommendations Outstanding

2020/21

| Report Ref | Audit | Directorate | Conclusion | Recommendations | | | Total | Not Overdue | Overdue | Implemented |
|--------------|---------------------------|---------------------|------------|-----------------|----------|----------|----------|-------------|----------|-------------|
| | | | | High | Medium | Low | | | | |
| B018 | Laptops & Removable Media | Corporate Resources | Reasonable | | 2 | 4 | 6 | | 1L | 5 |
| Total | | | | | 2 | 4 | 6 | | 1 | 5 |

2021/22

| Report Ref | Audit | Directorate | Conclusion | Recommendations | | | Total | Not Overdue | Overdue | Implemented |
|--------------|---------------------------|------------------------|-------------|-----------------|----------|----------|----------|-------------|--------------|-------------|
| | | | | High | Medium | Low | | | | |
| B009 | Disaster Recovery | Strategy & Development | Substantial | | | 3 | 3 | | 1L | 2 |
| B010 | 30 Year HRA Business Plan | Both | Reasonable | 1 | 2 | | 3 | | 2 (1H 1M) | 1 |
| Total | | | | 1 | 2 | 3 | 6 | | 3 | 3 |

2022/23

| Report Ref | Audit | Directorate | Conclusion | Recommendations | | | Total | Not Overdue | Overdue | Implemented |
|--------------|-------------------------------------|------------------------|------------|-----------------|-----------|-----------|-----------|-------------|-----------|-------------|
| | | | | High | Medium | Low | | | | |
| B002 | Food Hygiene | Resources | Reasonable | | 2 | 5 | 7 | 3 | | 4 |
| B004 | Risk Management | Resources | Reasonable | | 1 | 1 | 2 | | 1M | 1 |
| B007 | Pleasley Vale Business Centre | Strategy & Development | Reasonable | | 2 | 4 | 6 | 1 | 1L | 4 |
| B008 | The Tangent Business Centre | Strategy & Development | Reasonable | | 2 | 4 | 6 | 1 | 1L | 4 |
| B015 | Main Accounting & Budgetary Control | Resources | Reasonable | | 1 | 2 | 3 | 2 | | 1 |
| B016 | Committee Processes | Strategy & Development | Reasonable | | 1 | 3 | 4 | | 4 (1M 3L) | |
| B018 | Network Security | Resources | Reasonable | | 4 | | 4 | 1 | 2M | 1 |
| B019 | Taxi Licensing Arrangements | Resources | Reasonable | | 1 | 4 | 5 | 5 | | |
| Total | | | | | 14 | 23 | 37 | 13 | 9 | 15 |

2023/24

| Report Ref | Audit | Directorate | Conclusion | Recommendations | | | Total | Not Overdue | Overdue | Implemented |
|------------|------------------|-----------------------------------|-------------|-----------------|--------|-----|-------|-------------|---------|-------------|
| | | | | High | Medium | Low | | | | |
| B001 | Sickness Absence | Corporate Services & Partnerships | Reasonable | | 3 | 5 | 8 | 1 | | 7 |
| B002 | VAT | Finance | Substantial | | | 3 | 3 | 1 | | 2 |

| | | | | | | | | | | |
|--------------|----------------------------------|-----------------------------------|-------------|----------|------------|-----------|-----------|-----------|----------|-----------|
| B003 | Procurement | Governance & Legal | Reasonable | | 1 | 6 | 7 | | 3L | 4 |
| B004 | Commercial Waste | Services | Reasonable | | 1 | | 1 | | | 1 |
| B005 | Right to Buy Sales | Services | Reasonable | | 1 | 4 | 5 | 1L | | 4 |
| B006 | Pollution Prevention and Control | Services | Limited | | 4 | 6 | 10 | 2 | | 8 |
| B007 | Planning Fees | Services | Substantial | | | 1 | 1 | | | 1 |
| B008 | Expenses & Allowances | Corporate Services & Partnerships | Substantial | | | 3 | 3 | 3 | | |
| B009 | Members IT Equipment | Finance | Reasonable | | 3 | | 3 | 2 | | 1 |
| B010 | Non -Domestic Rates | Finance | Substantial | | | 5 | 5 | 5 | | |
| B011 | Safeguarding | Corporate Services & Partnerships | Limited | 1 | 2 | | 3 | 3 | | |
| B012 | FOI / EIR | Governance & Legal | Substantial | | | | 0 | 0 | | 0 |
| B013 | Housing Rents | Services | Reasonable | | 1 | 2 | 3 | 3 | | |
| B014 | Pleasley Vale Outdoor Centre | Services | Reasonable | | 2 | 4 | 6 | 6 | | |
| | | | | | | | | | | |
| Total | | | | 1 | 118 | 39 | 58 | 27 | 3 | 28 |

BDC Outstanding Internal Audit Recommendations as at February 2024

| Audit and date audit completed | Recommendation Outstanding | Priority and Original Target Date | Managers Comment February 2024 |
|--|--|---|--|
| Laptops and Removable Media – March 21 | As part of its next review, the Joint Information Security Policy should be examined and updated where appropriate to reflect any lessons learned from the effects of the rapid move to home working experienced during the Covid-19 pandemic. | Low January 22 Revised Target Date March 2024 | The Information and cyber-security policy is currently being finalised and through the approval process. This will be published on the Corporate Teams file area. |
| IT Disaster Recovery – November 2021 | It would be beneficial to complete internal phishing exercises on an annual basis across all 3 authorities to increase awareness of threats within the authorities | Low December 2022 Revised Target Date December 2024 | Priorities diverted to other cyber related mitigation tasks such as moving to exchange online. Phishing training was distributed in June to all Staff and members with real examples highlighted. Known Phishing example publicised regularly when they come up. Currently investigating use of additional tools provided with M365 suit; however, this may take some time to implement. |
| HRA Business Plan – December 2021 | The 30 Year HRA Business Plan should be revisited at least every 5 years in line with the MTFP to ensure that it is financially viable and meets the objectives of the Council Ambition. Once finalised the | High Once finalised then every 5 years | February 2024 – Work in relation to Dragonfly is still causing capacity issues. The hope is that once we catch up enough on year end preparation, we will look at the business plan again. Contact will be made with the consultant soon. |

| Audit and date audit completed | Recommendation Outstanding | Priority and Original Target Date | Managers Comment February 2024 |
|-----------------------------------|--|---|--|
| | 30 year Plan that is currently in development should be formally approved by Council. | | |
| HRA Business Plan – December 2021 | Whilst developing the new HRA 30 Year Business Plan the assumptions made should be stress tested to ensure that the plan is robust i.e. looking at best and worst case scenarios for important factors such as voids, inflation and rent levels. | Medium Once finalised then every 5 years | Please see previous comment. |
| Risk Management – August 2022 | It should be ensured that risk training is provided for officers and Members to generate an inherent awareness and drive risk management further to ensure that risk is embedded within the culture of the organisation. | Medium July 2023 | Training for Members has been provided. Zurich (the Council's insurers) have been approached in relation to potentially providing training for Officers. |

| Audit and date audit completed | Recommendation Outstanding | Priority and Original Target Date | Managers Comment February 2024 |
|--|--|-----------------------------------|--|
| Pleasley Vale and the Tangent Business Centres – November 2022 | Risk assessments for the business centres should be completed and subject to regular review to provide assurance against any potential incidents. | Low March 2023 | February 2024 - We are currently reviewing risks as part of the Dragonfly SLT and have a workshop scheduled with the SLT to go through the risks across the organisation so it will be picked up as part of that. This has changed significantly, due to the increased risks at Pleasley in particular, so a more strategic risk assessment is required. |
| Committee Processes – April 2023 | To require completion of the standard report template for all formal committees (excluding Planning Application reports) therefore capturing all implications (Finance/ Legal/Staffing/Environment) to ensure a consistent approach, | Low End June 2023 | The requirement to complete the standard report template will be included in the report writing guidance, which is currently being updated. This will be issued to report writers once it is complete. The Governance Team have been briefed to check that all reports for formal committees are on the standard report template. |
| Committee Processes – April 2023 | An officer be designated to proactively review all Environment Implications on Committee Reports on the same footing as Finance/Legal and HR matters | Low End June 2023 | The Service Director for Executive, Corporate and Customer Services and Partnerships is now the Climate Change Lead and can be contacted for advice. |

| Audit and date audit completed | Recommendation Outstanding | Priority and Original Target Date | Managers Comment February 2024 |
|----------------------------------|---|-----------------------------------|---|
| | <p>are or further training or advice is given to report authors to ensure Environment issues are fully considered.</p> <p>As a minimum further guidance should be provided through the update of the 'Report Writers Hints & Tips document the 'Decision and Report Process Notes' including the contact point of where further advice can be sought.</p> | | This will be included in the updated report writing guidance. |
| Committee Processes – April 2023 | To demonstrate that Environment matters have been considered add a check box for the Environment Implications for authors to complete. | Low End June 2023 | The report template has been amended to include a check box. This will be issued once the report writing guidance is finalised. |
| Committee Processes – April 2023 | In order to be compliant with the Local Government Act 1972 and promote openness | Medium | The constitution has now been amended to include reference to the public interest test and to place responsibility with the |

| Audit and date audit completed | Recommendation Outstanding | Priority and Original Target Date | Managers Comment February 2024 |
|--------------------------------|---|--|--|
| | <p>and transparency the Constitution be updated to reflect that:-</p> <p>i) when determining whether a report is exempt, the public interest test is completed;</p> <p>ii) reports may only be classified as exempt with the agreement of the Assistant Director, Solicitor to the Council.</p> <p>To assist authors, the agreed process be added to the 'Report Writers Hints & Tips document the 'Decision and Report Process'.</p> | 30 th June 2023 | <p>Monitoring Officer for determining whether reports are exempt.</p> <p>The report writing guidance is currently being updated.</p> |
| Network Security – May 2023 | It is essential that all policies and strategies are reviewed, updated and approved on a timely basis. Once approved the policies should be published on the Joint ICT Intranet site. | <p>Medium</p> <p>July 2023</p> <p>Revised target</p> <p>March 2024</p> | The Information and cyber-security policy is currently being finalised and through the approval process. The will be published on the Corporate Teams file area. |

| Audit and date audit completed | Recommendation Outstanding | Priority and Original Target Date | Managers Comment February 2024 |
|--------------------------------|---|--|---|
| Network Security – May 2023 | ICT should consider the development of an I-Cloud Policy for NEDDC and BDC and include this on the Council’s Joint ICT Intranet Site. | Medium End March 2022 Revised target March 2024 | This has been included into the Information and cyber-security policy currently being finalised and through the approval process. The will be published on the Corporate Teams file area. |
| Procurement July 2023 | The contracts for bespoke scheduling software and CRM software currently held by Kirona Solutions and Alicum Software respectively should be formally tendered when next due to expire as required by Contract Procedure Rules. | Low Autumn 2023 | Awaiting progress from IT Services |
| Procurement July 2023 | A timeframe be agreed for when procurement training for staff will recommence. | Low Autumn 2023 | Awaiting availability from Legal services to combine the training. Monitoring Officer to advise when available to deliver the training as joint venture. |
| Procurement July 2023 | To support officers involved with procurement contracts the Procurement Team alert managers of contracts which are due to expire to allow re-procurement or extension of contracts and the update of | Low December 2023 | Still to identify a suitable prompt within the system to allow automatic alerts. IT are assisting in investigating options available. Update April 2024. |

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| | the contract register accordingly. | | |