



SLOUGH BOROUGH COUNCIL

Internal Audit Progress Report

For the Audit and Corporate Governance
Committee meeting on 14 March 2023

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1 KEY MESSAGES

This section provides an update on the key messages relating to the progress of the 2021/22 and internal audit 2022/23 plans, which were both approved by the Audit and Corporate Governance Committee (ACGC).

2021/22 Internal Audit Plan



We have issued the one remaining **final report** relating to the 2021/22 plan since the January 2023 ACGC meeting. The ACGC has already been sighted on the opinions from this review in our annual report and the headline findings, so we have not included these in the appendix below. This report resulted in a 'Partial' (negative) assurance opinion. [\[To note\]](#)

2022/23 Internal Audit Plan

We have issued **eight final reports** since the January 2023 Audit and Corporate Governance Committee meeting. Of these:



- two have resulted in a 'Minimal' (negative) assurance opinion,
- one has resulted in a 'Partial' (negative) assurance opinion,
- two have resulted in a 'Little Progress' (negative) assurance opinion,
- one has resulted in a 'Reasonable' (positive) assurance opinion,
- one has resulted in a 'Good Progress' (positive) opinion; and
- one was an 'Advisory' review.

There are currently a further **9 reviews issued in draft** (a number of which are negative opinions at draft stage). We are waiting for management responses to these before they can be finalised and presented to the Committee. We have had formal responses to two of these reports and are working with management to finalise. Three further reviews are currently in progress. [\[To note\]](#)

2022/23 Head of Internal Audit Opinion



We have issued 12 final reports to date in 2022/23, 10 of which will impact our year end opinion. We have also issued a number of additional reports in draft with negative opinions where we have found weaknesses to be present (some from prior years) and these will also impact our 2022/23 opinion (assuming the opinions do not change as reports are finalised). We have provided further updates to the S151 Officer (and previously to the lead Finance Commissioner) and advised that we anticipate issuing another qualified (negative) head of internal audit year end opinion for 2022/23. We will continue to provide further updates to the S151 Officer at our monthly meetings. [\[To note\]](#)

The Committee will need to continue carefully monitor the progress made by Officers to implement the management actions agreed from all previous and current years Internal Audit reviews. [\[To note\]](#)



2 INTRODUCTION

This report provides a summary update on progress against the 2021/22 and 2022/23 plans. The report is based on the position as at the 27th February 2023.

2021/22 Internal Audit Plan

The Internal Audit Plan for 2021/22 was approved by the ACGC on 29th July 2021. Since the last update provided in January 2023, the final report has been finalised:

- Schools Audit – Priory School – Partial Assurance

2022/23 Internal Audit Plan

The Internal Audit Plan for 2022/23 was presented to the ACGC initially on the 1st March 2022, and a revised plan was subsequently approved on the 28th July 2022. Since the last update provided in January 2023, the following seven reports have been finalised:

- Housing Benefits – Partial Assurance
- General Ledger – Minimal Assurance
- Follow Up – IT Business Continuity and Disaster Recovery – Little Progress
- Governance – Council Subsidiary Companies – Advisory
- Health and Safety – Full Follow Up – Little Progress
- Workforce Recruitment and Retention – Minimal Assurance
- Medium Term Financial Strategy – Reasonable Assurance
- Follow Up – Part 1 - Good Progress

A number of reports have now been outstanding for a number of months and we are awaiting responses from Officers (the majority of which have resulted in negative opinions, at the draft report stage). The following reports are with management for comment (we have had responses on three of these):

- Budget Setting and Budgetary Control – Issued 26 August 2022, revised draft issued 2 February 2023*
- Adult Social Care Transformation – Issued 18 November 2022**
- Payroll (including associated Financial Controls) – Issued 30 November 2022
- Treasury Management – Issued 16 December 2022
- Rent Arrears Recovery – Issued 25 January 2023
- Business Rates – Issued 7 February 2023
- Creditors – Issued 9 February 2023, revised draft issued 1 March 2023
- Whistleblowing – Issued 21 February 2023
- Delegated Authorities – Issued 28 February 2023

A further four reviews have fieldwork in progress.

* Further evidence has been provided on this review. Report has been updated and is currently in discussion to finalise.

**A response was provided on the 16th February and we are working through the commentary.

3 OTHER MATTERS

3.1 Changes to the plan

The following changes to the 2022/23 plan were agreed since the last meeting with the Executive Director of Finance and Commercial (S151):

Note	Auditable area	Reason for change
1	Cyber Essentials	We were advised that very little progress has been made to implement previously agreed management actions and the current cyber specialists has very recently resigned so the audit cannot be accommodated in 2022/23 and will be deferred to 2023/24. We have agreed that the budget from this audit will be used for the additional Delegated Authorities review.
2	Assets	This review is now going to form part of the 2023/24 audit plan. We were advised that actions have not been implemented from the 2021/22 review. We have agreed with the S151 Officer to use this budget for the additional work and testing required on the MTFs, Budget Setting and Control and Adult Social care reports.
3	Rent Accounts	Management have requested a delay to this review from to April 2023 which has have agreed to, but this report will still contribute to the 2022/23 opinion.

The following changes were previously agreed to the 2022/23 plan:

Note	Auditable area	Reason for change
1	Delegated Authorities	Extra piece of work requested by the commissioners in November 2022. Work commenced December 2022 and a draft report has been issued.
2	Payroll and HR Interface	We have been advised that the Payroll and HR Interface audit is no longer a priority. We have agreed with the S151 Officer to replace this audit with a review of Payments to Temporary and Agency Staff given some of the issues identified with both the Matrix audit (minimal assurance) and Payroll (partial assurance) opinions.

3	Leavers Processes	Extra piece of work requested by the commissioners in August 2022. Work commenced end of August and is complete.
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4	Multiple Audits	We have at the request of various officers within the Council, pushed back the timing of some audits, to aid the Council in dealing with the impacts of the S114 notice and the restructure.
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3.2 Impact of findings to date on the 2022/23-year end opinion

The Committee should note that the assurances given in our audit assignments are included within our Annual Assurance Report. In particular, the Committee should note that any negative assurance opinions will need to be noted in the annual report and may result in a qualified or negative annual opinion (this includes follow up reviews, assurance opinions and advisory reviews with any significant weaknesses).

To date we have issued a total of 12 final reports, six with negative assurance opinions, two little (negative) progress follow up reviews, one positive follow up review and two further advisory reviews (risk management where two high priority actions were re-iterated from our 21/22 partial assurance review and subsidiary governance). 10 of these reviews will all therefore impact our opinion. We have also issued a number of negative opinions in the draft reports issued (year to date) that have not yet been finalised. We will continue to provide further updates to the S151 officer at our monthly meetings and to each Risk Management Board. Our annual report will be produced by the end of May 2023 and will include all of the details on our opinion. We will continue to work closely with management to finalise reports.

Quality assurance and continual improvement

To ensure that RSM remains compliant with the IIA standards and the financial services recommendations for Internal Audit we have a dedicated internal Quality Assurance Team who undertake a programme of reviews to ensure the quality of our audit assignments. This is applicable to all Heads of Internal Audit, where a sample of their clients will be reviewed. Any findings from these reviews being used to inform the training needs of our audit teams. The Quality Assurance Team is made up of; the Head of the Quality Assurance Department (FCA qualified) and an Associate Director (FCCA qualified), with support from other team members across the department. This is in addition to any feedback we receive from our post assignment surveys, client feedback, appraisal processes and training needs assessments.

External reviews of quality


One of the key measures of quality is an independent third-party assessment and, as a firm we are required to conform to the requirements of the International Professional Practices Framework (IPPF) published by the Global IIA. Under the Standards, internal audit services are required to have an external quality assessment (EQA) every five years. The RSM UK Risk Assurance service line commissioned an external independent review of our internal audit services in 2021, to provide assurance as to whether our approach continues to meet the requirements.

The external review concluded that RSM 'generally conforms to the requirements of the IIA Standards' and that 'RSM IA also generally conforms with the other Professional Standards and the IIA Code of Ethics. There were no instances of non-conformance with any of the Professional Standards'.

The rating of 'generally conforms' is the highest rating that can be achieved, in line with the IIA's EQA assessment model.

APPENDIX A - KEY FINDINGS FROM FINALISED 2022/23 INTERNAL AUDIT REPORTS

Detailed below are the High and Medium Priority Management Actions from negative opinion reports i.e. **Partial or Minimal Assurance reports** (or **Poor or Little progress** for follow up reports) and any **advisory reviews where significant issues were identified** (in the exception format previously agreed by the Committee):

<p>Housing Benefits (12.22/23)</p>	 <p>The diagram shows a horizontal scale of assurance levels: Minimal assurance, Partial assurance, Reasonable assurance, and Substantial assurance. Arrows indicate a progression from Minimal to Substantial. A vertical line is positioned between Partial and Reasonable assurance, with a minus sign (-) to its left and a plus sign (+) to its right.</p>	<p>3 High 3 Medium 1 Low</p>
<p>Conclusion</p> <p>Our sampling of Housing Benefit and Council Tax Support claims processing found these to be operating in line with procedures, with the exception of processing times. Our sample testing of payment runs returned positive outcomes. However, delays in Temporary Accommodation providing details on claims for Housing Benefit is impacting processing timeframes.</p> <p>Our sample testing of the recovery of overpayments identified discrepancies where invoices had not been raised and recovery action had not been completed, and we are concerned over the level of accumulated aged debt which is circa £14.1m for the period 1997 through to 2022.</p> <p>Interviews with staff as part of the audit confirmed that the number of vacancies in the department has impacted compliance with procedures, and in particular, the recovery of accumulated aged debt, where in year debt is being prioritised. We also found that a sample of debts had not yet been approved for write off (or been written off yet) by the S151 Officer or Cabinet where this was necessary but we understand that a consolidated report will go to the Cabinet by the end of the financial year. However, there had been delays as the debts had been approved for write off by the Housing Benefits Team in May and September 2022 respectively.</p> <p>In addition, our sample testing of access rights to the system identified two contractors that required their access to Academy to be terminated (one ex-contractor and one current) and we found that two prior medium priority management actions agreed in our 2021/22 internal audit of Housing Benefits had not been implemented. These related to reviewing key performance indicators and establishing a formal performance reporting route for the Housing Benefit function (e.g. a dashboard) and ensuring the timely completion of reconciliations between the housing system (whether Capita or Northgate) and Agresso, the financial system.</p>		

Access to Academy



We selected a sample of 15 staff from a report from Academy and checked whether each was a current member of staff and the access granted was consistent with their role. We found through review that one contractor had never accessed the system and another contractor left at the end of September 2022. IT advised these users had their access revoked during the audit, once our findings were communicated to management.

Management confirmed all other staff required access. We found in our Council Tax internal audit that there were a small number of staff or contractors that had access rights in Academy but should have been removed. We agreed a management action through that audit. As a result, we have not reiterated the management action in this report, however this weakness impacts our overall assurance opinion.

Processing timeframes



An issue raised to us as part of the audit was that there have been delays in processing Housing Benefit claims because of late notification and receipt of information from the Temporary Accommodation teams. This is having a significant impact on the timeliness of processing and meeting the required deadlines. In some cases, information is delayed by up to 20 days which impacts the level of compliance with procedures. Published Q1 statistics show the Council's average time for processing claims is 34 days compared to a national average of 22 days. Late processing of claims could result in reputational damage for the organisation and could have an impact on those benefit claimants with the highest need. **(High)**

Overpayments



We selected and reviewed a sample of 12 overpayments made between April and October 2022 and reviewed the evidence of recovery action. We found that in three cases, invoices had not been raised for overpayments. In one of these instances we confirmed this was delayed because a Quality Officer had reviewed the overpayment and subsequently reduced its value. For the other two instances there was a system issue that resulted in invoices not being raised. The relevant Assessment Officer should have alerted the recovery team so that a manual invoice could be raised, but this did not happen. Where invoices are not raised and recovery action is not instigated, there is a risk of overpayments and increased expenditure for the Council. **(Medium)**

Performance Monitoring



In our 2021/22 internal audit of Housing Benefits we agreed a medium priority management action for the Housing Benefit team to complete an exercise to determine the reporting arrangements for KPIs, including the timeliness of decisions and of quality checks, to determine a forum where KPIs should be reported. We understand that the KPIs currently in use have not changed for some time. Management has not agreed a formal performance reporting route into the Council's governance structure, for example, to the Cabinet or the Corporate Leadership Team. Without a formal reporting mechanism, performance may suffer where issues are not identified, and actions put in place. **(Medium)**

Reconciliations



We requested copies of the Housing Benefit reconciliations between the HRA system (whether Capita or Northgate) and Agresso (the financial system) from April 2022 to date and were informed by the Finance Technical Advisor that these could not be provided as there was an issue with them that the Team was actively seeking to resolved. We agreed a management action in our 2021/22 internal audit of Housing Benefits relating to this, but

this has not been fully implemented. We are unable to provide assurance that the reconciliations are being completed and independently reviewed and authorised in a timely manner. If reconciliations are not reviewed in a timely manner, there is a risk that any errors made or variances noted will not be highlighted or investigated which could lead to financial losses for the Council. **(High)**

Aged debt



We were provided with an aged debt report for Housing Benefits and confirmed this showed an accumulated aged debt between 01 April 1997 and 31 October 2022 of £14.1m, across a total of 5,904 debtors relating to 12,499 invoices. These figures are concerning. We understand that regular reports on accumulated aged debt are not produced, other than on in-year debt (that are produced regularly), and there is no reference to aged debts within the weekly KPI spreadsheets we reviewed.

We are also not sighted on the general trajectory for the aged debt, for example, whether it is increasing or decreasing, or whether COVID-19 has had an impact. It is also not clear the overall reasons for the debt and the root causes due to a lack of reporting on the issue. Reasons cited by the Benefits Manager and System and Control Manager were that the Council has suffered from a lack of resources to complete the required recovery action, and COVID-19 has had an impact. There is a risk of a loss of income if aged debt is not monitored on a regular basis. **(High)**

Write offs




We reviewed the write off schedules YTD and confirmed that the total write off balance had been approved by the Benefits Manager and Group Manager - Revenue and Benefits. The two values were £29.5k for May and £3.1k for September 2022. The total value of the May 2022 schedule will require approval from the Cabinet as it is in excess of £15k, although this has not happened yet, despite the write off schedule being drafted in May 2022. In addition, the September 2022 value will require approval from the Section 151 Officer as it exceeds £1k.

As at November 2022, we understand that debts have not yet been through this process. We were advised that a report is due to be made to Cabinet in the near future. There is a risk that debt could be written off without authority and not in accordance with the Finance Procedure Rules. Furthermore, where debts are not written off when deemed irrecoverable, it is artificially inflating receivables figures, which impacts the reliability of the financial data. We were informed in our debrief meeting that a report will go to Cabinet at the end of the financial year in line with the budget setting process for 2023/24. **(Medium)**

1	<p>The Housing Benefit Team will complete an exercise to determine the reporting arrangements for housing benefit related performance information, covering the following:</p> <ul style="list-style-type: none"> • The agreement of key performance indicators (KPIs) that will be reported on, such as timeliness of decisions and quality checks; • The forum at which these KPIs will be reported; <p>The frequency that this forum will meet to discuss the reports.</p>	Medium	31 March 2023	Andy Jeffs, Interim Head of Transactions Revenues, Benefits and Charges
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2	We will expedite provision of information from Temporary Accommodation Teams to improve processing timeframes for Housing Benefit claims.	High	30 June 2023	Andy Jeffs, Interim Head of Transactions Revenues, Benefits and Charges
3	We will ensure invoices are raised in a timely manner for all overpayments identified to ensure recovery action is undertaken in line with procedures.	Medium	Complete	Baljit Nijjar, Benefits Team Manager
4	We will ensure the monthly reconciliations are completed and independently reviewed and authorised in a timely manner.	High	31 March 2023	Ade Adewumi, Finance Technical Advisor
5	We will ensure all debts written off are done so in accordance with rules and regulations. Debts over £1k will receive approval for write off by the Section 151 Officer and debts in excess of £15k will receive approval for write off by the Cabinet in a timely manner.	Medium	Complete	Baljit Nijjar, Benefits Team Manager
6	We will implement a process whereby we will cleanse the data available on accumulated aged debt and look to maximise recovery potential and write off any debt that we consider cannot be recovered. This will include a periodic report on accumulated aged debt.	High	30 September 2023	Baljit Nijjar, Benefits Team Manager

<p>General Ledger (9.22/23)</p>	 <p>The diagram shows a horizontal scale with four boxes: Minimal assurance (red), Partial assurance (grey), Reasonable assurance (grey), and Substantial assurance (grey). A vertical line is positioned between Partial and Reasonable assurance. A blue double-headed arrow spans the width of the scale, with a minus sign (-) on the left and a plus sign (+) on the right.</p>	<p>8 High 4 Medium 2 Low</p>
<p>Conclusion</p> <p>Overall, our audit has identified that a number of significant issues, including a number of which that were identified in previous reports that were still outstanding. The process to clear the backlog and prevent future build-up of unposted journals was still ongoing, as was the agreement of actions to produce a month-end timetable, evidence the clearing of suspense accounts, provide Agresso training to key staff and evidence the adequate review of all control account reconciliations.</p> <p>We have highlighted this year that the supporting evidence for journals is not uploaded to Agresso in line with the system's functionality and that there are no additional checks of high-value journals. We have also restated a management action agreed from our 2020/21 review relating to the creation of a password policy, which had initially progressed and then fallen through.</p>		

There is still limited guidance available to staff with regards to general ledger processes and no periodic review of general ledger access. The general ledger balance had not been rolled over (previous year closed down and subsequent year opened) from 2018/19, due to ongoing complications with the sign-off of the accounts.



Journal Supporting Documentation

Supporting documentation and evidence for journal entries is not saved directly against the entry in the Agresso system. We were advised of this by management and this was consistent with the findings from our sample testing. Instead, documentation is saved on shared folders; however, this is only available to the member of staff who uploaded the journal and not readily available to other relevant staff.

If supporting evidence for each journal entry is not recorded directly against the relevant journal entry on Agresso, there is a risk inappropriate or inaccurate journals may be created with no way of verifying if the information is correct, which could lead to financial risks for the Council. **(High)**



Control Account Reconciliations

We noted that progress had been made in this area from our 2021/22 review as reconciliations were performed in July, August, and September 2022 for the Accounts Receivable, Accounts Payable, and Payroll accounts. However, we found that they were not consistently signed off with a secondary review. Where reconciliations are not completed and appropriately approved there is a risk that discrepancies between the general ledger and control accounts are not identified. As such, errors and potentially fraudulent activity may not be identified, investigated, and resolved. **(High)**



Suspense Accounts

Evidence was not in place to show that suspense accounts were being monitored and cleared. This was also identified in our previous reviews and an action agreed. Without ensuring suspense accounts are regularly reviewed, there is a risk that transactions are not cleared in a timely manner, increasing the likelihood that amounts remain unallocated and could impact the accuracy of the accounts. **(High)**



Month-End Timetable

A month-end timetable had not been created and implemented as per the findings and management action from our 2021/22 review of this area. We were advised this was due to a lack of resource. Without ensuring all closedown tasks are known and assigned to staff, there is a risk that these are not completed in a timely manner, or not completed at all. **(High)**



Password Policy

A password policy had not yet been implemented, with no requirement for passwords to be changed, renewed regularly, or created in line with password rules (such as mandatory letters, numbers and symbols). We were advised that attempts to introduce a single sign-on policy (SSP) had been delayed due to Capita not being able to facilitate the request, therefore it would be addressed when the Council changes hosting provider. Without a robust password policy, there is a risk that Agresso users are using weak pre-set passwords, and these are not being changed on a regular basis. This increases the risk of a potential compromise in system security. **(High)**



Agresso Training

Agresso training had not been completed and rolled out, as per the findings and management action from our 2021/22 review of this area. We were advised training was a work in progress with plans for the Finance Team to be running sessions by March 2023. There is a risk that without ensuring staff receive finance training for Agresso, they are unaware how to complete tasks which could lead to delays, errors and/or incorrect actions being taken. **(High)**



Unposted Journals

There is no checking mechanism to review and manage unposted journals to avoid these accumulating in batch input maintenance, as per the findings and management action from our 2021/22 review of this area. There are a number of risks where there is an inappropriate approach for managing batch input maintenance, including that it cannot be identified whether journals are to be corrected or deleted. **(High)**

The backlog of unposted journals which require correction or deletion has not yet been addressed. Where journals are not corrected, there is a risk that transactions are not fully completed given that these have not been posted to the ledger. This may impact the accuracy of the accounts. Where journals are deleted (rather than corrected), there is a risk that second journals cannot be replicated as staff no longer have source documents. **(High)**



Knowledge Cards

We were advised that due to workload priorities the general ledger knowledge cards had not yet been created, with a revised target date set for March 2023. Without suitable guidance materials covering all Agresso finance functions, staff do not have a point of reference when unsure how to complete a process. There is therefore a risk that processes are delayed (while staff seek assistance) or they are completed incorrectly. **(Medium)**



High Value Journals

Journal entries are automatically allocated to a cost centre manager for approval. Currently there is no escalation within the general ledger workflows for journal approvals based on the value of the journal or retrospective review of high value journals by management. Without this, there is a risk that high value journals will be approved without an appropriate level of scrutiny and oversight from appropriately senior management, which could lead to financial risks for the Council. **(Medium)**



Closing and Opening Balances

We were advised by management that the 2018/19 accounts had not been signed-off. Therefore, the closing balance on Agresso for 2018/19 and the subsequent years had not been processed. It is acknowledged that the Council is aware that periods have not been closed down and opened and that there are appropriate reasons for this. However, there are a number of risks associated with not closing down and opening periods in a timely manner. These include impacts to budget monitoring, inaccurate financial reporting, and limited ability to correct year end discrepancies as time goes on. **(Medium)**



Disaster recovery and business continuity

We were provided with a copy of the Capita contract agreement dated September 2022, extending the contract for three months to December 2022. We noted that this was signed by the Council only. We were advised by management that the contract had been extended to December 2022 in order to finalise the procurement of a new hosting provider, however, we were not provided with any evidence to confirm that the procurement process had started. There is a risk to the organisation's key data if a new hosting contract is not agreed. **(Medium)**

1	<p>The Council will prepare a schedule of Agresso finance system functions/ processes to be documented. Help cards will then be prepared and uploaded to the 'Knowledge Base' section of the Freshdesk page.</p> <p><i>(Restated from 2021/22)</i></p>	Medium	31 March 2023	Ade Adewumi, Interim Systems Adviser
2	<p>The Council will ensure that high value journals are reviewed by senior management. This could be by amending the workflows in Agresso or if this is not possible via retrospective review.</p> <p>Management Update January 2023 - The rules in Agresso are being reviewed but a manual retrospective check will be undertaken for all journals over £500k in the interim.</p>	Medium	31 March 2023	Ade Adewumi Interim Systems Adviser and Strategic Finance Managers
3	<p>The Council team will phase out the legacy process of saving supporting evidence on the shared folder and start utilising the Agresso functionality to record supporting evidence directly against relevant journal entries.</p> <p>Supporting evidence shall continue to be stored centrally and will be readily available to all relevant users.</p> <p>Management Update January 2023 - At the current time the Agresso functionality is not available to the Council.</p>	High	Complete with effect from 31 December 2022	Deputy Director Financial Management and Strategic Finance Managers
4	<p>Following the completion of all audits, the Council will retrospectively roll-over the periods up to 2022/23.</p> <p>Where there have been significant changes to balances or reported information, relevant staff and Council Members will be made aware of this and the MTFS updated accordingly.</p> <p><i>(Restated from 2021/22)</i></p> <p>Management Update January 2023 - The 2018/19 Accounts audit have now been completed, the subsequent years audits will be on-going during 2023 and unlikely to be completed before March 2024.</p>	Medium	31 March 2024	Deputy Director of Corporate and Strategic Finance
5	<p>The Finance Team will assign appropriate individuals to complete all monthly reconciliations of control accounts, as well as a second individual to check these and record their check.</p> <p><i>(Revised but restated from 2021/22, we noted that this High priority action was reported to the Audit & Corporate Committee as overdue)</i></p> <p>Management Update January 2023 - The Monthly AP & AR Control Accounts are being prepared by the Principal Systems Office and signed off by a Finance Technical Adviser. Closed off.</p>	High	Completed in Q3 2022	Ade Adewumi Interim Systems Adviser
6	<p>The Finance Team will assign an appropriate individual to review and manage all suspense accounts, including identifying those entries that can be cleared and action this.</p>	High	31 January 2023	Ade Adewumi Interim Systems Adviser

	<p><i>(Restated from 2021/22, we noted that this High action was reported to the Audit Committee as overdue)</i></p> <p>Management Update January 2023 - There are 3 Suspense Accounts that require the intervention of a Civica Specialist to provide a link between the debits and credits that are all processed via the IKON platform. Suspense Accounts will be transferred to Service Accountants & the process will be complete by 31 January 2023.</p> <p>All other suspense accounts will be cleared in closing the 22/23 and subsequent years accounts and will be fully reconciled by 31st August 2023.</p>			
7	<p>An exercise will be completed to identify all tasks to be completed as part of the month end process. A full month end timetable will be prepared, and tasks will be assigned to appropriate staff members. The completion of tasks will be confirmed each month to a relevant manager responsible for overseeing the closedown process.</p> <p><i>(Restated from 2021/22, we noted that this High action was reported to the Audit & Corporate Governance Committee as overdue)</i></p> <p>Management Update January 2023 - This is being reviewed as part of the restructured Finance Function which is planned to be completed by the end of the financial year with tasks and resources allocated accordingly. Interim support will be retained if recruitment to permanent posts is unsuccessful.</p>	High	31 March 2023	Deputy Director Corporate and Financial Management
8	<p>The Council will review the password functions within Agresso to ensure that:</p> <ul style="list-style-type: none"> • Password require changing on a periodic basis; and • Acceptable passwords will be subject to rules (certain lengths and unique characters to strengthen them and minimise the possibility of a security breach. <p>Management Update January 2023 - Single sign on will in place by 31 March 2023 which will be in line with the Council's overall policy.</p>	High	31 March 2023	Ade Adewumi Interim Systems Adviser
9	<p>The Council will ensure that the procurement of the new hosting provider is finalised ahead of the December 2022 contract expiry.</p> <p>Once agreed the Council will retain copies of the contract signed by all parties.</p> <p>Management Update January 2023 - This was completed in December 2022 QTC are the new contractor.</p>	Medium	Complete	NA
10	<p>The Council will complete an exercise to identify those roles/positions requiring access to Agresso finance functions and the access/functions required.</p> <p>Based on this the Council will implement a training programme covering finance functions on Agresso.</p>	High	31 March 2023	Ade Adewumi Interim Systems Adviser

	<p>Training will be a requirement before system access is granted and will focus on the processes required as part of job roles.</p> <p>(Restated from 2021/22, we noted that this High action was reported to the Audit Committee as overdue)</p> <p>Management Update January 2023 - This process is underway and the current ERP Support consultants are building a training plan in conjunction with HR based on all relevant functions which will be followed by a rollout plan which will be incorporated in the agresso finance review which will be completed by the end of the financial year 31st March 2023.</p> <p>The new hosting vendor is in place and a review of setting up users and changes in access management, role management and Single Sign on will be addressed in January 2023 with a view to rolling out robust systems administration protocols by March 2023.</p> <p>The administration protocols will form the basis for updating & implementing relevant training for each user roles.</p>			
11	<p>The Council will review and clear unposted journals currently in batch input maintenance. This approach will account for transaction dates and values.</p> <p>(Restated from 2021/22, we noted that this High action was reported to the Audit Committee as overdue)</p> <p>Management Update January 2023 - All unposted journals up to 31/3/22 have been deleted and a monthly procedure is in place that checks unposted journals with those over three months old being deleted.</p>	High	Complete	NA
12	<p>The Council will review and clear the 73,629 unposted journals currently in batch input maintenance. This approach will account for transaction dates and values.</p> <p>(Restated from 2021/22, we noted that this High action was reported to the Audit Committee as overdue)</p> <p>Management Update January 2023 - All unposted journals up to 31/3/22 have been deleted and a monthly procedure is in place that checks unposted journals with those over three months old being deleted.</p>	High	Complete	NA



Follow Up – IT Business Continuity and Disaster Recovery (14.22/23)	Little Progress	1 High 6 Medium 0 Low
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Conclusion

Taking account of the issues identified in the remainder of the report and in line with our definitions set out in Appendix A, in our opinion Slough Borough Council has demonstrated **little progress** in implementing the agreed management actions.

Our review identified that progress still needs to be made in implementing the high and medium priority actions, with all actions identified as either partially implemented, or not yet implemented.

It was noted during our review that the Council has been undergoing significant restructuring since RSM's review in 2021/22, and that management acknowledge there is still progress to be made in further developing Business Continuity (BCP) and Disaster Recovery (DR) arrangements. This includes the provision of third-party Disaster Recovery as a Service (DRaaS) and we were informed of the Council's intention to address the actions completely once this arrangement is in place.

Of the seven management actions reviewed, we identified six as being partly implemented, and one action as not implemented.

Management Action Tracking

The Council has an Internal Audit Action Tracker in place with monthly updates provided to the Risk and Audit Board, and quarterly updates to the Audit and Governance Committee. We reviewed the Tracker report against our findings and confirmed that as of 1 November 2022 (per the Council Tracker) the one high action was no longer showing as outstanding (and therefore deemed 'implemented') and the six medium actions were being reported as complete. This is in contrast with our review which has found none of the actions to have been fully implemented.

These findings reflect previously identified issues around actions being closed prematurely, when either not complete or not fully complete. For our sample we noted commentary was included on the action tracker to explain the closure, however as our findings evidence, the work required to fully mitigate the risk identified was not complete. **The Council therefore still needs to work to ensure sufficient evidence is provided to cover all the intricacies of the actions, and independent confirmation that the action and risk have been addressed.**

1	IT DR Policy The Council will document a Disaster Recovery Policy, independent of the Disaster Recovery Plan, covering areas such as: <ul style="list-style-type: none"> • aims/objectives/principles; • relevant legal and regulatory requirements (if relevant); 	High	31 March 2023	Sarah Power
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	<ul style="list-style-type: none"> roles and responsibilities and ownership of the policy, including who can declare and escalate/de-escalate a disaster; what constitutes a disaster; governance arrangements (including a dedicated forum for overseeing DR arrangements); testing requirements i.e. how often the plan is to be tested (should be at least annually), and what will actually be tested as a minimum (or a schedule of tests). This should include testing of backups; training requirements; the use of an applications list, including prioritising applications in terms of order of recovery following a disaster; process for carrying out and approving Business Impact Analyses (BIA)s which include RTO's (Recovery Time Objectives) and RPO's (Recovery Point Objectives) for each application. This should inform backup arrangements; multiple contact details of relevant staff; and where the plan and emergency contact information is to be made available (on-site, off-site, online, offline etc.); and review frequency and version control (the policy should be reviewed at least annually, and each time there is a major change or incident at the organisation). (Partially Implemented) 			
2	<p>IT Business Continuity Plan</p> <p>The Digital & Strategic IT Business Continuity Plan will be updated to cover areas such as:</p> <ul style="list-style-type: none"> backup staff for staff in key roles; task lists according to scenario with timeframes, responsible staff and backup staff; arrangements in place for diverting telephone calls as required; contact details of department specific contractors and suppliers; critical periods/dates; minimum equipment and supplies required to carry on functioning; logging of decision making (time, what the decision was, who made this etc.); <p>As part of this update, the Council will also review the Recovery Plan for Digital and Strategic IT to ensure consistency and prevent overlap. (Not Implemented)</p>	Medium	31 March 2023	Sarah Power
3	<p>Roles and Responsibilities / Training</p> <p>The Council will outline the key responsibilities of each area of The Incident Hub as part of the IT Business Continuity Plan.</p> <p>In addition, roles and responsibilities will be formally defined in relation to Disaster Recovery and training will be introduced for relevant staff accordingly. (Not Implemented)</p>	Medium	28 April 2023	Sarah Power

4	<p>IT DR & BCP Testing, including Testing of Backups</p> <p>The Council will implement a formal approach/schedule for the testing of IT business continuity and disaster recovery, including the testing of data backups.</p> <ul style="list-style-type: none"> This will be undertaken on at least an annual basis. (Partially Implemented) 	Medium	29 December 2023	Colin Watson
5	<p>Lessons Learnt</p> <p>The Council will document a formal “lessons learnt” process for IT business continuity and disaster recovery. This will include the use of a template report and action plan. (Partially Implemented)</p>	Medium	31 March 2023	Sarah Power
6	<p>Business Impact Analysis (BIA)</p> <p>The Council will update the BIA template to cover areas such as:</p> <ul style="list-style-type: none"> Recovery Point Objective (RPO); Maximum Tolerable Periods of Disruption (MTPD); quantitative/qualitative impacts; and process prioritisation in the event of an incident. <p>Following this, it will be ensured that BIA's are fully completed prior to sign off. (Partially Implemented)</p>	Medium	29 September 2023	Alexander Cowen
7	<p>Applications List</p> <p>The Council will ensure that a central register of all applications is retained with priority of recovery for applications, either individually or by group. (Partially Implemented)</p>	Medium	29 September 2023	Alexander Cowen



Governance – Council Subsidiary Companies (1.22/23)	Advisory	1 High 4 Medium 2 Low
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Conclusion

We determined that the overall internal control and risk management framework relating the governance of subsidiary companies has improved since the previous audit in 2020/21, although some actions remain outstanding. Improvements were demonstrated by regular reporting into the Council on governance, operational and financial issues, as well as the outcome of externally commissioned reviews and developments in progress. We also observed actions in progress. SBC has additionally replaced and appointed Directors/Members to each of the three companies reviewed, with replacements all signing up to revised letters of appointments aimed to improve the governance framework and clarity of expectations and responsibilities. Each subsidiary company Board is now meeting regularly and is attended by senior representatives / leads from the Council, to provide input into decision-making and provide more effective oversight, including in relation to risks.

The Council has commissioned reviews from external stakeholders for JEH and SUR that have largely superseded many of the internal audit actions agreed with management previously. In total 13 management actions have been superseded. We have additionally confirmed 16 of the management actions have been implemented and that six are ongoing, with progress being reported on periodically. Some management actions previously agreed have been deprioritised given that we can see progress has been made with implementation.

A consolidated and comprehensive action plan setting out clearly the activities needed to maintain effective governance is required, to ensure the Council addresses all weaknesses and areas of concern raised from the external and internal reviews.

Following the considerable changes that are taking place across the companies, business plans and service level agreements will be required to be updated to reflect future activities and objectives. During 2022, the Council has taken action to simplify its structure by closing down six companies. We also understand that the Council is considering further simplification of its subsidiaries and may seek to develop exit strategies over the short to medium term.



There is no consolidated Company Action Plan that sets out the actions completed and planned, including progress made, against the previous management actions agreed through the internal audit report in 2020-21 and the subsequent actions agreed through the external Local Partnership reviews. Whilst management are aware of the need to take forward various activities as part of 'ambition to exit' arrangements with the entities, bringing this into one comprehensive action plan would improve governance and oversight, and mitigate the risk of delays. **(Medium)**



We found that draft SLAs are in place for both JEH and GRE5. The JEH SLA was reviewed by the new JEH Board in January 2022 and has since undergone a comprehensive redraft. The document has now been finalised as at September 2022, whereas the SLA with GRE5 is dated 2018. Neither SLA has been signed by representatives of both parties. Without a finalised agreement that is binding, the conditions within the SLAs may not

be appropriately enforceable and the nature of the relationship between the entities and SBC may be unclear. This could lead to poor allocation of resources and/or unclear responsibilities which in turn could affect performance. **(Medium)**



We reviewed the latest versions of the Business Plans for the three entities. We found that the Business Plan for both JEH and GRE5 were dated 2019 and were in need of review. They covered key areas we would expect such a plan to cover however, they require a refresh to reflect the recent changes in strategy for the entities. Without a review Business Plans, the Council risks the entities not effectively contributing to its objectives and/or the risk of shared objectives not being achieved. There is also a risk of financial loss. **(Medium)**



The Commercial Finance Leads indicated that newly appointed Directors/Members completed induction training including attending briefing sessions, however, no formal training has yet to be provided as the team took the view that generic training would not have been beneficial at an early stage given how new the individuals were into their roles. We were informed that training needs would be identified as part of the business-as-usual appraisal process once this is implemented.

We consider that training requirements should be identified at a time when skills and expertise are fully understood, and naturally dependent on the Council's priorities and plans moving forward. Without formal training there is a risk that skills of relevant lead officers and/or Directors may not be sufficient. **(Medium)**



We were not provided with any Financial Regulations, or related financial procedures for each of the three entities we examined. However, JEH has a draft Scheme of Delegation in place that sets out the decisions which require Board consideration and approval and the level of delegation for operational matters.

The Finance Consultant Lead stated that following the review completed by themselves last year, the priorities for the entities had been to get suitable Directors in place on the companies and recommence regular Board meetings and reporting, which we confirmed has happened. Management stated that focus has also been given to progressing the exit from SUR and the crucial work required by GRE5. As the companies (including JEH) are in a period of change, with future actions and exit plans now becoming clearer and being appropriate, documentation will be developed and put in place to support these in FY 2022/23. **(High)**

1	We will develop a comprehensive consolidated company action plan to ensure clarity on activities, deliverables, and deadlines for the active subsidiary companies. Management update January 2023 (not been subject to audit coverage) - A Company Action Plan has been set up which clarifies the activities and deadlines for the subsidiary companies.	Medium	Q2 2022/23	Ellen Little, Commercial Finance Lead
2	All directors will be subject to the Council's annual appraisal process. Any development points and/or training needs established will be addressed. Management update January 2023 – (not been subject to audit coverage) - Annual appraisals have been completed for the GRE5 Directors, and any training needs identified. The appraisal process for the Directors of JEH is scheduled to take place in January 2023.	Medium	31 January 2023	Ellen Little, Commercial Finance Lead
3	Each subsidiary company will review and refresh its Business Plan periodically to ensure each entity contributes effectively to the Council's objectives.	Medium	Q4 2022/23	Ellen Little – JEH

	Management update January 2023 - Management update (not been subject to audit coverage) - Business Plans for JEH and GRE5 are being updated and will be submitted to Cabinet in March 2023.			Neil Simon – GRE5 SUR – n/a
4	We will review and finalise the SLAs with JEH and GRE5. Each SLA will be signed by senior representatives of relevant parties. Management update January 2023 - Management update (not been subject to audit coverage) - JEH SLA was signed in August 2022. The GRE5 SLA has been updated and will be signed by end of 2022/23.	Medium	Q3 2022/23	Ellen Little, Commercial Finance Lead
5	Management will review governance documentation required for the full year 2022/23 and put these in place to ensure clarity on levels of authority and on financial responsibilities and controls. Key documents will be standardised across the companies. Management update January 2023 - Management update (not been subject to audit coverage) - Shareholder agreements are being drafted for sign off at Board meetings in February 2023. These will then be submitted to Cabinet in March 2023. Other governance documentation, including Schedules of Delegation where relevant, will be prepared and signed off in Q1 2023/24 following finalisation of the Shareholders Agreement and Business Plans.	High	Q4 2022/23	Ellen Little, Commercial Finance Lead

Health and Safety – Full Follow Up (17.22/23)	Little Progress	<p style="text-align: center;">1 High 4 Medium 3 Low</p>
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Conclusion

In line with our guidelines set out in Appendix A, in our opinion Slough Borough Council has demonstrated **little progress** in fully implementing agreed management actions. However, we do recognise the work undertaken by the Council to make progress with the implementation of actions.

We confirmed that two low and one medium priority management actions had been implemented, and one further medium priority management was now superseded.

The implementation of the remaining one high, four medium and three low priority management actions were found to be ongoing or partially implemented at the time of our review. This included four actions which were not yet due but have had new revised dates agreed with management as we were advised these would not be achieved by the initially agreed target dates. We have revised the wording of a number of actions to reflect the partially implemented elements.

The CLT should determine further steps to ensure that health and safety training non-compliance can be reduced, which will in turn resolve the high priority management action identified in this review. Senior management should also take action to ensure that health and safety meetings are attended by those required to join and the required information is submitted by the wider organisation, to allow key health and safety groups to exercise oversight of compliance and any residual risk exposure.

Progress in this area will also be aided by the agreement of the Council's new structure, which will allow the health and safety team to determine which Directorates it is required to support.

1	The H&S Directorates will ensure that the individual risk assessment logs are fully populated and monitored.	Medium	31 July 2023	Bhavini Ranu (Health & Safety Manager)
2	The Council will ensure that all directorates submit bi-monthly action summary returns. The directorates will ensure that accuracy checks are completed to confirm the accuracy of directorate action summaries.	Medium	31 July 2023	Bhavini Ranu (Health & Safety Manager)
3	The Council will establish a full list of services that require an annual self-audit, this will be added to the Self-audit Master Spreadsheet which will be monitored to ensure compliance.	Medium	31 July 2023	Bhavini Ranu (Health & Safety Manager)
4	The Council will formally escalate the regular non-attendance and lack of updates relating to compliance returns of specific services for BCG meetings. Compliance returns will also be provided to the H&S Board in a timely manner, as required.	Medium	30 September 2023	Mark Halligan (Chair of BCG)



5	<p>The CLT will determine further steps that can be taken to address training noncompletion.</p> <p>This may include directly contacting individual staff members or targeting directorates once breakdowns can be prepared.</p> <p>Management response February 2023 - The Workforce Development email mandatory training reports to EDs, ADs on a regular basis (normally monthly), this identifies non-compliance of team members in each directorate and service area, which they should review and cascade down to the relevant line managers to ensure staff are chased to complete them, where outstanding. In addition, all line managers have access to their team members training on their Cornerstone accounts and from which they can drill down on the hierarchy to follow up on action.</p>	High	30 June 2023	Executive Directors
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Workforce Recruitment and Retention (4.22/23)		1 High 5 Medium 5 Low
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Conclusion

Our review has identified a number of weaknesses relating to recruitment and retention processes. There is no formally agreed and monitored approach for performance management, although a paper had been presented to CLT discussing proposed options in this regard, and no retention policy. We noted that right to work checks did not always appear to be undertaken in line with Government guidance, whilst identifying that insufficient staffing levels were reported for teams and services following the restructure. We also found minor improvements were required for available guidance (recruitment and apprenticeships) and reporting (of recruitment, apprenticeships and leavers).

Our sample testing of the recruitment process has also identified a number of discrepancies; however, many of these were impacted by the unavailability of evidence. This was caused by increased workload pressures on the reduced team (workload and staffing resources both impacted by the restructure), the departure of a key member of staff during the review, and inability to access a system portal. While the absence of evidence does not automatically indicate non-compliance and may point to a potential issue with the retention of documentation during the recruitment process, without such documentation, we have been unable to confirm compliance with these parts of the recruitment process and there is a risk that controls in these areas are not being complied with. The impact of the lack of controls in place and/or being complied with is evident in the high vacancy rate, and this has also contributed to the opinion below.

As fieldwork was initially undertaken in July 2022, processes and practices are reported to have moved on with some of the agreed actions already implemented. We have included management commentary and reporting on the status of the agreed actions within this report, although we have not undertaken further work to verify the progress made.



Performance Management and Appraisals

At the time of our review, formal monitoring of the completion of performance management had been paused. We obtained a report dated April 2022 which proposed a temporary solution (with a commitment to agree a permanent approach), however, over the course of our review this had not been presented to CLT. Previous proposals had also been submitted in July 2021 and January 2022 with no feedback. Without suitable arrangements for performance management, there are a number of risks associated with the lack of support for staff and development including absence rates, retention ability, levels of turnover and the Council's reputation as an employer. **(High)**

Given that feedback and approval on the proposal had not yet been received, we were advised by the Workforce Development Manager that no communications had been issued to staff, nor had guidance materials been finalised. Without this, there is a risk of delays in completing appraisals where managers / staff are unclear of processes and expectations. **(Medium)**

Recruitment Process



The Recruitment and Selection Policy and Procedure outlines the recruitment process, from preparing job advertisements, through to shortlisting, interviewing, making offers and completing checks. For a sample of ten starters (since April 2022), we identified a number of discrepancies including incomplete checklists / timetables, inconsistent advertising periods, availability of recruitment documentation and adherence to recruitment timetables. It is noted that our findings have been impacted by the departure of key staff. Without ensuring the recruitment process is fit for purpose and adhered with, there is a risk that the Council is not recruiting in an effective and efficient manner. **(High)**

Panel Training



The membership of the recruitment panel is agreed prior to shortlisting and hosting of interviews. As a minimum, the panel chair is expected to have completed the Council's recruitment and selection training, as well as a refresher module (the latter within the past three years). Safer recruitment training is also a requirement when shortlisting / interviewing for certain job roles. For our sample of ten starters, we were unable to evidence that any training had been offered or completed in the past three years. Where training is not completed, there is a risk that shortlisting and interviewing activities are not undertaken in an appropriate manner. **(Medium)**

Pre-Employment Checks (Right to Work)



Conditional offers are made to successful candidates on the basis that satisfactory pre-employment checks are completed, including references, qualifications, Disclosure and Barring Service (DBS), occupational health (OH) and right to work (RTW). For a reduced sample of five new starters, we identified that three RTW checks had not been suitably completed (not signed / dated by checker) in line with Government guidance. There is a risk that the Council evidence that appropriate RTW checks have been completed where records of these are not signed and dated. **(Medium)**

Restructure and Recruitment Initiatives



A consultation was completed as part of the Council-wide restructure (effective from April 2021), which sought to identify adequate team structures and compositions. Since its implementation, many services and teams have found staffing resources to be limited, which we confirmed was evidenced by a report presented to Cabinet in June 2022 requesting approval to further restructure the Finance department. Without an appropriate organisational structure and known team compositions, there is a risk that services may be unable to function and that recruitment initiatives cannot be identified. **(High)**

1	<p>CLT will review and either approve the proposal for resuming performance management and appraisals, or suggest a viable alternative approach. Any viable alternative should consider the need to complete appraisals for 2022 and the need to introduce tracking / monitoring in future years.</p> <p>Management update February 2023 - CLT have approved the revised performance management appraisal process in October.</p> <p>The process covered the financial year 22/23 and was launched in October 2022. We have used Cornerstone to record and track performance and development on an ongoing basis.</p>	High	31 October 2022	Edwin Fernandes (Workforce Development Manager)
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	Status per management: Completed.			
2	<p>Following the agreement of the performance management approach by CLT, suitable guidance / training will be prepared and provided to both staff and managers.</p> <p>Management update February 2023 - Training webinars (25 completed), guidance and Cornerstone user guides developed for both staff and managers which has been shared on SBC Insite (link below). Performance review</p> <p>Status per management: Completed</p>	Medium	31 October 2022	Edwin Fernandes (Workforce Development Manager)
3	<p>As part of reviewing and updating the recruitment process, the following will be incorporated into procedure documents:</p> <ul style="list-style-type: none"> • The use of recruitment checklists / timetables, including returning these to managers were these are not fully completed; • Standard timeframes for job advertising periods; • Confirming identified panel members have completed required interview training sessions; • Receiving and then saving all documentation linked to the recruitment process in a central location (accessible to relevant members of HR); and • Monitoring for progress and adherence with checklists / timetables. <p>Management update February 2023 - Training for managers who take part in recruitment will follow the agreement of the new recruitment and selection policy</p> <p>A new Recruitment Initiation meeting has been implemented, this will include a discussion between the manager and the Recruitment Lead to explain all the elements needed for a slick and professional recruitment process, and any issues in relation to all points raised under this management action</p> <p>Corporate ownership as well as HR/Recruitment of this action.</p> <p>A workshop was held on 9th January 2023 – which identified challenges in recruitment and are currently being looked into. A review of available Applicant Tracking System is being undertaken.</p> <p>Status per management: ongoing subject to capacity in HR to enable implementation. A business case has been submitted to provide capacity and move the agenda forward by 30 June 2023.</p>	High	30 June 2023	Parvinder Bansal (Recruitment Lead)
4	<p>When requesting that job positions are advertised, managers will be reminded of the requirement for recruitment panel members to complete relevant recruitment and selection training.</p> <p>The completion of training will be confirmed prior to shortlisting and interviewing as part of the revised recruitment process (action seven).</p> <p>Management update February 2023 - This will be picked up and delivered after the recruitment and selection policy is delivered. This will also cover, retention and safeguarding.</p>	Medium	31 March 2023	Edwin Fernandes (Workforce Development Manager) and Parvinder Bansal (Recruitment Lead)

	<p>We have streamlined recruitment processes in the past few months. We are proposing to create a manager's toolkit and make this available on the intranet.</p> <p>Status per management: dependency linked to management action 1 – ongoing</p>			
5	<p>All staff with responsibility for conducting RTW checks will be reminded of the requirement to sign, date and scan copies of documentation provided. Contracts will not be issued to new starters where RTW checks are not fully completed.</p> <p>Management update February 2023 - If qualifications are relevant for the role, these are checked and this process is currently being implemented</p> <p>Staff have been trained on managing RTW processes. Note, under the current legislation, employment contracts must be issued on day 1 of the start date.</p> <p>Managers will be advised in the new policy to agree start dates via the recruitment team.</p> <p>Managers do need educating about the whole process, which will be dealt with through the Recruitment Initiation meeting and training when the final policy framework is agreed.</p> <p>Status per management: In progress, part completed</p>	Medium	30 June 2023	Parvinder Bansal (Recruitment Lead)
6	<p>Following the completion of service delivery plans for each service, outcomes relating to recruitment (such as hiring additional staff and restructuring) will be identified and referred to HR. Implications from the outcomes will be assessed and used to define recruitment initiatives.</p> <p>Management update February 2023 - Service plans reviewed and seen by AD -HR, and outcomes are actioned accordingly.</p> <p>Status per management: ongoing subject to the completion of the overall Senior Management re-structure process which has been completed at top tier as at 28 February 2023</p>	High	30 September 2023	Dave Hounsell and Thomas Overend (Performance Team)

Please note – for a number of the actions above covering a range of the audits, we have received management updates at the time responses to draft reports were submitted. None of these management updates (or the 'status per management') have been verified by the Internal Audit team, and the updates are typically based on the position months after the audit fieldwork was completed and draft report issued.

APPENDIX B - SUMMARY OF PROGRESS TO DATE





The table below provides a status update on the summary of progress with the remaining 2021/22 internal audit plan. Those five reports finalised since the last meeting are shown in bold below, and one report remains in draft.

2021/22 Internal Audit Plan

Assignment area	Fieldwork date / status	Draft report	Final report	Opinion	Actions		
					L	M	H
Schools Audit – Priory	Final Report	24 March 2022 (revised draft 25 July)	24 January 2023		12	2	0

The table below provides a status update on the summary of progress with the 2022/23 internal audit plan to date (reports shown in **bold** below have been finalised since the last meeting).

2022/23 Internal Audit Plan

Assignment area	Fieldwork date / current status	Draft report	Final report	Opinion	Actions		
					L	M	H
Leavers Processes (additional review)	Final Report	6 October 2022	19 October 2022		0	5	3
Children Missing Education	Final Report	22 September 2022	20 October 2022		5	5	0
Risk Management – Follow Up	Final Report	22 September 2022	7 November 2022	Advisory	1	1	2
Council Tax	Final Report	1 November 2022	3 January 2023		3	5	2
Subsidiary Company Governance	Final Report	20 July 2022	21 February 2023	Advisory	2	4	1
Medium Term Financial Strategy	Final Report	23 August 2022	28 February 2023		4	3	0
Budget Setting and Control	Draft Report	26 August 2022 Revised draft 2 February 2023					



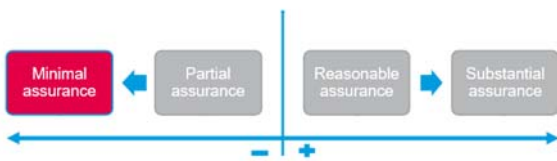
Workforce - Recruitment and Retention	Final Report	1 September 2022	28 February 2023		5	5	1
Follow up – Part 1	Final Report	21 October 2022	2 March 2023	Good Progress	2	1	0
General Ledger	Final Report	24 October 2022	30 January 2023		2	4	8
Adult Social Care Transformation	Draft Report	18 November 2022					
Housing Benefits	Final Report	28 November 2022	9 January 2023		1	3	3
Payroll (inc Data Analytics)	Draft Report	30 November 2022					
IT Business Continuity	Final Report	7 December 2022	1 February 2023	Little progress	0	6	1
Treasury Management	Draft Report	16 December 2022					
Creditors	Draft Report	9 February 2023					
Delegated Authorities (additional review)	Draft Report	28 February 2023					
Whistleblowing	Draft Report	21 February 2023					
Rent Accounts Recovery	Draft Report	25 January 2023					
Corporate Health and Safety	Final Report	26 January 2023	28 February 2023	Little progress	3	4	1



Business Rates	Draft Report	7 February 2023
Temporary Accommodation	16 January 2023	
Rent Accounts	Mid April 2023	
Debtors	19 January 2023	
Capital Expenditure	22 February 2023	
Cyber Essentials	Now deferred to 2023/24 (budget used for Delegated Authorities review)	
Treasury Management	27 February 2023	
Follow Up – Part 2	13 March 2023	
Strategic Housing Management	16 March 2023	
Payroll and HR Interface cancelled and replaced with a review of Payments to Temporary and Agency Staff	Postponed to Q4	

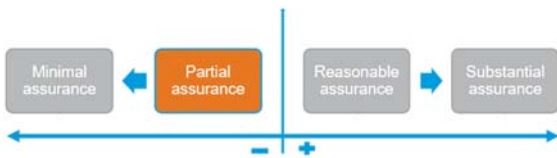
APPENDIX C: ASSURANCE OPINIONS

We are constantly developing and evolving the methods used to provide assurance to our clients. As part of this, we have refreshed our opinion levels in line with the graphics below. We use the following levels of opinion classification within our internal audit reports, reflecting the level of assurance the Council can take:



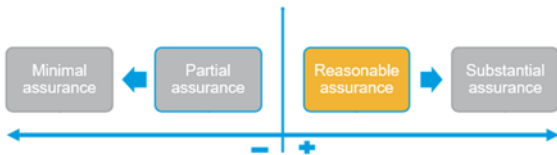
Taking account of the issues identified, the Council can take minimal assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied or effective.

Urgent action is needed to strengthen the control framework to manage the identified risk(s).



Taking account of the issues identified, the Council can take partial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied or effective.

Action is needed to strengthen the control framework to manage the identified risk(s).



Taking account of the issues identified, the Council can take reasonable assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.

However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing the identified risk(s).



Taking account of the issues identified, the Council can take substantial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.

FOR FURTHER INFORMATION CONTACT

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