BROMSGROVE DISTRICT COUNCIL

Date: 2nd February 2022

AUDIT, STANDARDS AND GOVERNANCE COMMITTEE

THE INTERNAL AUDIT PROGRESS REPORT

Relevant Portfolio Holder	Councillor Geoff Denaro
Portfolio Holder Consulted	Yes
Relevant Head of Service	Chris Forrester, Head of Finance and Customer Services
Report Author	Job Title: Head of Internal Audit Shared Service Worcestershire Internal Audit Shared Service Contact email: andy.bromage@worcester.gov.uk Contact Tel: 01905 722051
Wards Affected	All Wards
Ward Councillor(s) consulted	No
Relevant Strategic Purpose(s)	Good Governance & Risk Management underpins all the Strategic Purposes.
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

1. RECOMMENDATIONS

The Audit, Standards and Governance Committee recommend:-

1) the report is noted.

2. BACKGROUND

The involvement of Member's in progress monitoring is considered an important facet of good corporate governance, contributing to the internal control assurance given in the Council's Annual Governance Statement.

This section of the report provides commentary on Internal Audit's performance for the period 01st April 2021 to 31st December 2021 against the performance indicators agreed for the service and further information on other aspects of the service delivery.

Summary Dashboard 2021/22:

Total reviews planned for 2021/22	12 (minimum originally)
Reviews finalised to date for 2021/22:	7 (incl.DFG's)
Assurance of 'moderate' or below:	2
Reviews awaiting final sign off:	0
Reviews ongoing:	5
Reviews to commence (Q4):	4
Number of 'High' Priority recommendations reported:	1
Satisfied 'High' priority recommendations to date:	0
Productivity:	56%
Overall plan delivery to December 2021:	69% (against target >90%)

Since the last progress report presented to the Committee, 4 reports have been finalised and are reported in Appendix 3.

Follow Up reports that have been finalised since the last progress report presented before Committee are reported in Appendix 4.

All 'limited' assurance reviews go before CMT for full consideration.

2021/22 AUDITS TAKING PLACE AS AT 31st DECEMBER 2021

Due to the implementation of the new financial system and an extended delay to provide audit with a 'read only' access profile the rolling testing programme that should have been continuing during quarters 1 and 2 for Debtors and Creditors did not take place. Partial access was established at the end of September but full read only access was not established until December. This has impacted the testing the result being a smaller sample overall and a reliance on the review testing due to take place in Q3 and Q4 to provide formal assurance. Payroll has been completed on a rolling basis.

The reviews that have been finalised and reported at Appendix 3 are:

- Strategic Acquisitions
- General Data Protection Regulations (GDPR)
- Treasury Management
- Worcester Regulatory Services
- Benefits

Reviews that had commenced and at planning or testing stages included:

- Procurement
- Grants
- NNDR
- Council Tax
- Debtors

As the above are classified as 'on going' the assurance and outcome of the reviews will be reported at Committee on completion.

Critical review audits are designed to add value to an evolving Service area. Depending on the transformation that a Service is experiencing at the time of a scheduled review a decision is made regarding the audit approach. Where there is significant change taking place due to transformation, restructuring, significant legislative updates or a comparison required a critical review approach will be used. To assist the service area to move forwards challenge areas will be identified using audit review techniques. The percentage of critical

reviews will be confirmed as part of the overall outturn figure for the audit programme. The outturn from the reviews will be reported in summary format as part of the regular reporting.

Internal Audit are continuing to consider new processes emerging from the changing working arrangements that have been necessary to continue to provide Bromsgrove residents with services because of the pandemic. Plan flexibility is continuing to be required to include and provide assurance on potential areas of change.

Follow up reviews are an integral part of the audit process. There is a rolling programme of review that is undertaken to ensure that there is progress with the implementation of the agreed action plans. The outcomes of the follow up reviews are reported in full so the general direction of travel and the risk exposure can be considered by Committee. An escalation process involving CMT and SMT is in place to ensure more effective use of resource regarding follow up to reduce the number of revisits necessary to confirm the recommendations have been satisfied. There are no material exceptions to report currently.

3.4 AUDIT DAYS

Appendix 1 shows the progress made towards delivering the 2021/22 Internal Audit Plan and achieving the targets set for the year. At the 31st December 2021 a total of 159 days had been delivered against an overall target of 230 days for 2021/22.

Appendix 2 shows the performance indicators for the service. Performance and management indicators were approved by the Committee on the 15th July 2021 for 2021/22.

Appendix 3 provides copies of the reports that have been completed and final reports issued since the previous progress report presented to Committee.

Appendix 4 provides the Committee with 'Follow Up' reports that have been undertaken to monitor audit recommendation implementation progress by management.

Appendix 5 provides an overview of the Quality Assurance Improvement Plan.

3.5 OTHER KEY AUDIT WORK

Much internal audit work is carried out "behind the scenes" but is not always the subject of a formal report. Productive audit time is accurately recorded against the service or function as appropriate. Examples include:

- Governance for example assisting with the Annual Government Statement
- Risk management
- Transformation review providing support as a 'critical appraisal'
- Dissemination of information regarding potential fraud cases likely to affect the Council
- Drawing managers' attention to specific audit or risk issues
- Audit advice and commentary
- Internal audit recommendations: follow up review to analyse progress
- Day to day audit support and advice for example control implications, etc.
- Networking with audit colleagues in other Councils on professional points of practice
- National Fraud Initiative coordination of uploads.
- Investigations

National Fraud Initiative

3.6 NFI data set uploads were completed by the end of December 2021. WIASS continue to provide advice and assistance regarding the process.

Monitoring

3.7 To ensure the delivery of the 2021/22 plan and any revision required there continues to be close and continual monitoring of the plan delivery, forecasted requirements of resource – v – actual delivery, and where necessary, additional resource will be secured to assist with the overall Service demands. The Head of Internal Audit Shared Service remains confident his team will be able to provide the required coverage for the year to ensure an internal audit opinion can be reached using reviews from the authority's core financial systems, as well as other systems which have been deemed to be 'high' and 'medium' risk. Any changes to the plan will be discussed with the s151 Officer and reported to Committee.

3. FINANCIAL IMPLICATIONS

3.1 There are no direct financial implications arising out of this report.

4. LEGAL IMPLICATIONS

4.1 The Council is required under Regulation 6 of the Accounts and Audit Regulations 2018 to "maintain in accordance with proper practices an adequate

and effective system of internal audit of its accounting records and of its system of internal control".

5. STRATEGIC PURPOSES - IMPLICATIONS

Relevant Strategic Purpose

5.1 Good governance along with risk management underpin all the Corporate strategic purposes. This report provides an independent assurance over certain aspects of the Council's operations.

Climate Change Implications

5.2 The actions proposed do not have a direct impact on climate change implications.

6. OTHER IMPLICATIONS

Equalities and Diversity Implications

6.1 There are no implications arising out of this report.

Operational Implications

6.2 There are no new operational implications arising from this report.

7. RISK MANAGEMENT

7.1 The main risks associated with the details included in this report are to:

- Insufficiently complete the planned programme of audit work within the financial year leading to an inability to produce an annual opinion; and,
- a continuous provision of an internal audit service is not maintained.

8. APPENDICES and BACKGROUND PAPERS

Appendix 1 ~ Internal Audit Plan delivery 2021/22
Appendix 2 ~ Performance indicators 2021/22

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Appendix 3 ~ Finalised audit reports including definitions.2021/22
Appendix 4 ~ 'Follow-up' reports
Appendix 5 ~ Quality Assurance Improvement Plan

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APPENDIX 1

Delivery against Internal Audit Plan for 2021/22
1st April 2021 to 31st December 2021

Audit Area	Original 2021/22 Plan Days	Forecasted days to the 31st March 2022	Actual Days used to 31st December 2021
Core Financial Systems (see note 1)	68	68	34
Corporate Audits	62	62	53
Other Systems Audits (see note 2)	64	64	51
SUB TOTAL	**194**	**194**	**138**
Audit Management Meetings	15	15	13
Corporate Meetings / Reading	5	5	5
Annual Plans, Reports and Audit Committee Support	16	16	3
Other chargeable (see note 3)			
SUB TOTAL	**36**	**36**	**21**
TOTAL	**230**	**230**	**159**

Audit days used are rounded to the nearest whole.

Note 1: Core Financial Systems are audited predominantly in quarters 3 and 4 in order to maximise the assurance provided for Annual Governance Statement and Statement of Accounts but not interfere with year end. A rolling programme has also been introduced for Debtors and Creditors to maximise coverage and sample size, but internal audit has been unable to deliver this during 2021/22 due to restricted system access. Partial access was provided during September 2021 with further access established during December 2021. The overall results will be reported during Q4.

Note 2: Several budgets in this section are 'on demand' (e.g. consultancy, investigations) so the requirements can fluctuate throughout the quarters potentially resulting in unallocated days.

Note 3: 'Other chargeable' days equate to times where there has been, for example, significant disruption to the IT provision resulting in lost productivity.

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Audit Area	Corporate Link (Corporate Priority / Strategic Purpose)	Risk Register Reference	Plan Priority	Resource 2021/22		Current Position	Indicative Quarter
FINANCIAL							
Debtors (note 1)	Enabling	Lack of robust financial accounting and monitoring arrangement	Medium/ High	12		Testing Underway	Q3 / Q4
Main Ledger/Budget Monitor/Bank Rec (note 1)	Enabling	Lack of robust financial accounting and monitoring arrangement	Medium/ High	14		To commence	Q4
Creditors (note 1)	Enabling	Lack of robust financial accounting and monitoring arrangement	Medium/ High	12		To commence	Q4
Treasury Management (incl. Asset & Acquisitions) Light Touch (note 2)	Enabling	Lack of robust financial accounting and monitoring arrangement	Medium/ High	4		Finalised October 2021 & January 2022	Q2 / Q3
Council Tax	Enabling	Lack of robust financial accounting and monitoring arrangement	Medium/ High	8		Testing Underway	Q3 / Q4

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Audit Area	Corporate Link (Corporate Priority / Strategic Purpose)	Risk Register Reference	Plan Priority	Resource 2021/22		Current Position	Indicative Quarter
Benefits (Transformation)	Enabling	Lack of robust financial accounting and monitoring arrangement	Medium/ High	10		Finalised January 2022	Q3 / Q4
NNDR	Enabling	Lack of robust financial accounting and monitoring arrangement	Medium/ High	8		Testing Underway	Q3 / Q4
Sub TOTAL				**68**			
CORPORATE							
IT Audit (Server patching and disaster recovery) (note 3)	Fundamental to strategic purpose delivery	ICT 7 & ICT 8	Medium	9		To commence	Q4
Risk Management (Critical Friend Support) (note 4)	Fundamental to strategic purpose delivery	S151 request	Medium	10		To commence	Q4
Procurement (note 5)	Fundamental to strategic purpose delivery		Medium	9		Testing Underway	Q2 / Q3

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Audit Area	Corporate Link (Corporate Priority / Strategic Purpose)	Risk Register Reference	Plan Priority	Resource 2021/22		Current Position	Indicative Quarter
GDPR - Security of electronic data (note 6)	Fundamental to strategic purpose delivery	N/a	Medium	9		Finalised November 2021	Q1
Projects (note 3)	Fundamental to strategic purpose delivery	N/a	Medium	12		Finalised September 2021	Q1
Disabled Facility Grants	Enabling	N/a	Medium	3		Finalised November 2021	Q3
Grants (various)	Enabling	N/a	High	10		Testing Underway	Q2 / Q3
Sub TOTAL				**62**			
SERVICE DELIVERY							
Environmental							
Refuse Service scalability (new builds) (Critical Friend) (note 3)	Keep my place safe and looking good	Env 24	Low/ Medium	7		To commence	Q4
Leisure							N/a
				0			

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Audit Area	Corporate Link (Corporate Priority / Strategic Purpose)	Risk Register Reference	Plan Priority	Resource 2021/22		Current Position	Indicative Quarter
Worcester Regulatory Services							
(note 3)	Statutory and Regulatory Requirement	Head of Service request	Medium	15		Finalised	Q1
Sub TOTAL				**22**			
Other Operational Work							
Advisory, Consultancy & Contingency	Operational support	N/a	N/a	10		Draw Down Budget	Q1 to Q4
Fraud & Investigations incl. NFI	Operational support	N/a	N/a	10		Draw Down Budget	Q1 to Q4
Completion of prior year's audits	Operational support	N/a	N/a	8		Complete	Q1
Report Follow Up (all areas)	Operational support	N/a	N/a	10		On going	Q1 to Q4
Statement of Internal Control	Operational support	N/a	N/a	4		Q1 Completed Q4 To commence	Q1 & Q4
Sub TOTAL				**42**			
Audit Management Meetings	Operational support	N/a	N/a	15		On going	Q1 to Q4
Corporate Meetings / Reading	Operational support	N/a	N/a	5		On going	Q1 to Q4
Annual Plans, Reports & Committee Support	Operational support	N/a	N/a	16		On going	Q1 to Q4

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Audit Area	Corporate Link (Corporate Priority / Strategic Purpose)	Risk Register Reference	Plan Priority	Resource 2021/22		Current Position	Indicative Quarter
Sub TOTAL				**36**			
TOTAL CHARGEABLE				**230**			

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Explanatory Notes:

*As part of the increasing joint and shared service working between Bromsgrove District Council and Redditch Borough Council the audit budgets and areas will feature in both internal audit plans and be consolidated to deliver a single piece of work covering both Councils. Where practically possible the days will be split equally between the plans. Weighting will, however, be applied if it is considered the focus of the work will major on one Council.

The customer journey will be considered overall as part of the service audits.

Note 1: New financial system therefore audit budget increase.

Note 2: Light touch due to improved processes.

Note 3: Rolled from 2020/21.

Note 4: Risk management relaunch reviewing ongoing progress against action plan and reporting.

Note 5: Rolled from 2020/21. Consultant outcome - reviewing action plan delivery.

Note 6: Previous audit was a ‘limited’ assurance outcome.

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Appendix 2

Performance against Key Performance Indicators 2021-2022

The success or otherwise of the Internal Audit Shared Service will be measured against some of the following key performance indicators for 2021/22. Other key performance indicators link to overall governance requirements of Bromsgrove District Council e.g. KPI 4. The position will be reported on a cumulative basis throughout the year.

	KPI	Trend/Target requirement	2021/22 Position (as at 31st December 2021)		Frequency of Reporting
Operational					
1	No. of audits achieved during the year	Per target	Target = 12 Minimum Delivered = 7 (incl. DFG's) & 5 Ongoing		When Audit Committee convene
2	Percentage of Plan delivered	>90% of agreed annual plan	69%		When Audit Committee convene
3	Service productivity	Positive direction year on year (Annual target 74%)	Q3 56% (2020/21 average 62%)		When Audit Committee convene
Monitoring & Governance					
4	No. of 'high' priority recommendations	Downward (minimal)	1 (2020/21 = 3)		When Audit Committee convene
5	No. of moderate or below assurances	Downward (minimal)	2 (2020/21 = 7)		When Audit Committee convene
6	'Follow Up' results	Management action plan implementation date exceeded (nil)	Exceptions 1 to report (2020/21 = 0)		When Audit Committee convene
Customer Satisfaction					
7	No. of customers who assess the service as 'excellent'	Upward(increasing)	!x issued !x Excellent Received (2020/21 1x excellent)		When Audit Committee convene

WIASS conforms to the Public Sector Internal Audit Standards (as amended).

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APPENDIX 3

Appendices A & B are indicated below and are applied to all reports. To save duplication these have been produced once and listed below for information but can also be applied to Appendix 4.

Appendix A
Definition of Audit Opinion Levels of Assurance

Opinion	Definition
Full Assurance	The system of internal control meets the organisation's objectives; all of the expected system controls tested are in place and are operating effectively. No specific follow up review will be undertaken; follow up will be undertaken as part of the next planned review of the system.
Significant Assurance	There is a generally sound system of internal control in place designed to meet the organisation's objectives. However isolated weaknesses in the design of controls or inconsistent application of controls in a small number of areas put the achievement of a limited number of system objectives at risk. Follow up of medium priority recommendations only will be undertaken after 6 months; follow up of low priority recommendations will be undertaken as part of the next planned review of the system.
Moderate Assurance	The system of control is generally sound however some of the expected controls are not in place and / or are not operating effectively therefore increasing the risk that the system will not meet its objectives. Assurance can only be given over the effectiveness of controls within some areas of the system. Follow up of high and medium priority recommendations only will be undertaken after 6 months; follow up of low priority recommendations will be undertaken as part of the next planned review of the system.
Limited Assurance	Weaknesses in the design and / or inconsistent application of controls put the achievement of the organisation's objectives at risk in many of the areas reviewed. Assurance is limited to the few areas of the system where controls are in place and are operating effectively. Follow up of high and medium priority recommendations only will be undertaken after 6 months; follow up of low priority recommendations will be undertaken as part of the next planned review of the system.
No Assurance	No assurance can be given on the system of internal control as significant weaknesses in the design and / or operation of key controls could result or have resulted in failure to achieve the organisation's objectives in the area reviewed. Follow up of high and medium priority recommendations only will be undertaken after 6 months; follow up of low priority recommendations will be undertaken as part of the next planned review of the system.

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Appendix B
Definition of Priority of Recommendations

Priority	Definition
High	Control weakness that has or is likely to have a significant impact upon the achievement of key system, function or process objectives. Immediate implementation of the agreed recommendation is essential in order to provide satisfactory control of the serious risk(s) the system is exposed to.
Medium	Control weakness that has or is likely to have a medium impact upon the achievement of key system, function or process objectives. Implementation of the agreed recommendation within 3 to 6 months is important in order to provide satisfactory control of the risk(s) the system is exposed to.
Low	Control weakness that has a low impact upon the achievement of key system, function or process objectives. Implementation of the agreed recommendation is desirable as it will improve overall control within the system.

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2021/22 Audit Reports.

Worcestershire Internal Audit Shared Service

Final Internal Audit Report

Strategic Acquisitions (Purchasing for regeneration land and property) Audit 2021/22

Date: 13th October 2021

Distribution:

To: Head of Financial and Customer Services

CC: Executive Director of Resources (Section 151 Officer)
Chief Executive

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

Contents

1. Introduction

The audit of the Strategic Acquisitions (Purchasing for regeneration land and property) was carried out in accordance with the Worcestershire Internal Audit Shared Service Audit Plan for Redditch Borough Council for 2021/22 which was approved by the Governance and Standards Committee on 29th July 2021 and for Bromsgrove District Council by the Audit, Standards and Governance Committee on 22nd July 2021. The audit was a risk-based systems audit of the Strategic Acquisitions (Purchasing for regeneration land and property) as operated by Redditch Borough Council.

1.1. This area of review is a back-office function and therefore underpins all the Strategic Purposes

1.2. There were no service or corporate risks relevant to this review:

1.3. This review was undertaken during the month of September 2021

2. Audit Scope and objective

2.1. This review was undertaken to provide assurance that:

- processes in place for Strategic Acquisitions for the purchasing for regeneration have been formally agreed are robust, compliant, and transparent in relation to decision making and incorporates a clear assessment and understanding of associated risks.

2.2. The scope covered:

- Policies and Procedures/Capital Programme Planning
- Allocation of responsibilities, delegated powers, transparency, and audit trail of the decision-making process

2.3. This review covered processes in place at the time of the audit.

2.4. The audit did not express an opinion on the actual assets acquired for regeneration.

3. Audit Opinion and Executive Summary

3.1. From the audit work carried out we have given an opinion of **significant assurance** over the control environment in this area. The level of assurance has been calculated using a methodology that is applied to all Worcestershire Internal Audit Shared Service audits and has been defined in the "Definition of Audit Opinion Levels of Assurance" table in Appendix A. However, it should be noted that statements of assurance levels are based on information provided at the time of the audit.

3.2. We have given an opinion of **significant assurance** in this area because there is a generally sound system of internal control in place but that our testing has identified an isolated weakness in the design of controls and / or inconsistent application of controls in one area.

3.3. The review found the following areas of the system were working well:

- There are defined Acquisition and Investment Strategy Processes for each Council
- Detailed reports for the proposed Investments
- Capital Programme in place

3.4. Testing for re generation investments has only been carried out against the Redditch Acquisition and Investment Strategy as no re generation investment purchases have been made since the introduction of the new strategy for Bromsgrove District Council.

3.5. The review found the following areas of the system where controls could be strengthened:

	Priority (see Appendix B)	Section 4 Recommendation number
Scoring and transparency of the criteria within the report	**Medium**	**1**

4. Detailed Findings and Recommendations

The issues identified during the audit have been set out in the table below along with the related risks, recommendations, management responses and action plan. The issues identified have been prioritised according to their significance / severity. The definitions for high, medium, and low priority are set out in the "Definition of Priority of Recommendations" table in Appendix B.

Ref.	Priority	Finding	Risk	Recommendation	Management Response and Action Plan
New matters arising					
1	M	**Scoring and transparency of the criteria within the report** The reports did not reflect the terminology used within the criteria table 1 as detailed within the Acquisition & Investment Strategy. It is unclear what score was given to each of the areas within the criteria and the policy doesn't make it clear how a decision would be made from the scoring in table 1, if the scoring fell across a range of the measures. There was an inconsistency in the documentation submitted with	Financial loss, a potential lack of transparency and reputational damage if unable to fully justify the reason for investment in the event of a challenge against the process.	The report and criteria need to reflect one another to ensure consistency and no assumptions. Either changing the criteria within the strategy or using the criteria within the report is required. There needs to be a reason documented within the report if the investment does not meet the Excellent, Very Good, Good and why the Council is still proceeding with the Investment. If it does fit, why it exceeds expectation.	**Response:** Agree with the findings. **Action:** Review and amend the Acquisition and Investment Strategy for Redditch Borough Council and Bromsgrove District Council adjusting the criteria so that it falls under headings so that the report will reflect the criteria. Will consider what documents need to be submitted or optional and update the Strategies.

		each report. There was a financial check on the tenants of the business and a building surveys report provided but not for both cases.		The Strategy needs to be clear as to what documents need to be submitted with the report to gain approval for the investment. If documents are optional a clear statement of exception must be included in the report.	**Responsible Manager:** Head of Financial and Customer Services **Implementation date:** 31st March 2022

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Worcestershire Internal Audit Shared Service

Final Internal Audit Report

GDPR – Document Retention 2021/22

5th November 2021

Distribution:

To: Head of Transformation
ICT Transformation Manager
ICT Operations Manager

CC: Chief Executive

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

1. Introduction

1.1 The audit of the GDPR document retention was carried out in accordance with the Worcestershire Internal Audit Shared Service Audit Plan for Redditch Borough Council for 2021/22 as approved by the Audit, Governance and Standards Committee on 29th July 2021 and for Bromsgrove District Council as approved by the Audit, Standards and Governance Committee on 22nd July 2021. The audit was a risk based systems audit of the GDPR Document Retention as operated by Redditch Borough Council and Bromsgrove District Council.

1.2 This review underpins all of the strategic purposes of the council as GDPR is in place to protect all of the data used by each Council in their day to day provision of services.

1.3 The following Service risks were relevant to this review:

- CUS 20 - RBC data protection - unintended or unauthorised disclosure of information
- CUS 21 - BDC data protection - unintended or unauthorised disclosure of information
- ICT 4 - Breach of Data Protection – disclosure of data / staff not aware of guidelines
- ICT 11 - System functionality to manage records

1.4 There is the potential for fraud as staff are able to work from home, there is possible risk of fraud occurring, as staff could find it easier to copy and share confidential information in collusion for financial gain.

1.5 This review was undertaken by Sami Al-Moghraby during the months of May, June and July 2021.

2. Audit Scope and objective

2.1. This review has been undertaken to provide assurance that:

- There is a fit for purpose retention policy in place and that all document retention/disposals are being undertaken in line with GDPR requirements. (Hard copy and electronic) That electronic data is securely held and that any home working access to systems is both secure and in line with GDPR.

- The Councils decision to block the ability to print from home is working and that arrangements put in place is compliant with GDPR

2.2. The scope covered:

- Retention Policies and Asset Information registers

- Procedures for printing when working from home.
- That each authority is compliant with the retention schedule of electronic data i.e – destroying electronic data and emails on time.
- That there are good security protocols in place to protect sensitive data.

2.3. The review looked to provide assurance over the controls in place at the time of the audit review.

3. Audit Opinion and Executive Summary

3.1. From the audit work carried out we have given an opinion of **moderate assurance** over the control environment in this area. The level of assurance has been calculated using a methodology that is applied to all Worcestershire Internal Audit Shared Service audits and has been defined in the "Definition of Audit Opinion Levels of Assurance" table in Appendix A. However, it should be noted that statements of assurance levels are based on information provided at the time of the audit.

3.2. We have given an opinion of **moderate assurance** in this area because the system of control is generally sound however some of the expected controls are not in place and / or are not operating effectively therefore increasing the risk that the system will not meet it's objectives. Assurance can only be given over the effectiveness of controls within some areas of the system.

3.3. The review found that multiple service areas including Environmental, Housing, Property and Finance are in the transition stage of moving to new systems; including cloud-based systems during the 2021-22 financial year. As these systems are still being developed or not yet finalised, full assurance could not be provided in relation to the data security and data retention aspects.

Although full assurance could not be provided during this review on these key areas, assurance can be provided on the direction of travel as each service area spoken to have already considered GDPR, data security and data retention and are moving to systems either with GDPR modules built in or that automatically delete the data after the retention period is over.

3.4. There is an emerging risk in relation to the two-factor authentication within each authority; as services are currently unaware whether the new systems being implemented are going to have a single or two step authentication, including those which are cloud based and can be accessed off the network.

3.5. The review found the following areas of the system were working well:

- There is a GDPR policy in place that covers data security and document retention.
- All user accounts have taken refresher GDPR and data security training in 2021 on netconsent.

- There is a robust bring your own device policy that stipulates sanctions are in place if it is found that a data breach occurs, or devices are used for purposes outside of the scope of the policy.
- Good communication on the orb in relation to GDPR and data security during Covid-19.
- Good controls are in place to prevent users copying data from inside to outside the network.
- There are appropriate controls in place to restrict access to service area specific folders.
- Appropriate controls are in place over monitoring of confidential and highly sensitive emails.
- There is a robust VPN/WIFI and data encryption monitoring process in place at the authorities.

3.6. The review found the following areas of the system where controls could be strengthened:

	Priority (see Appendix B)	Section 4 Recommendation number
Two Factor Authentication	**High**	**1**
Asset Information Register and Retention of Electronic Data	**Medium**	**2**
Printing from home policy and Docmail	**Medium**	**3**

4. Detailed Findings and Recommendations

The issues identified during the audit have been set out in the table below along with the related risks, recommendations, management responses and action plan. The issues identified have been prioritised according to their significance / severity. The definitions for high, medium and low priority are set out in the "Definition of Priority of Recommendations" table in Appendix B.

Ref.	Priority	Finding	Risk	Recommendation	Management Comment and Action Plan
New matters arising					
1	H	**Two factor authentications** The review found that the two-step authentication is currently not working for officers who are not internal employees of either	There is high risk of financial loss from fines if data breeches occur from having a	To review if the security protocols currently in place on the network and on cloud-based systems is secure	**Responsible Manager:** ICT Manager **Implementation date:** December 2021

		Redditch Borough Council and Bromsgrove District Council network. It was also found that cloud-based systems such as Tech-One currently do not have a two-step authentication in place.	lack of controls on access to systems.	enough especially those that only have single factor authentication.	It is accepted that there is a risk around the two-factor authentication and the authority is aware of the current risks around 3rd party users. This is currently in progress as ICT are working through a list of all 3rd party users and looking to move these to a two-factor authentication when accessing the network. Some mitigation is being put in place for the 3rd parties by doing a posture check on all devices to ensure they are who they say they are. In relation to Tech one – ICT are working with the tech team at Tech one and are working to resolve the issue. **ICT Update 14th January 2022** In relation to Tech one – ICT are working with the tech team at Tech one and are working to resolve the issue. - This is being tested in test environment and will

					be ready to be implemented into live W/C 24th January 2022. 3rd party users - this has been delayed due to the UK security risk posed from Log4j and the overall actions instigated to prevent and mitigate the risk. We anticipate this will be implemented by the end of February 2022.
2	M	**Asset Information Register and Retention of Electronic Data** **Information Asset Register** Testing identified: - 1.) Currently there is confusion as to who holds the responsibility to keep the live document updated. 2.) Several services have not updated the live document retention schedule. 3.) There are no protocols currently in place to give assurance that this is being monitored or what	No controls in place to monitor with the authority is compliant with privacy notices, FOI and GDPR. Risk that information is being held longer than necessary and longer than the purpose it was originally collected.	As a new Information asset register is being developed, there needs to be a process in place that clearly allocates responsibilities to ensure the document is kept up to date and that data is being destroyed in an appropriate and timely manner in case of challenge by the ISO. For	**Responsible Manager:** ICT Manager and Head of Transformation & Organisational Development **Implementation date:** December 2021

		sanctions are in place for services that choose to not update it. **Retention of data** 6 service areas were tested during the review, where it was found that: - 1.) Service areas are not updating the live retention document as originally intended. 2.) The live retention schedule does not stipulate what information has been destroyed i.e. that the data in 2010-2011 has been cleansed and is up to date. 3.) 2 out of the 6 services tested believe the information management team is responsible for deleting their data once the retention period ends. 4.) 3 out of the 6 service areas tested admitted that due to the pandemic, deletion of electronic data and monitoring has not been at the front of their minds.	Also, reputational damage for not having a system or control that is fit for purpose in place,	examples a sign off sheet is completed by service areas annually. Clarity needs to be provided to service areas as part of the plans of the new system, as to what the corporate expectation is for updating records and ensuring all data is cleansed as required.	There is a campaign currently in place with the comms team to help with destroying information once it has surpassed the data retention period. Both authorities are working to conduct an Interactive approach to help staff change their behaviour when it comes to the cleansing of data and keeping the asset register and retention schedule up to date. Currently if an issue is found, it gets reported to the ICT manager on a weekly basis, which would then be escalated by the ICT Manager to the Head of Service of the service area. Accept the risk that there is no current sanctions if this continues after talking to the Head of Service, so proposing taking the escalation further to CMT for sanctions to take place.
3	M	**Printing from home policy and Docmail** **Printing from home and print Policy**			

		Although controls have been put in place by ICT to block printing from home testing found that officers have been able to print from home using a USB and Bluetooth printer. Although it is advised not to print from home; the review found that there is no policy in place stating that staff cannot print from home and that documents must be destroyed using the confidential waste within a public building. Also there is nothing within the existing policy to state if sanctions would be provided to staff found printing from home. **Docmail** The review found: - 1.) Currently there are no controls in place to prevent staff from setting up the Docmail for themselves and arrange for items to be printed by Docmail and sent by post to their personal address. 2.) Although users can monitor their own printing, there is no corporate controls in place or daily reports to monitor what gets printed.	There is a risk that if staff are able to print from home, that the documents are not being destroyed appropriately and also more risk to the security of the data as civilians outside of the organisation may be in view of sensitive information, leading to reputational risk to the authority. There is a risk that if there are no controls in place to police and monitor the flow of information the authority is at risk of both making a loss financially as well as open to sensitive information not being destroyed correctly.	If printing from home is not going to be allowed, then this needs to be clearly communicated to all staff and a review undertaken outside of the network on work devices, to ensure that appropriate controls are in place to disable printers such as Bluetooth/USB/WIFI from being added to the laptop. To review the current ICT security policy and decide if printing from home needs to be included within the policy, so that if caught sanctions can be provided, especially if the authority is moving towards a more agile way of working. To review the Docmail system and decide if additional procedures and policies need to be developed to either permit staff to be able to use the Docmail freely or if sanctions need to be introduced against staff as a deterrent from sending information to their homes which could ultimately	**Responsible Manager:** ICT Manager and Head of Transformation & Organisational Development **Implementation date:** March 2022 Currently there is an agile working policy in draft which is going to CMT for approval. This policy will include information in relation to not printing from home and will encourage more electronic data rather than hard copy. Investigations by ICT to take place to check if administration rights are enabled for staff to add printers when working from home. If so, will remove admin rights to do this and add appropriate measures to reduce the risk. In relation to Docmail – The Head of Transformation & Organisational Development will speak with the Personal Assistant responsible for the Docmail system to assess the

		3.) Users can amend the return address from the authority location to their personal address if they wish on Docmail application.		lead to either a data breach or financial cost to the council.	measures that can be put in place to monitor and reduce the risk.

5. Independence and Ethics:

- WIASS confirms that in relation to this review there were no significant facts or matters that impacted on our independence as Internal Auditors that we are required to report.
- WIASS conforms with the Institute of Internal Auditors Public Sector Internal Audit Standards 2013 (revised 1st April 2017) and confirms that we are independent and able to express an objective opinion in relation to this review.
- WIASS confirm that policies and procedures have been implemented to meet the IIA Ethical Standards.
- Prior to and at the time of the audit no non-audit or audit related services have been undertaken for the Council within this area of review.

Head of Internal Audit Shared Services

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

Worcestershire Internal Audit Shared Service

Final Internal Audit Report

Light Touch Treasury Management Audit 2021/22

Date 5th January 2022

Distribution:

To: Financial Services Manager

CC: Head of Financial and Customer Services
Executive Director of Resources (Section 151 Officer)
Chief Executive

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

Contents

1. Introduction

1.1 The audit of the Light touch Treasury Management Audit was carried out in accordance with the Worcestershire Internal Audit Shared Service Audit Plan for Bromsgrove District Council by the Audit, Standards and Governance Committee on 22nd July 2021. The audit was a light touch risk based systems audit of the Treasury Management system as operated by Bromsgrove District Council.

1.2 This area of review is a back-office function and therefore underpins all of the Strategic Purposes

1.3 The service risks relevant to this review:

- Fin 2 Poor Treasury Management

1.4 There is a potential for fraud in this area with the transfer of funds fraudulently to personal or third party bank accounts.

1.5 This review was undertaken by Joanne Edge during the month of December 2021

2 Audit Scope and objective

2.1 A full audit was undertaken in 2020/21. No concerns were raised so this year a light touch audit has been undertaken to provide assurance that controls are still in place and operating effectively.

2.2 The review covered authorisation of investment and borrowings, compliance with the Treasury Management Strategy in relation to Institutions invested in and the limits invested, and the interest received and paid. In addition to this the 2020/21 audit findings were also followed up.

2.3 This review covered processes in place at the time of the audit.

3 Audit Opinion and Executive Summary

3.1 From the audit work carried out we have given an opinion of **significant assurance** over the control environment in this area. The level of assurance has been calculated using a methodology that is applied to all Worcestershire Internal Audit Shared Service audits and has been defined in the "Definition of Audit Opinion Levels of Assurance" table in Appendix A. However, it should be noted that statements of assurance levels are based on information provided at the time of the audit.

3.2 We have given an opinion of **significant assurance** in this area because there is a generally sound system of internal control in place but that our testing has identified an isolated weakness in the design of controls and / or inconsistent application of controls in one area.

3.3 The review found the following areas of the system were working well:

- Management approval had been obtained for the Investments/Borrowing

- Ledger shows the money being paid out and back in.
- Investments were made in line with the Counterparties lists and were within investment limits

3.4 The review found the following areas of the system where controls could be strengthened:

	Priority (see Appendix B)	Section 4 Recommendation number
Reconciliation and Borrowing Sign off	Medium	**1**
Treasury Members Training	Medium	**2**

4 Detailed Findings and Recommendations

The issues identified during the audit have been set out in the table below along with the related risks, recommendations, management responses and action plan. The issues identified have been prioritised according to their significance / severity. The definitions for high, medium and low priority are set out in the "Definition of Priority of Recommendations" table in Appendix B.

Ref.	Priority	Finding	Risk	Recommendation	Management Response and Action Plan
Issues brought forward from previous audit					
1	M	**Reconciliation and Borrowing Sign off (Follow up from the 2020/21 Audit)**	Risk of financial loss borrowings are agreed when they are not required, or the interest rate is not a	As a minimum and in order to ensure that the process does not suffer undue delay the Treasury Management reconciliation should be	**Responsible Manager:** Financial Services Manager

		The Treasury Management is undertaken by several officers on a day to day basis and although there is an authorisation of transfer of funds on investments there is no formally established authorisation of borrowings. A discussion does take place with the Head of Finance and Customer Services, and there is a period of grace whereby an agreement to borrow can be cancelled but there is no formal record of the decision made, and reconciliations although undertaken are not signed off by Management except at the year end. Therefore, there is no official monitoring to ensure that monies that should have been received are received. The implementation of a new system and the turnover of staff has resulted in the resources being reallocated to high risk areas.	good deal for the Council	reviewed and signed off by Management on a quarterly basis as part of the quarterly reporting to Members. This will ensure that all monies that should have been received have been	Agreed that this is a sensible approach. **Implementation date:** By end of June 22
2		**Treasury Members Training (Follow up from the 2020/21 Audit)** During testing it was ascertained Members of Bromsgrove District Council elected in May 2019 had not been offered treasury management training by an accredited provider.	The council may be open to unacceptable risks that could have been mitigated by the implementation of additional controls.	Training is offered to those Members newly appointed to relevant Committees as soon as practical with an accredited provider to allow members to be further informed when making decisions on the strategy and procedures	**Responsible Manager:** Financial Services Manager Agreed that this is a sensible approach.

		Due to Covid-19 and the reliance on a third party this training was not possible to complete.		relating to treasury management.	**Implementation date:** By end of June 22
New matters arising					
There have been no areas of control issues or risks highlighted by this light touch review that require reporting.					

5. Independence and Ethics:

- WIASS confirms that in relation to this review there were no significant facts or matters that impacted on our independence as Internal Auditors that we are required to report.
- WIASS conforms with the Institute of Internal Auditors Public Sector Internal Audit Standards 2013 (revised 1st April 2017) and confirms that we are independent and able to express an objective opinion in relation to this review.
- WIASS confirm that policies and procedures have been implemented to meet the IIA Ethical Standards.
- Prior to and at the time of the audit no non-audit or audit related services have been undertaken for the Council within this area of review.

Head of Internal Audit Shared Services

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

Worcestershire Internal Audit Shared Service

Final Internal Audit Report

Licensing 2020-21 & 2021-22

15th October 2021

Distribution:

To: Licensing and Support Services Manager
Head of Regulatory Services

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

Contents

1. Introduction

1.1 The audit of Licensing was carried out in accordance with the Worcestershire Internal Audit Shared Service Audit Plan for Bromsgrove District Council for 2020/21 and 2021/22 as approved at the Audit, Standards and Governance Committee on 5th March 2020 and 15th July 2021. The audit was a risk-based systems audit of Licensing as operated by Bromsgrove District Council.

1.2 This review links directly to the Bromsgrove District Council Plan 2019-23 purpose - Run and grow a successful business and Communities which are safe, well maintained, and green.

1.3 A limited risk of fraud exists if, via collusion, controls surrounding licensing processes are bypassed to allow actions to go undetected or required actions are not undertaken appropriately leading to inappropriate licensing.

2. Audit Scope and objective

2.1 The audit was to provide assurance on the processes surrounding the management of licenses issued by Worcestershire Regulatory Services, including the recovery of expired, revoked or suspended licenses, The assurance was predominantly regarding Taxi Driver and Vehicle Licensing, but other licensing was considered as part of the review to provide assurance on consistency of approach and embedded practice.

2.2 Scope:

- Processes in place to capture decisions from licensing committees regarding all changes to licensing requirements for businesses and individuals

- Comprehensive notes are held against records to ensure full case history is available and can be reported at any point in time
- Physical recovery of expired, revoked or suspended licenses along with reconciliation
- Recording of licenses and embedded system abilities to manage licenses and actions
- Review process for licensing applicants (to identify if licenses have previously been issued)
- Reporting of position to each Authority in regard to cases is clear, concise and timely.

2.3 The review covered the period from 1st April 2020 to the date of the audit and ran across two municipal years.

2.4 The review was performed during April to June 2021.

3 Audit Opinion and Executive Summary

3.1 From the audit work carried out we have given an opinion of **significant assurance** over the control environment in this area. The level of assurance has been calculated using a methodology that is applied to all Worcestershire Internal Audit Shared Service audits and has been defined in the "Definition of Audit Opinion Levels of Assurance" table in Appendix A. However, it should be noted that statements of assurance levels are based on information provided at the time of the audit. We have given an opinion of **significant assurance** in this area because there is generally a sound system of internal control in place designed to meet the organisation's objectives. However isolated weaknesses in the design of controls or inconsistent application of controls in a small number of areas put the achievement of a limited number of system objectives at risk.

3.2 It should be noted regarding Taxi Licensing there are layered controls to ensure as much as possible suspended drivers are unable to operate. Due to the nature of the licensing and mobility of both vehicles and driver's controls can be severely tested. On occasions immediate collection of the licensing plates and licenses may not be possible due to the very nature of taxi driving/licensing. There is a clear protocol in place which notifies various agencies including the Police there is action pending. The audit identified there are reasonable and practical controls in place to identify required actions and minimise any delays in the obtaining of any license after suspension. The audit has also identified a number of controls newly or in the process of being implemented to further improve the control environment and mitigate any potential risk to the public in this particular area of licensing. The areas of enhanced control include:

- Implementation and use of the National Register of Taxi and Private Hire License Revocations and Refusals (NR3)
- Review of suspension letters to ensure wording is clear and drivers understand the actions taken and their responsibility to surrender licenses
- Time at the end of Magistrates Court Appeals to physically recover the license
- A follow up letter also sent to the prison (if required) reminding the licence holder it is a criminal offence to drive whilst their licence has been suspended or the licence has been revoked.

Even with enhanced controls in place any actions required are fundamental and intrinsically linked to the information that is agreed at committee and fed back/noted on a case-by-case basis by the officer in attendance. There will always be a potential risk of an individual operating without the necessary license but there are mitigations in place that reduce this to a minimum.

3.3 The review found the following areas of the system were working well:

- Attendance and provision of information for Committees and Sub-Committees
- Record keeping of license holders via a uniformed system
- Existing and additional controls for the recovery of licenses and the development of processes to improve controls.
- System abilities to manage license variations and produce reports for management purposes
- Identification of applicants who have previously had a license suspended or revoked and the introduction of the National Register of Taxi and Private Hire Licence Revocations and Refusals (NR3)

3.4 The review found the following areas of the system where controls could be strengthened:

	Priority	Section 4 Recommendation number
New Matters Arising		
Use of Authority Enforcement Officers & Exception Reporting	**Low**	**1**

4 Detailed Findings and Recommendations

The issues identified during the audit have been set out in the table below along with the related risks, recommendations, management responses and action plan. The issues identified have been prioritised according to their significance / severity. The definitions for high, medium and low priority are set out in the "Definition of Priority of Recommendations" table in Appendix B.

Ref.	Priority	Finding	Risk	Recommendation	Clearance meeting discussion points
New findings arising					
1	**Low**	**Use of Authority Enforcement Officers & Exception Reporting** As reported in the overview the risk of drivers operating without a licence or during a suspension	Increased reputational damage to Worcestershire Regulatory Services and the	At the point a license is suspended and especially if a license cannot be located	Management Response: WRS are acutely aware of both the importance and risk associated with not retrieving a driver's badge once there is a

		can never be eliminated due to the nature of the license. Additional controls could be considered to aid in the limitation of reputational damage and to reduce the number or time drivers operate without a valid license.	Client Authority if drivers are unlicensed. Taxi drivers operating without a valid license for extended periods could potentially render themselves uninsured leading to increased risk to the public and other road users should there be an incident.	and recovered the relevant Officers at the client authority are made aware at the earliest opportunity and kept updated as the case progresses to ensure that potential reputational damage can be managed. To further minimise risk and increase the potential to spot unlicensed drivers, consideration is given to whether Worcestershire Regulatory Services could work with the Civil Enforcement Officers (CEO's) of the various Authorities. As the CEO's patrol the districts daily and they could potentially identify locations of unlicensed taxi drivers and pass that intel to Worcestershire Regulatory Services for action. Enforcement would be via WRS and the Police, but it may improve visual coverage within each of the districts thus acting as a deterrent regarding unlicensed driving. It is recommended that this approach is only used when	decision made to suspend or revoke a licence. Currently WRS undertake 2 visits to the licence holders named residence to retrieve a badge if it is not: 1. Returned to WRS by the licensee once a letter of suspension/revocation has been hand delivered. 2. Retrieved from the licence holder after the Court hearing Further to this we have introduced a warning letter that each district legal team are notified of which is sent to the home address and prison (if necessary) to remind the driver that it is an offense to drive without a licence and the badge should be returned to WRS. WRS have previously attempted to engage with all district enforcement teams with a view they could provide on the ground support to licensing officers including the power to issue points through our internal points system. WRS will continue to pursue this direction of travel and will contact all districts again as a response to this audit. There was positive groundwork maintained with Worcester City prior to the pandemic with one of our Senior

				necessary and any such approach or working arrangements would need to be agreed.	officers presenting to all enforcement officers through a virtual meeting. WRS are more than happy to engage with the teams on a regular basis but as already specified these would need to be within certain parameters. During recent months the team have concentrated more on proactive enforcement with officers actively being out in districts but also taking part in joint operations with the police. The pandemic has strengthened our partnership with the Police and, we continue to work with them closely on all licencing matters not just taxis. Officers have been working with most of these drivers for long periods of time and know themselves who are suspended therefore all these initiatives are small steps to achieving the overall objectives set out in this audit.

5. Independence and Ethics:

- WIASS confirms that in relation to this review there were no significant facts or matters that impacted on our independence as Internal Auditors that we are required to report.
- WIASS conforms with the Institute of Internal Auditors Public Sector Internal Audit Standards 2013 (revised 1st April 2017) and confirms that we are independent and able to express an objective opinion in relation to this review.
- WIASS confirm that policies and procedures have been implemented to meet the IIA Ethical Standards.
- Prior to and at the time of the audit no non-audit or audit related services have been undertaken for the Council within this area of review.

Head of Internal Audit Shared Services

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

Worcestershire Internal Audit Shared Service

Final Internal Audit Report

Benefits Audit 2021-22

Date 19th January 2022

Distribution:

To: Customer Support Manager

CC: Chief Executive
Head of Financial and Customer Services
Executive Director of Resources (Section 151 Officer)

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

Contents

1. Introduction

1.1 The audit of the Benefits process was carried out in accordance with the Worcestershire Internal Audit Shared Service Audit Plan for Redditch Borough Council for 2021/22 which was approved by the Governance and Standards Committee on 29th July 2021 and for Bromsgrove District Council by the Audit, Standards and Governance Committee on 22nd July 2021. The audit was a risk-based systems audit of the Benefits as operated by Redditch Borough Council and Bromsgrove District Council.

1.2 This review relates to the strategic purposes of:

- BDC Plan 2019-23: Strategic Purpose - Work and Financial Independence. Priorities - Financial Stability.
- RBC: Plan 2020-24: Strategic Purposes - Aspiration, Work & Financial independence

1.3 The following entries on the service risk register are relevant to this review.

BEN 1 Fail to effectively resource the service to meet demands
BEN3 Impact of Welfare Reform Act
BEN 4 Impact of Introduction of Local Council Tax Scheme
BEN 7 Benefits Subsidy
BEN 9 Failure to meet audit requirements
BEN 11 Failure of Corporate Fraud and Compliance Team
REV 6 Fail to make a timely decision (political direction) to manage changes to the Council Tax Support Scheme
REV 9 Impact of introduction of Local Council Tax Scheme

1.3 This review was undertaken during the month(s) of October 2021 and November 2021

2 Audit Scope and objective

2.1 The audit provided assurance on the accuracy of the award for the revised Council Tax Reduction Scheme, the Test and Trace Support payments, the action plan in place to deal with any backlog of work and that the service is operating as business as usual in these unprecedented times. Assurance was also given regarding the regular monitoring of Discretionary Housing Payment refusals and that the new performance measures are transparent, updated and Quality Monitoring also focuses on the areas of highest risk.

2.2 The scope covered:

- A review of the updated position in relation to the 2019/20 audit recommendations.
- Management of any backlogs of work and getting back to business as usual.
- Test and Trace Support payments are being awarded in line with the procedures for the main and discretionary scheme.
- Awards are being made in line with the revised Council Tax Reduction Scheme for 2021/22.
- Quality Assurance monitoring is taking place.
- Discretionary Housing Payment refusals are being monitored.
- New Performance measures are accurate, transparent, updated monthly and reported regularly.

2.3 This reviewed covered the period from 1st April 2021 to completion of the testing

2.4 This review did not cover

- Compliance with internal processes and external legislation to allow the prompt and accurate processing of new Housing Benefit claims and changes of circumstance as third-party assurance (DWP and External Audit Assessment) will be used to provide assurance.

- The process of recovery, including the classification of overpayments and its effect on subsidy.
- Payments made under the discretionary hardship scheme.

3 Audit Opinion and Executive Summary

3.1 From the audit work carried out we have given an opinion of **significant assurance** over the control environment in this area. The level of assurance has been calculated using a methodology that is applied to all Worcestershire Internal Audit Shared Service audits and has been defined in the "Definition of Audit Opinion Levels of Assurance" table in Appendix A. However, it should be noted that statements of assurance levels are based on information provided at the time of the audit.

3.2 We have given an opinion of **significant assurance** in this area because there is a generally sound system of internal control in place but that our testing has identified isolated weaknesses in the design of controls and / or inconsistent application of controls in a small number of areas.

3.3 The review found the following areas of the system were working well:

- Implementation of the revised Council Tax Reduction scheme
- Processing of the Council Tax Reduction Scheme claims with good meaningful file notes.
- Processing the Test and Trace payment within a timely manner with unknown quantity of applications.
- Adapting to remote working and change during the pandemic and retaining business as usual.
- The work carried out within the quality assurance team.
- Monitoring of the spend against the Discretionary Housing Payments (DHP)

3.4 The follow up recommendation regarding reconciliations will be followed up within the Main Ledger Audit which is due to be carried out in quarter 4. The remaining follow up actions, review of the modules for efficiency and the implementation of the new Housing System are ongoing and will be reviewed again within the 2022/23 audit.

3.5 The Benefits team are still waiting the outcome from the proposed re-structure that has taken over 3 years to complete. This has left certain staff in secondment roles and carrying out duties that are not within their current job role description. This has led to ongoing pressures including within the quality assurance team.

3.6 This service has had to continue to deliver business as usual throughout the pandemic and in addition have had to take on additional activities such as the test and trace payments which has presented challenges with resourcing as it was unfamiliar and unknown quantity of applications. There was also pressure by Central Government to get these payments out to the customers quickly. The Team have also introduced and rolled out a revised council tax reduction scheme. Staff managed with little disruption to the service during the first lock down to continue with business as usual while obtaining the equipment to work remotely. With the current restrictions a return to the office is unlikely but it is

important that any return to the office in future needs to be planned to minimise any disruption to the officers and customers due to the statutory nature and importance to the customer provided by this service. Based on previous audits there are clear indications of the positive direction of travel achieved by the Team and Service in very difficult times and the adoption of a more proactive approach.

3.7 The review found the following areas of the system where controls could be strengthened:

	Priority (see Appendix B)	Section 4 Recommendation number
Outstanding Work Queue/Backlogs	**Medium**	**1**
Test and Trace Support Payments	**Medium**	**2**
Dashboard – Performance Measures	**Medium**	**3**

4 Detailed Findings and Recommendations

The issues identified during the audit have been set out in the table below along with the related risks, recommendations, management responses and action plan. The issues identified have been prioritised according to their significance / severity. The definitions for high, medium, and low priority are set out in the "Definition of Priority of Recommendations" table in Appendix B.

Ref.	Priority	Finding	Risk	Recommendation	Management Response and Action Plan
Issues brought forward from previous audit Reconciliation. This follow up action will be reviewed within the Main Ledger Audit in Quarter 4 2021/22. The remaining follow up actions, review of the modules for efficiency and the implementation of the new Housing System are ongoing and will be considered again within the 2022/23 audit.					

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

New matters arising					
1	M	**Outstanding Work Queue/Backlogs** **New Claims** At the time of review the outstanding work is manageable and not considered to be a backlog. There are however a handful of cases that are older than desired (Oldest RBC case 8 weeks, oldest BDC case 10 weeks) These claims have been assigned to officers and are waiting on information before a decision is able to be made. **Change of Circumstance Claims (COC)** At the time of review the outstanding work is manageable and not considered to be a backlog. There are however a handful of cases that are older than desired (The bulk of the items within the work queue dated back 2 weeks for both RBC and BDC). These claims have been assigned to officers and are waiting on	This has the potential to increase the average processing times which get reported to DWP and published in the public domain which could lead to reputational damage and DWP intervention similar to before,	Investigate if a report can be generated that separates defective claims so that the queue can be monitored for outstanding work/backlogs and defective claims so that customers can be reminded information is still outstanding or that, if appropriate the application is closed. If older cases are not closed, then a file note is added to explain why the case remains within the outstanding queue and if a claim is made defective, it is clear within the file note that information has been requested and the date its due back by.	**Response and Action:** I agree with the recommendations with regards to monitoring outstanding work. This is already looked at and actioned by the team leaders and reported monthly. From January we will monitor the reasons behind the delays to gain a greater insight to what is causing the delays; for example – waiting information from customer, from the DWP, from housing provider. Or is it staff members not making claims defective at the earliest opportunity. With regards to the change in circumstance days this is a known Civica fault which has caused delays in receiving ATLAS and UC documents at the time of the audit. This work has now been cleared and on average a change of circumstance takes 5 days to be processed. **Responsible Manager:**

		information before a decision is able to be made.			Assistant Financial Support Manager **Implementation date:** **March 2022**
2	M	**Test and Trace Support payments** There are several claims where I was unable to open the attachments. The audit trail was not always clear if customer had provided a response to questions such as, do they have any accessible savings/capital and do they have to pay any rent/mortgage?	Potential risk if the full audit trail cannot be viewed regarding the checks made and information received in the event of a challenge if unable to open attachments.	Ensure Officers record the responses to any information requested. Investigate why certain attachments cannot be opened.	**Response:** The loading of the documents is again a Civica fault that has been reported. It is intermittent and not on every case. **Action:** I have noted concerns with regards to notes on these cases and will action. The scheme is currently only being worked on by 2 officers and there are lots of things to consider and appreciate in the work they are doing under testing circumstances. **Responsible Manager:** Assistant Financial Support Manager **Implementation date:**

					Pending a Civica fix, so date for this unknown. Clarity in notepads from January 2022
3	M	**Dashboard – Performance Measures** Not all the new performance measures have a number allocated to the measure. The graph was not always up to date for certain measures such as New Claims Speed of processing and Change of Circumstance Speed of processing. Not all measures provided context to understand if the performance is good, or not especially where there were no notes within the comment history either advising on any variation positive or negative. There was no performance information for 2 measures. There were no weekly measures on the dashboard.	Lack of transparency and context which could lead to inaccurate assumptions by senior managers and members that review this information and Service performance.	Ensure the performance measures on the dashboard are complete and updated monthly where applicable for transparency or there is context within the graph so that the audience can understand if the performance shown is good, expected etc.	**Response and Action** Some of the measures are not showing on the dashboard again due to a Civica fault. The issue surrounds us being 2 separate authorities on one database. The error is with Civica to fix. With regards to no notes or comment history we will look to add these; suggest that we have national average and local average were possible so we can see how we are performing compared to our neighbouring authorities. The weekly measures that were provided to you are purely for operational purposes and are not strategic measures. They were never intended to be added to the dashboard. **Responsible Manager:** Customer Support Manager **Implementation date:**

					Pending a Civica fix, date for this unknown. **Clarity and narrative on measures will be introduced from January 2022**

5. Independence and Ethics:

- WIASS confirms that in relation to this review there were no significant facts or matters that impacted on our independence as Internal Auditors that we are required to report.
- WIASS conforms with the Institute of Internal Auditors Public Sector Internal Audit Standards as amended and confirms that we are independent and able to express an objective opinion in relation to this review.
- WIASS confirm that policies and procedures have been implemented to meet the IIA Ethical Standards.
- Prior to and at the time of the audit no non-audit or audit related services have been undertaken for the Council within this area of review.

Head of Internal Audit Shared Services

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

APPENDIX 4

FOLLOW-UP REPORTS:
Since the previous progress report reported to Committee there have been three finalised 'Follow-Up' reports.

Worcestershire Internal Audit Shared Service

REDDITCH BOROUGH COUNCIL
making a difference
www.redditchbc.gov.uk

Bromsgrove District Council
www.bromsgrove.gov.uk

Safeguarding - Children 2019/20
(Evidence to Support the Section 11 Audit Return)

3rd Follow-up Report - 20th September 2021

Distribution:

To: Head of Community and Housing Services
Human Resources & Development Manager
Cc: Head of Transformation, Organisational Development and Digital Services

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

Contents

Section A - Justification of Audit Follow-up Approach

The date of the final audit report was 05/03/2020 with the first follow up report on 31/07/2020 and the second follow up report on 4th March 2021. The review is being followed up again because:

- 1 high and 1 medium priority recommendations remained outstanding: and
- At least three months have passed since the previous follow-up:

Please note that recommendation implemented from the previous follow up have not been included in this report

The following audit approach has therefore been applied:

- The 1 high and 1 medium priority recommendations outstanding from the second follow up have been updated with the current position. (Please see Section C)
- Where required recommendations against weaknesses in key controls have been tested substantively/evidenced.

Section B - Conclusion - Current Position statement

The original audit report gave **Moderate Assurance** over the control environment and this is the third follow-up. The first follow up was reported to committee on the position at the 31st July 2020. This was compiled with information provided by the Head of Service. The second follow up was reported to committee on the position at the 11th January 2021.

As reported within the second follow up, progress had been made against the various actions.

This follow up has identified the high priority area, training and monitoring, remains outstanding and to be actioned as the new HR system is still awaiting implementation. There has been no formal policy change at this point. The ERP system will be integral to HR in reviewing policy and process which will include the safer recruitment policy and training.

The medium priority recommendation has been implemented. The latest Safeguarding policy May 2021 and the induction booklet, 'working for us' is now available for staff to read on the Orb.

There is a service risk COM 3 on the 4risk system relating to safeguarding where the system highlights the review from date as 31/07/21.

A further follow up will be carried out in 6 months.

This follow up was undertaken during the month of August and September 2021

Section C – Current Position

Ref./ Priority	Recommendation	Management Response and Action Plan		2nd Follow up Position as at 11th January 2021	3rd Follow up Position as at 13th September 2021
1 High	**Training and Monitoring** To ensure there is a clear Corporate Safeguarding training plan in place for each year. A review of the safeguarding training record and establish a protocol to ensure that where mandatory training is	**Responsible Manager** Head of Community and Housing Services **Action** To review and improve the training record to ensure it is up to date with		**Implemented** A group of safeguarding champions have been established and two meetings have already taken place in June and October 2020 within which priorities for the champion role were discussed. Since these meetings Communication has	**Not Implemented (In progress)** NETconsent is now up and running. However there has been a gap where the safeguarding training has not been available for staff to complete the basic safeguarding training on this system. A presentation and test

Ref./ Priority	Recommendation	Management Response and Action Plan		2nd Follow up Position as at 11th January 2021	3rd Follow up Position as at 13th September 2021
	required its completion is monitored and timely reminders are issued and followed up for non-completion. Procedures for the provision of regular fresher training should be established. Send out a communication to staff reminding them of who the safeguard leads within Redditch Borough Council and Bromsgrove District Council are. If feasible, request that the consent the staff agree to which confirms they have understood the safeguarding training is moved to the end of the training so that the presentation has to be read and test completed before they can agree their understanding. Source and implement suitable training for those staff dealing with vulnerable children on a regular basis.	the ability to set up reminders including escalation to Managers **Implementation Date** 31st October 2020 **Action** To identify replacement training resources for staff who are in regular contact with children. **Implementation Date** 31st May 2020 **Action** If possible, to make changes to Net consent as recommended. **Implementation Date** 31st May 2020 **Action** Re-run the results of the net consent safeguarding testing to determine if staff are still getting the question relating to who the safeguarding leads are wrong and		been sent to the safeguarding champions with updates and offers of training The purpose of the champion role is defined within the draft Safeguarding Policy July 2020. **Not Implemented** Net Consent which is used to trigger reminders for the safeguarding online training has currently been taken offline. It is planned that this will be reinstated shortly. Therefore, while this eLearning system has been unavailable there has been no system in place to remind staff or carry out the basic mandatory safeguarding awareness level training. More specific training such as Child Exploitation and Vulnerability has been offered by Worcester Children First to RBC/BDC Staff. A recording system is still to be established to record what staff have been on various training to ensure staff	questions in line with the new policy is in the process of being uploaded and this is due to be completed by the middle of October 2021 and then rolled out to staff. **Not Implemented** The new HR Training has not gone live as intended and waiting on a revised implementation date. **Partially implemented** The referral log is to allow the referral information to be collated and this will be the case for Housing related cases once the new Civica Housing system is in place and this will be April 2022. **Implemented**

Ref./ Priority	Recommendation	Management Response and Action Plan		2nd Follow up Position as at 11th January 2021	3rd Follow up Position as at 13th September 2021
	Review the purpose and process of the Safeguard log as it is not capturing referrals across all services including housing and no output is being recorded. Review what Safer Recruitment training is in place and if this training is being rolled out and effective. Liaise with Human Resources as to when the induction handbook is likely to be finalised and published.	if so, appropriate action to be taken. **Implementation Date** 30th September 2020 **Action** To review the safeguarding log and determine an appropriate process for recording referrals from all services including the housing service. **Implementation Date** 31st July 2020 **Management Response / Action** New Induction booklet on track to be launched Spring 2020. New starters have access to the system currently and will continue to trigger the launch of the safeguarding awareness training via Net consent. **Responsible Manager**		have the correct level of training required for their job role. In the meantime there is a reliance on managers to keep their own record of the training that staff attend although moving forward this will be incorporated into the new HR Training system which is due to go live in July 2021, this will then ensure that there is a record of all training attended by all staff members The implementation date has been revised to 31st July 2021. The referral log is contained on a shared access drive for all the Safeguarding Leads to complete. Outcomes from the referrals are recorded. Housing safeguarding referrals are recorded on the relevant housing system. Further consideration is still ongoing as to how to collate this information to ensure accurate reporting. **Not Implemented**	The Induction handbook titled Working for us. Your Induction to Bromsgrove Council and Redditch Borough Council is now available on the Orb. **Not Implemented** (Wider recruitment training to include safer recruitment) There has been no formal policy change at this point, the ERP system will be integral to reviewing the policy and process. However, interim training is being provided to recruitment managers as needed in advance of a wider rollout on the back of the policy review.

Ref./ Priority	Recommendation	Management Response and Action Plan		2nd Follow up Position as at 11th January 2021	3rd Follow up Position as at 13th September 2021
		Human Resources and Development Manager **Implementation Date** 30th June 2020 **Action** Explore options for safer recruitment training **Responsible Manager** Human Resources and Development Manager **Implementation Date** 30th June 2020		The Induction booklet is due to be published and available on the Orb by the end of January 2021 (revised date from original audit) HR are reviewing wider recruitment training this will also incorporate safer recruitment, the training that is required and appropriate recording of any training undertaken. Revised implementation date July 2021 (as advised in the 1st follow up position 31/07/2020)	
3 Medium	**Safeguarding Policy April 2019** Update the old version on the Orb or remove. Ensure that any changes to the Safeguard Policy are communicated within a timely manner to staff and evidenced.	**Responsible Manager** Head of Community & Housing Services **Action** 1. Policy listed under the Corporate section of the Orb removed 2. Annual update to the Safeguarding Policy promoted on Team Brief		**Implemented** Policy listed under the Corporate section of the Orb removed **Partially implemented** The Safeguarding Policy July 2020 is still in draft. However, the draft version is on the Orb for staff to view. There is no evidence that	**Implemented** The updated policy (published 13th September 2021) dated May 2021 is now on the Orb for staff to refer to.

Ref./ Priority	Recommendation	Management Response and Action Plan		2nd Follow up Position as at 11th January 2021	3rd Follow up Position as at 13th September 2021
	To retain evidence for the responses given in the Section 11 that can be accessed within an organised folder or hyperlinked to the documents and produced within a timely manner if requested.	3. Evidence quoted for future Section 11 audits to be cross referenced for accuracy and recorded electronically. **Implementation Date** Action point 1 completed November 2019 Action point 2 – 31st May 2020 Action Point 3 – to be determined by date of next S11 audit		the changes within this draft version have been communicated/promoted through the team brief and it is expected to be made final in March 2021. **Implemented** Evidence quoted for future Section 11 audits to be cross referenced for accuracy and recorded electronically. This cannot be determined until the next S11 audit. However, the electronic folder is established for retaining evidence and is ongoing.	

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

Worcestershire Internal Audit Shared Service

Document Retention 2019/20

1st Follow-up Report - 29th September 2021

Distribution:

To: Head of Transformation and Organisational Development

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

Contents

Section A - Justification of Audit Follow-up Approach

The date of the final audit report was 05/11/2019 and is being followed up because:

- 2 high and 1 medium priority recommendations were made.

The following audit approach was therefore applied:

1. The 2 high and 1 medium priority recommendations have been updated with the current position.
2. Where required recommendations against weaknesses in key controls have been tested substantively/ evidenced.

Section B - Conclusion - Current Position statement

The original audit report gave **Limited Assurance** over the control environment and this is the 1st follow-up.

Out of the 3 recommendation both the 1 high priority recommendation in relation to security of archived information and the 1 the medium priority recommendation in relation to the retention policy has been implemented. The 1 high priority recommendation in relation to the controls of the retention schedule has been partially implemented.

Although each authority is in a better position and the direction of travel is showing that the risk has been reduced, a further follow up will required to be undertaken in 3 months time to provide assurance that the implementation work of the 1st high priority recommendation around 'controls of retention schedule' is working.

This follow up was undertaken during the month of September 2021.

BROMSGROVE DISTRICT COUNCIL

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Section C – Current Position

Ref./ Priority	Recommendation	Management Response and Action Plan		1st Follow up Position as at 28th September 2021
1 High	**Controls of retention schedule** To continue to encourage staff through the annual General Data Protection Act training that is provided by the information team to encourage the importance of removing information; it is to be encouraged through the recommendation to establish a clearance day routine to ensure that all documents are destroyed and appropriate actions are taken. Each service to ensure that it manages its data disposal in a timely manner.	**Responsible Officers:-** ICT Manager ICT Operations Manager **Implementation Date: -** Q4 2019/20 1.) Reminders to staff via the orb to delete records that are passed the retention period. 2.) To conduct a corporate annual clear out to remove documentation that is passed the retention period. Review the retention schedule to ensure it remains fit for purpose		**Partially Implemented** Reminders have been provided to staff via the orb to delete records. Staff are also being encouraged at each authority to conduct an annual clear out. Although assurance can be provided on these areas and t this has been implemented, a further follow up will be required within 3 months of the report to check that the data has been cleansed. The retention schedule has recently been reviewed and new controls have been added to improve the way it is monitored, as a new information asset register has been introduced (more on this in recommendation 3).

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

Ref./ Priority	Recommendation	Management Response and Action Plan		1st Follow up Position as at 28th September 2021
2 High	**Security of archived information** Redditch Borough Council and Bromsgrove District Council to ensure sensitive information that is being archived is not accessible to staff other than those that require it for their role and responsibilities. Also, the current arrangements to be reviewed to ascertain whether sensitive information is sufficiently protected from unauthorised use. The deeds are currently vulnerable to potential loss in the event of fire or flood so consideration to be given to how best to mitigate this risk e.g. electronic storage.	**Responsible Officers:** ICT Operations Manager Head of Legal & Democratic Services (for deeds transfer item) Senior H&S Officer **Implementation Date** Q1 2020/21 All archive records are to be securely stored if not considered to be 'public' viewing. The archive facility at Parkside was never designed to be flood and/or fireproof due to the building. Consideration to be given to transferring documentation to Redditch Borough Council Town Hall deeds room which provides this security.		**implemented** All items that are not meant to be in the public viewing have been identified and are now securely stored with their own archive. After consideration, it was decided not to move the files from Bromsgrove Parkside to Redditch Townhall deeds room, as the deeds room is currently at full capacity and unable to hold anymore information at this time, therefore the risk has been accepted. There has been an alignment in the processes to access the archives at Bromsgrove Parkside building, as they have amended the approach to match that of Redditch Borough Council Townhall, with an appropriate sign in and sign out sheet.
3 Medium	**Retention Policy** Current retention procedure to be reviewed to ensure it remains fit for	**Responsible Officer:-** ICT Operations Manager **Implementation Date**		**Implemented – but on-going** The retention policy has been reviewed and updated.

Ref./ Priority	Recommendation	Management Response and Action Plan		1st Follow up Position as at 28th September 2021
	purpose and a policy is published on the Orb for staff to reference and follow. These key documents require periodic review and update in line with business need.	Q1 2020/21 To revisit to ensure the retention policy remains fit for purpose and that conversations are happening to keep on top of the retention of documents.		The review will become an on-going project and will continue to be updated as time progresses on an annual basis.

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

Worcestershire Internal Audit Shared Service

Compliments and Complaints 2019/20

2nd Follow-up Report - 30th September 2021

Distribution:

To: Head of Finance and Customer Services
Assistant Customer Support Manager

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

Contents

Section A - Justification of Audit Follow-up Approach

The date of the final audit report was 06/12/2019 with the first follow up report on 16/10/2020 and is being followed up again because:

- 1 high and 2 medium priority recommendations remained outstanding: and
- At least three months have passed since the previous follow-up:

Please note that recommendation implemented from the previous follow up have not been included in this report

The following audit approach was therefore applied:

3. The 1 high and 2 medium priority recommendations outstanding from the first follow up have been updated with the current position.
4. Where required recommendations against weaknesses in key controls have been tested substantively/ evidenced.

Section B - Conclusion - Current Position statement

The original audit report gave **Moderate Assurance** over the control environment and this is the 2nd follow-up. The 1st follow-up report found that 1 medium recommendation had been implemented, 1 high recommendation had been partially implemented and 2 medium recommendations had not been implemented.

The second follow-up has found that out of the 1 ‘high’ priority and 2 ‘medium’ priority recommendations detailed in the table in Section C have been implemented with the service accepting the risk associated with the limitations of the system.

Internal Audit are satisfied that consideration around the GDPR aspects of the system has been made and that the service has accepted the risk in relation to the current system not having an automated approach. As the system is still new and within the 7 year retention period, mitigation will be put in place once there is a requirement to delete the data in December 2022.

From the information sought and as all recommendations have been fully implemented, no further follow up will be required take place.

This follow up was undertaken during August and September 2021.

Section C – Current Position

Ref./ Priority	Recommendation	Management Response and Action Plan		1st Follow up Position as at 16th October 2020		2nd Follow up Position as at 30th September 2021
1 **High**	**Complaints Recording Management System Issues** The review to consider the potential for development of the system to improve the council's way of providing services and for the potential to escalate reminder emails if complaints remain open for longer than a set number of days. If the system proves to be not fit for purpose to consider alternative	**Responsible Manager:** ICT Operations Manager **Implementation date:** Quarter 1 2020. 1) We would like a full audit trail of the system. Planned specification to be completed by February 2020 to be implemented in quarter 1 2020.		**Partially Implemented** 1) The first management response action point has been implemented as there is now a clear audit trail within the compliments and complaints system. 2) The second point in the management response has not yet been completed as there is a requirement to still update the active directory and investigate if it is possible for the system to		**Implemented** Everything that could have been achieved within the current system has. To achieve anything further would require a new system to be bought. It was deemed not worth attempting to update the current system any further as with the features required, a new system would be needed due to the

Ref./ Priority	Recommendation	Management Response and Action Plan		1st Follow up Position as at 16th October 2020		2nd Follow up Position as at 30th September 2021
	options that will best fit the Council's requirements in relation to the tracking and monitoring of complaints. The system requires a 2nd stage complaint identification tag to ensure all complaints are dealt with appropriately and provide an opportunity to identify potential service development is maximised. To introduce a true audit trail and back-up process within the system so that if a record is deleted by mistake, it can be identified and reinstated.	2) We would like the overdue complaints to be escalated further. There is project to update Active Directory. Once completed in February we will look to investigate if this is sufficient to use to escalate. 3) 2nd stage can be developed so calls can be manually moved into this area. Planned specification to be completed by February 2020 to be implemented in quarter 1 2020. 4) Planned specification to be completed by February 2020 to be implemented in quarter 1 2020.		allow open tickets to be escalated further. It was noted within the follow up meeting that if this is not possible the service would accept the risk. 3) The planned specification for 2nd stage complaints to be developed within the system has been developed and implemented. 4) Planned specification was agreed and ICT was tested		capacity and knowledge available within IT. Therefore, the authority accepts any further risks in relation to this system.

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Ref./ Priority	Recommendation	Management Response and Action Plan		1st Follow up Position as at 16th October 2020		2nd Follow up Position as at 30th September 2021
2 **Medium**	**Compliments and Complaints Reporting** Once the integrity of the data within the system has been assured to consider introducing quarterly reports to senior management to provide a strategic overview of how the Councils are performing and help to identify areas of risk though non delivery or poor service. To report on service areas to help them improve and to allow services to analyse trends within complaints. To consider the use of reporting compliments through staff newsletters/corporate events to celebrate success and help to boost morale throughout the Councils.	**Responsible Manager:** Assistant Customer Support Manager **Implementation date:** 1st Dec 2019** There are no plans to report to service managers as the management are the users of the system and can therefore check their own service area reports. Quarterly reports can be provided to CMT and SMT if required. It is planned to publish complaint data on a monthly basis on the web, including services whose complaints are over 21 days old. This was delayed due to the roll out of the corporate customer care strategy. **Subject to CMT approval, we will suggest a date of 1st December 2019.		**Not Implemented** On reflection Management decided that if the service was to publish the complaint data on a monthly basis on the web, it may lead to reputational damage to the authority. Therefore, on review the Assistant Customer Support Manager has been in discussions with the Section 151 Officer to gain approval for the report to be submitted on a quarterly basis in a CMT platform. Due to the section 151 leaving and COVID-19, this has not yet been implemented, but assurance has been provided this will be implemented by April 2021.		**Implemented** Reports have started to be submitted to CMT and will continue to be on-going on a quarterly basis.

BROMSGROVE DISTRICT COUNCIL

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Ref./ Priority	Recommendation	Management Response and Action Plan		1st Follow up Position as at 16th October 2020		2nd Follow up Position as at 30th September 2021
3 **Medium**	**GDPR** To review the current system and allocate a responsible officer to introduce quarterly checks by the appointed officer to ensure that there is a control in place so any personal record that are found to be non-compliant with the retention cycle are disposed of within the correct year.	**Responsible Manager:** Assistant Customer Support Manager **Implementation date:** December 2020 The complaints system was introduced in 2014 and complaints will be held for 5 years following closure. There are currently no records overdue for deletion, and the first record will be deleted in December 2020. Previous meetings with ICT had stated the system will remove records on an annual basis following 2020 however a check will need to be made to ensure this happens. Added to ICT development list.		**Full Implementation date not yet reached** The actual document retention is not on a 5 year cycle, but rather a 7 year cycle. Therefore, as the data has not yet reached 7 years, the implementation date would have been December 2022. Decisions have not been made as to if the document retention will be possible to achieved on an automated approach or if a manual approach would be required. As the implementation will not be until 2022, the risk of the retention element has been accepted by the service,		**Implemented as far as practical with some risk accepted.** Retention is in line with the current retention schedule and no deletion of records is required until December 2022. The service is working to this date. ICT have investigated the system and found that the automated approach would not work within the current system to delete the footprint altogether and a manual deletion is still required. The service has accepted the risk on this.

BROMSGROVE DISTRICT COUNCIL

Audit, Governance & Standards Committee 27th January 2022

APPENDIX 5

Quality Assurance Improvement Plan.

Action Number	Area for Action and Standards Reference	Outcome Required	Action	Lead person	Target Date for completion	Date of Completion	Latest Position (Quarterly)
1	1210.A1 - Training Requirements	Professional qualifications to be obtained.	Auditors to enhance their skills and qualifications through professional study e.g. IIA	Auditors	2023/24	Ongoing	December 2021: Auditor enrolled with IIA and continuing training to obtain further professional qualifications. **Progressing.**
2	2420 - Timely Completion of Review Stages	Improvement in issuing the 'Draft Report' to the agreed date as set out in the Brief. To make improvements in the monitoring of the management response after the issue of a Draft Report.	Monitor the issue of Draft Reports and the receipt of management response during the financial year taking appropriate and timely action where the target dates are stressed.	Auditors	Mar-22	Ongoing	December 2021: Being monitored **Progressing.**
3	2500.A1 - Follow Up	More efficient and timely follow up regarding reported management action plans.	To review and enhance the follow up process, and monitor progress to reduce potential slippage.	Audit Team Leader	Mar-22	Ongoing	December 2021: Included in Auditors work plan for the year. Being monitored and tracked and discussed at 1:2:1s **Progressing.**

9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder		
Lead Director / Head of Service		
Financial Services		
Legal Services		
Policy Team (if equalities implications apply)	N/a	January 2022
Climate Change Officer (if climate change implications apply)	N/a	January 2022