



INTERNAL AUDIT FOLLOW UP OF RECOMMENDATIONS REPORT

Brentwood Borough Council

March 2021

IDEAS | PEOPLE | TRUST



Summary

We have followed up on the status of those High (H) and Medium (M) recommendations due for implementation by 28 February 2021. The position as at 26 February 2021 is summarised below:

	Total	Complete		In Progress		Overdue		Superseded		Not Due		% H & M Recs Completed / Superseded
	H & M	H	M	H	M	H	M	H	M	H	M	
	Recs											
2020/21												
Procurement & Contract Management	4	-	-	-	-	-	-	-	-	-	4	0%
Cyber security	3	-	-	-	-	-	-	-	-	-	3	0%
Street cleaning, Fly Tipping & Enforcement	6	-	-	-	-	-	-	-	-	2	4	0%
Disaster Recovery & Business Continuity	1	-	-	-	-	-	-	-	-	-	1	0%
Performance Management & Formal Complaints	1	-	-	-	1	-	-	-	-	-	-	0%
Sickness Absence	5	-	-	1	4	-	-	-	-	-	-	0%
Corporate Strategy	3	-	-	-	1	-	-	-	-	-	2	0%
Fraud risk assessment	14	-	1	-	2	-	-	-	-	1	10	7%
2019/20												
Risk Management	3	-	-	-	1	-	-	-	-	-	2	0%
Main Financial Systems	3	-	2	-	-	-	-	-	-	-	1	33%
Treasury Management	2	-	2	-	-	-	-	-	-	-	-	100%
Housing Repairs and Maintenance	1	-	-	-	1	-	-	-	-	-	-	0%
Leisure Services	2	-	2	-	-	-	-	-	-	-	-	100%
Housing Benefits	3	-	3	-	-	-	-	-	-	-	-	100%
Food Safety	1	-	1	-	-	-	-	-	-	-	-	100%
Trade Waste	1	-	-	-	1	-	-	-	-	-	-	0%
HR Recruitment	1	-	1	-	-	-	-	-	-	-	-	100%
2018/19												
Workforce Strategy	2	-	1	-	1	-	-	-	-	-	-	50%
Housing Department	2	1	-	-	-	-	-	-	-	-	1	50%
Main Financial Systems	6	-	6	-	-	-	-	-	-	-	-	100%
Housing - Homelessness	2	1	1	-	-	-	-	-	-	-	-	100%
GDPR Compliance	1	-	1	-	-	-	-	-	-	-	-	100%
Disaster Recovery and Business Continuity	3	-	3	-	-	-	-	-	-	-	-	100%
Local Development Plan	2	-	2	-	-	-	-	-	-	-	-	100%
Corporate Projects	3	-	3	-	-	-	-	-	-	-	-	100%
PCI/DSS Compliance	5	1	2	-	-	-	2	-	-	-	-	60%
2017/18												
Minimum Reserve Levels	1	-	1	-	-	-	-	-	-	-	-	100%
Community Halls Viability	5	2	3	-	-	-	-	-	-	-	-	100%
Housing	8	2	6	-	-	-	-	-	-	-	-	100%
Insurance	3	-	3	-	-	-	-	-	-	-	-	100%
Financial Planning & Budget monitoring	2	-	2	-	-	-	-	-	-	-	-	100%
Partnerships	7	-	6	-	-	-	1	-	-	-	-	86%
Environment	4	-	4	-	-	-	-	-	-	-	-	100%
Housing Benefit Shared Service	2	-	2	-	-	-	-	-	-	-	-	100%
Main Financial Systems	9	2	7	-	-	-	-	-	-	-	-	100%
Risk Management	3	1	2	-	-	-	-	-	-	-	-	100%
Customer Service	4	-	4	-	-	-	-	-	-	-	-	100%
Information Security Assessment	10	-	10	-	-	-	-	-	-	-	-	100%
Car Parks and Payment Collection	7	4	3	-	-	-	-	-	-	-	-	100%
Taxi Driver Licensing	2	-	2	-	-	-	-	-	-	-	-	100%
Local Development Plan	4	-	4	-	-	-	-	-	-	-	-	100%
Contract Management & Procurement	9	3	6	-	-	-	-	-	-	-	-	100%
	160	17	96	1	12	-	3	-	-	3	28	

Total BDO Recommendations

Of the total 160 recommendations (relating to 2017/18 to 2020/21), 129 were due to be implemented by 28 February 2021. We have confirmed with reference to evidence that 113 have been completed. No high priority recommendations are outstanding.

2020/21 Recommendations

Of the 37 recommendations raised in 2020/21 (14 of which relate to a fraud risk assessment), 1 has been completed, 9 are in progress (one of which is a high priority) and 27 are not yet due.

2019/20 Recommendations

Of the 17 recommendations raised in 2019/20, 11 have been completed, 3 are in progress and 3 are not yet due. The 3 recommendations not yet due are being covered by the internal audits of the main financial systems and risk management in quarter 4 of 2020/21.

2018/19 Recommendations

Of the 26 recommendations raised in 2018/19, 22 have been completed, 1 is in progress, 2 is overdue and 1 is not yet due. The 1 recommendation not yet due will be covered as part of an internal audit of Housing Management information in due course.

2016/17 and 2017/18 Recommendations

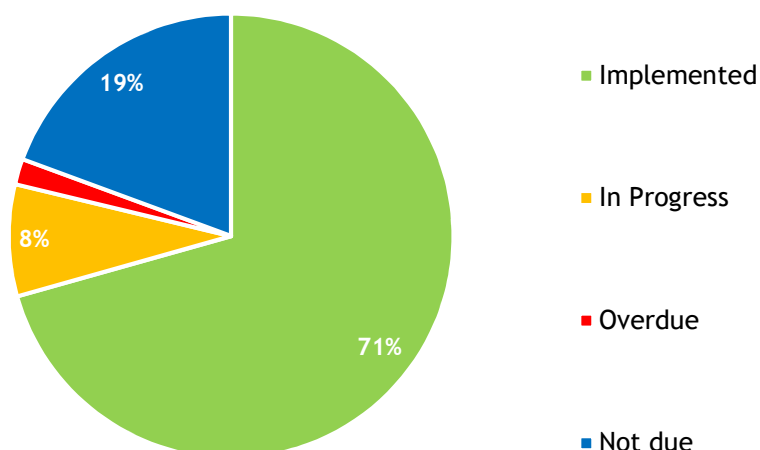
Of the 80 recommendations raised in 2016/17 and 2017/18, 79 have been completed and there is 1 overdue.

Those which are overdue have surpassed both the original implementation date and the revised implementation dates more than once or no update has been received from officers.

Recommendations not completed will be followed up again ahead of the next Audit and Scrutiny Committee, along with other recommendations due.

Where recommendations are in progress, more information on the current status is provided in the pages that follow. This includes those recommendations where management has advised us that the recommendation has been implemented but evidence has yet to be received to enable internal audit to confirm this. No recommendations that have been closed since our last follow-up report to the Audit and Scrutiny Committee.

Status of 2017/18 to 2020/21 Recommendations



Recommendations: Overdue

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
2017/18 - Partnerships				
<p>17/18 Partnerships rec 3:</p> <p>The approval status should be verified for all existing partnerships recorded in the Partnership Register. Where approval was not obtained, the 'Partnership Checklist' and 'Partnership Self-Assessment Tool' should be completed and submitted for retrospective approval from the Head of Service or relevant Committee as appropriate</p>	Medium	Kim Anderson (Partnership Leisure and Funding Manager)	<p>March 2018</p> <p>January 2019</p> <p>March 2019</p> <p>February 2020</p> <p>September 2020</p> <p>December 2020</p> <p>March 2021</p>	<p><u>Previous update:</u></p> <p>The recommendation has not been a priority to complete during the Covid-19 pandemic. It requires reviewing historic and applying retrospective information.</p>
2018/19 - PCI/DSS Compliance				
<p>18/19 PCS/DSS rec 2:</p> <p>a) Identify and clearly and fully document the Council's complete card payment environment</p> <p>b) Review the existing arrangements whereby different systems are used for payment processing and consider rationalising the card payment process</p> <p>c) Complete the annual Self-Assessment Questionnaire as a means of identifying gaps in the Council's requirements of PCI-DSS across the Council's three card payment channels and develop actions to address them</p> <p>d) Establish a timetable for the completion of the annual Self-Assessment Questionnaire.</p>	Medium	Tim Huggins (ICT Manager)	<p>September 2019</p> <p>June 2020</p> <p>September 2020</p> <p>December 2020</p> <p>March 2021</p>	<p><u>Previous update:</u></p> <p>All elements complete except for completion of the annual self-assessment questionnaire (SAQ). The SAQ has been partially completed, further work delayed to deliver priority services for Covid-19 response.</p> <p>All elements complete except for completion of the annual self-assessment questionnaire. The SAQ has been partially completed, further work delayed to deliver priority services for Covid-19 response.</p> <p><i>Internal Audit satisfied from review of evidence provided that all elements complete except for annual self-assessment questionnaire, which the Council is now aiming to complete by December 2020.</i></p>
<p>18/19 PCS/DSS rec 5:</p> <p>A policy should be developed, which sets out how the Council will manage PCI DSS compliance activities and the policy should be reviewed on a regular basis. The policy should include but not be limited to:</p>	Medium	Tim Huggins (ICT Manager)	<p>September 2019</p> <p>June 2020</p> <p>September 2020</p> <p>October 2020</p>	<p><u>Previous update:</u></p> <p>The policy has been developed for approval. Further work delayed to deliver priority services for Covid-19 response. Policy to be approved by September 2020.</p>

Recommendations: Overdue

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
<ul style="list-style-type: none">• Assignment of roles and responsibilities for ensuring that the Council is PCI DSS compliant have been assigned• Procedures for staff that are responsible for taking card payments• The Council's security strategy in relation to the storage, processing and transmission of credit card data• A set of instructions for detecting, responding to and limiting the effects of an information security event. The Council should develop and disseminate suitable procedure notes for staff, to ensure that working practices are compliant. Appropriate training should be provided on PCI DSS requirements to all members of staff dealing with card payments.			December 2020 March 2021	<p>Storage of data in within the information security policies and management of data is part of the GDPR training.</p> <p>Training to be made available by October 2020.</p> <p><i>Internal Audit satisfied from review of the policy dated November 2019 that some of these elements have been included, however further work required to fully complete the recommendation.</i></p> <p>Policy requires approval and training has not yet been completed, due to conflicting priorities with Covid-19 and limited resources. A review will need to be carried out on appropriate virtual training as there are now limited staff dealing with card payments.</p>

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
2018/19 - Workforce Strategy				
<p>2018/19 Workforce Strategy rec 1:</p> <p>Where outcomes are monitored to confirm progress evidence should be retained to confirm that the outcome is on track or completed. This ensures that any potential slippage is discovered early and there is a greater chance of resolving issues in a timely manner. When formal reviews of the RAG spreadsheet are completed evidence should be checked and if missing, requested and retained on file to support the progress of these outcomes.</p>	Medium	Jacqueline Van Mellaerts (Director of Corporate Resources)	<p>February 2020</p> <p>December 2020</p> <p>March 2021</p>	<p><u>Previous update:</u></p> <p>The Council decided to recruit a Senior HR Manager, and bring HR & Recruitment back in house. Although many actions have taken place, a formal review of the workforce strategy and supporting evidence has been delayed due to conflicting priorities during Covid-19 and onboarding of new positions. A review will take place later in the year as part of the recovery phase of Covid-19.</p> <p>Same update as before. It was not envisaged the pandemic would continue to later in the year.</p>
2019/20 - Trade Waste				
<p>19/20 Trade Waste rec 1:</p> <p>a) Actively search and identify possible opportunities/events available to promote the trade waste service, ensuring that the market audience is understood prior to attending events to ensure they are aligned with the service's target market.</p> <p>b) Liaise with the business rates team to ensure that trade waste leaflets with fee information are distributed as part of the annual business rates information packs.</p> <p>c) Liaise with the food safety team to identify new businesses that may require trade waste services.</p> <p>d) Undertake cold-calling of local businesses in the borough to attract new customers.</p>	Medium	Mike Dun (Trade Waste Officer)	<p>a) March 2020</p> <p>March 2021</p> <p>b) October 2019</p> <p>February 2020</p> <p>Closed</p> <p>c) October 2019</p> <p>February 2020</p> <p>Closed</p> <p>d) Ongoing</p> <p>31 March 2021</p>	<p><u>Previous update:</u></p> <p>a) Staff issues and the impact of Corona Virus have adversely affected progress.</p> <p><i>This part of the recommendation remains open. Due date was previously revised to March 2021.</i></p> <p>b) A leaflet was drawn up that promotes the services of the Business Waste Team and was delivered in March along with the NDR demand to all businesses in Brentwood.</p> <p><i>This part of the recommendation has been closed by Internal Audit following receipt of the leaflet.</i></p> <p>c) The Food Safety Team do refer to the waste services that the Council can offer.</p> <p><i>This part of the recommendation has</i></p>

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
				<p><i>been closed by Internal Audit following confirmation received from the service.</i></p> <p>d) Staff issues and the adverse impact of Corona Virus making this activity difficult at the moment. All efforts going on existing client base to protect it.</p> <p><i>This part of the recommendation remains open.</i></p>
2019/20 - Housing Repairs and Maintenance				
<p>19/20 Housing R&M rec 1:</p> <p>a) Variation Order and repairs approval limits should be formally documented, for example, within a Scheme of Delegation.</p> <p>b) Management should consider documenting any accepted exceptions to the authorisation limits, such as in respect of Technical Officer/Surveyor approvals of voids repairs.</p> <p>c) The Council should ensure that all Variation Orders are approved by the appropriate individual within the Rocc system, or where this is done outside of the system (e.g. via email), that this is formally documented, and a record kept on file of who approved the variation.</p>	Medium	Nicola Marsh (Housing Manager)	<p>a) August 2020 December 2020 March 2021</p> <p>b) July 2020 December 2020 March 2021</p> <p>c) Sept 2020 December 2020 March 2021</p>	<p><u>Previous update:</u></p> <p>a) All officers completed financial user forms to provide an audit trail of approval limits. The form isn't set up for such so it has been amended, officers now have to recomplete the form. They have been asked to do this by the end of October due to staffing changes.</p> <p>b) Void baskets are still being reviewed but all jobs over an officers approval limit are now being signed off by someone with the relevant limit (such as the contracts manager).</p> <p>Loss of void surveyor and new one doesn't start until October.</p> <p>c) We are still awaiting final sign off of contract amendments but we are working under local agreements. Once Axis open their offices again we can get these formally signed by Axis.</p> <p><i>Recommendation remains open.</i></p>

2019/20 - Risk Management & Governance				
19/20 RMG rec 2:	Medium	Jacqueline Van Mellaerts (Director of Corporate Resources)	June 2020 January 2021 March 2021	<p><u>Previous update:</u></p> <p>Risk has been discussed regularly at Senior leadership team workshops and commitment has been expressed at Extended Leadership Team meetings. Evidence requires to be sought.</p> <p><i>Recommendation left open until it can be evidenced; being reviewed as part of the 2020/21 Risk Management audit in January 2021.</i></p>
Management should seek commitment from departments that risk discussions will be included as standard agenda items in departmental or team meetings on at least a quarterly basis.				
2020/21 - Fraud Risk Assessment				
20/21 FRA rec 3.1:	Medium	Tim Huggins (DPO Officer)	December 2020 March 2021	<p><u>Previous update:</u></p> <p>A Privacy Notice has been put together which will be checked by DPO Officer.</p> <p><i>Recommendation left open until it can be evidenced.</i></p>
Regarding disabled facility grants, it is recommended that the GDPR/Data Protection Officer is contacted for their advice regarding GDPR, collection and use of personal data.				
20/21 FRA rec 5.1:	Medium	Victoria Banerji (Corporate Fraud Manager)	December 2020 March 2021	<p><u>Previous update:</u></p> <p>Officers to review and include additional guidance within Money Laundering Policy on investment properties. Due diligence is under taken and appropriate staff are consulted with regarding these transactions.</p> <p><i>Recommendation left open until it can be evidenced.</i></p>
Specific processes and risks to be considered as part of procuring and selling property to ensure that there are appropriate and in depth due diligence processes in place. The Financial Action Task Force document "Money Laundering & Terrorist Financing through the Real Estate Sector" (2007) may be able to provide some additional advice.				
2020/21 - Performance Management and Formal Complaints				
20/21 PM rec 2:	Medium	Sarah Bennett (Manager of Customers and Performance)	February 2021	<p><u>Update:</u></p> <p>a) Response deadlines have been unaffected during recent COVID activity</p>
a) The Council should formally consider whether it is appropriate to extend the response deadlines set out in the Complaints Policy during the Covid-19 pandemic.				
b) Management should ensure that response dates are correctly recorded in the complaints register, based on the dates in the response letters, so that there is an accurate record of actual response times against the required times.				
Sarah Bennett (Manager of Customers and Performance) and Stephanie Meek (Customer Contact Supervisor)				
January 2021				
b) Complete - human error will remain a risk, however, complaints administrators have been made aware of the importance of accurately recording the response date on the				

<p>c) Management should consider including complaints response times in the quarterly performance and complaints report, to allow adequate monitoring.</p>	<p>Sarah Bennett (Manager of Customers and Performance)</p>	<p>July 2021</p>	<p>case management document. c) It is intended to consider this for the 2021/22 reporting cycle (Q1 reporting due July 21). <i>Recommendation held open until all elements complete and evidenced.</i></p>	
<p>2020/21 - Corporate Strategy</p>				
<p>20/21 CS rec 3: a) Management should ensure that the service plans for Corporate Finance, Risk & Insurance and Communications are completed and made available to staff. b) The focus areas and annual targets in service plans should clearly identify and reference to each of the strategic objectives for the year, as relevant to each service.</p>	<p>Medium</p>	<p>Jacqui Van Mellaerts (Director of Corporate Resources)& Steve Summers (Chief Operating officer) Tim Huggins (ICT Manager)</p>	<p>December 2020 January 2021</p>	<p>No update received.</p>
<p>2020/21 - Sickness Absence</p>				
<p>20/21 SA rec 1: Depot management should ensure that all staff complete a sickness self-certification form on return to work for absences of less than seven days, or provide a fitness for work certificate from their doctor or hospital for absences over seven days, and that this documentation is retained.</p>	<p>High</p>	<p>Darren Laver (Operations Manager) & Nichola Mann (HR Manager)</p>	<p>February 2021</p>	<p>No update received.</p>
<p>20/21 SA rec 2: Depot management should ensure that line managers are maintaining regular contact with employees who have been off sick for more than four weeks and that a central confirmation of this contact is made by the line manager to evidence that it is being done.</p>	<p>Medium</p>	<p>Darren Laver (Operations Manager) & Nichola Mann (HR Manager)</p>	<p>February 2021</p>	<p>No update received.</p>
<p>20/21 SA rec 3: Depot management should ensure that line managers carry out return</p>	<p>Medium</p>	<p>Darren Laver (Operations Manager) &</p>	<p>February 2021</p>	<p>No update received.</p>

to work interviews and retain a record of it.		Nichola Mann (HR Manager)		
20/21 SA rec 4:	Medium			
a) Line managers should be reminded to look out for short term sickness trigger events and ensure that the stages of absence management process within the Council's Absence Management Policy is followed.		Nichola Mann (HR Manager) supported by Extended Leadership Team	February 2021	No update received.
b) Depot management should ensure that stage 1 and stage 2 interviews are carried out for all long term sickness in accordance with the Council's policy.		Extended Leadership Team & Nichola Mann (HR Manager)	February 2021	
c) Line managers should inform the HR Manager when trigger events occur and seek HR support when carrying out the second stage of the absence management stage process.		Darren Laver (Operations Manager) & Nichola Mann (HR Manager)	February 2021	
20/21 SA rec 5:	Medium			No update received.
a) Line managers should be reminded of the importance of entering the correct number of sickness days in DASH.		Extended Leadership Team & Nichola Mann (HR Manager)	February 2021	
b) Management should periodically carry out spot checks on the number of sickness days entered into DASH, back to the signed return to work forms.		Nichola Mann (HR Manager) supported by Extended Leadership Team	February 2021	
c) Management should periodically carry out spot checks on the number of sickness days entered into the payroll system for both DASH and Depot absences, back to the DASH system or the Depot's Waste and Grounds absences recording spreadsheet.		Nichola Mann (HR Manager) supported by Extended Leadership Team	February 2021	



FOR MORE INFORMATION:

GREG RUBINS

Partner, Public Sector
greg.rubins@bdo.co.uk

JANINE COMBRINCK

Director / Public Sector Assurance
janine.combrinck@bdo.co.uk

This publication has been carefully prepared, but it has been written in general terms and should be seen as broad guidance only. The publication cannot be relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained therein without obtaining specific professional advice. Please contact BDO LLP to discuss these matters in the context of your particular circumstances. BDO LLP, its partners, employees and agents do not accept or assume any liability or duty of care for any loss arising from any action taken or not taken by anyone in reliance on the information in this publication or for any decision based on it.

BDO LLP, a UK limited liability partnership registered in England and Wales under number OC305127, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. A list of members' names is open to inspection at our registered office, 55 Baker Street, London W1U 7EU. BDO LLP is authorised and regulated by the Financial Conduct Authority to conduct investment business.

BDO is the brand name of the BDO network and for each of the BDO Member Firms. BDO Northern Ireland, a partnership formed in and under the laws of Northern Ireland, is licensed to operate within the international BDO network of independent member firms.

© 2021 BDO LLP. All rights reserved.

www.bdo.co.uk

