INTERNAL AUDIT FOLLOW UP OF RECOMMENDATIONS REPORT

BRENTWOOD BOROUGH COUNCIL

September 2023

IDEAS | PEOPLE | TRUST

BDO

CONTENTS
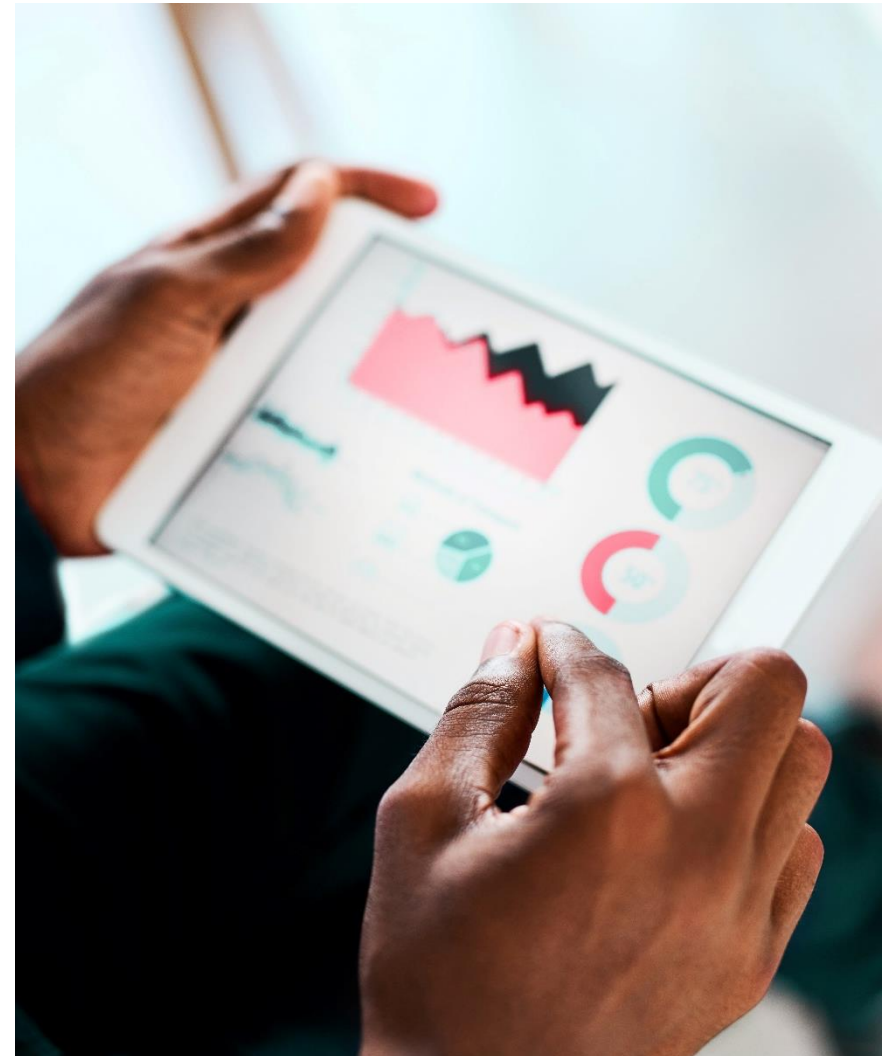
SUMMARY

	Total Recs	H	M	L	To follow up	Previously completed		Completed this quarter		In progress		Overdue		Not Due	
						H	M	H	M	H	M	H	M	H	M
2023/24															
Car parking	6	-	4	2	4	-	-	-	-	-	-	-	-	-	4
Tree Management	7	4	3	-	7	-	-	-	-	-	-	-	-	4	3
Sub-total	**13**	**4**	**7**	**2**	**11**	-	-	-	-	-	-	-	-	4	7

	Total Recs	H	M	L	To follow up	Previously completed		Completed this quarter		In progress		Overdue		Not Due	
						H	M	H	M	H	M	H	M	H	M
2022/23															
Democratic services	6	1	3	2	4	1	1	-	1	1	-	-	-	-	-
Cyber security	4	1	1	2	2	-	-	-	-	1	-	-	-	-	1
Main financial systems	5	-	3	2	3	-	-	-	1	-	-	-	-	-	2
Payroll	3	-	3	-	3	-	-	-	-	-	-	-	-	-	3
Policy review	1	-	1	-	1	-	-	-	-	-	-	-	-	-	1
Environment – Street cleaning, fly tipping & enforcement	3	-	3	-	3	-	-	-	-	-	-	-	-	-	3
Leisure services	4	-	4	-	4	-	-	-	1	-	-	-	-	-	3

	Total Recs	H	M	L	To follow up	Previously completed		Completed this quarter		In progress		Overdue		Not Due	
						H	M	H	M	H	M	H	M	H	M
Sheltered accommodation	7	3	4	-	7	-	-	-	-	-	-	-	-	3	4
Climate change advisory	4	1	3	-	4	-	-	-	-	-	-	-	-	1	3
Licensing	4	-	3	1	3	-	-	-	-	-	-	-	-	-	3
Partnership with Rochford District Council	4	-	2	2	2	-	-	-	-	-	-	-	-	-	2
Sub-total	45	6	30	9	36	1	1	-	3	2	-	-	-	4	25

2021/22

	Total Recs	H	M	L	To follow up	Previously completed		Completed this quarter		In progress		Overdue		Not Due	
						H	M	H	M	H	M	H	M	H	M
Risk management	3	-	3	-	3	-	1	-	-	-	-	-	2	-	-
Partnerships	2	-	2	-	2	-	-	-	-	-	-	-	2	-	-
IT data breaches	4	-	4	-	4	-	3	-	-	-	-	-	1	-	-
Building control	2	-	2	-	2	-	1	-	-	-	-	-	1	-	-
Section 106 agreements	2	2	-	-	2	-	-	-	-	-	-	2	-	-	-
Sub-total	13	2	11	-	13	-	5	-	-	-	-	2	6	-	-

2020/21

	Total Recs	H	M	L	To follow up	Previously completed		Completed this quarter		In progress		Overdue		Not Due	
						H	M	H	M	H	M	H	M	H	M
Disaster recovery and business continuity	1	-	1	-	1	-	-	-	-	-	-	-	1	-	-
Sub-total	1	-	1	-	1	-	-	-	-	-	-	-	1	-	-
Total	72	12	49	11	61	1	6	-	3	2	-	2	7	8	32

SUMMARY

14 high or medium priority recommendations were due to be followed up since the last Audit and Scrutiny Committee. We have confirmed with reference to evidence and through discussions that three recommendations have been completed/closed since our last follow up report. Updates have been received for the remaining outstanding recommendations and it is clear that work is being done to progress them but they have not yet been fully implemented.

2023/24

▶ Of the 11 high or medium priority recommendations raised so far in 2023/24, none are due to be followed up yet.

2022/23

▶ Of the 36 high or medium priority recommendations raised in 2022/23, we have confirmed implementation of five (two in the previous quarter and three this quarter), two are in progress and 29 are not yet due (including high priority recommendations relating to sheltered accommodation and climate change).

2021/22

▶ Of the 8 outstanding high or medium priority recommendations raised in 2021/22, all are overdue (including high priority recommendations relating to section 106 agreements).

2020/21

▶ The one outstanding medium priority recommendation raised in 2020/21 remains overdue.

REQUIRED AUDIT & SCRUTINY COMMITTEE ACTION:

We ask the Audit and Scrutiny Committee to note the progress against the recommendations.

2020 – 2023 Audits with outstanding recommendations

Legend:
- Not Yet Due
- Complete
- In Progress
- Overdue

15
1
67
17
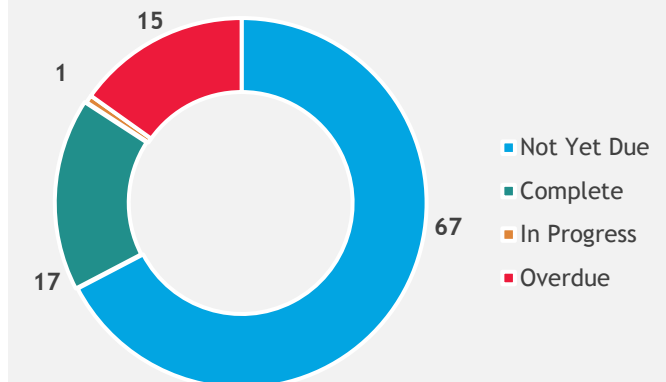
RECOMMENDATIONS: COMPLETE SINCE LAST FOLLOW UP REPORT

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
2022/23 - Democratic services	**Rec 2: Published training record** Dates should be established for Model Code of Conduct training for all Councillors who have never received the training.	Medium	Monitoring Officer	~~June 2023~~ Closed	Management update: Members Training Programme and a snapshot of the training undertaken by individual councillors is available on the website, which shows the training undertaken by all councillors. Internal audit comment: Recommendation closed by Internal Audit following receipt of management confirmation and evidence of the training undertaken.
2022/23 – Main Financial Systems	**Rec 3: Timeliness of reconciliations** The Council should ensure that monthly general ledger reconciliations, and council tax and business rates property reconciliations, are completed in a timely manner. We recommend that reconciliations are completed within a month of the end of the period being reconciled and reviewed within two weeks of completion.	Medium	Corporate Finance Manager	~~June 2023~~ Closed	Management update: Management confirmed that emails are sent in a timely manner with Council Tax reconciliations completed weekly as recommended. VOA banding totals are electronically signed off to confirm date and time the report is completed and then an email is sent to Senior Officer to add comments to agree with the totals. Internal audit comment: Recommendation closed by Internal Audit following receipt of management confirmation and evidence showing the email sent to the team following the audit recommendation, emails received to sign/comment and a VOA banding totals report showing the two comments added in a timely manner.
2022/23 Leisure Services	**Rec 1 risks register** A risk identification exercise should be undertaken with specific focus on identifying risks to the achievement of the leisure services strategic objectives. This exercise should ensure that risks are considered for all stated strategic objectives and that all	Medium	Corporate Manager – Community, Leisure and Health	~~July 2023~~ Closed	Management update: Action has been completed and new risk added to the strategic risk register. The risk is 'Delivery of Leisure Strategy'. The register details the current controls and mitigation along with further planned actions to reduce the risk impact and likelihood.

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
	identified risks are assigned to one or more strategic objective. Leisure services risks should be collated in a risk register and evaluated/scored and managed in accordance with the Council's overall Risk Management Strategy.				Internal audit comment: Recommendation closed by Internal Audit following receipt of management confirmation and evidence of the added risk.

RECOMMENDATIONS: IN PROGRESS

These recommendations have been marked as In Progress as they have not been implemented by their original date; a revised date has been provided.

AUDIT	RECOMMENDATIONS MADE	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
2022/23 - Democratic services	**DS rec 5: Freedom of Information requests** a) Democratic Services should monitor the responses to FOI requests by the departments and follow up on any open FOIs that are approaching the 20 working-day deadline or ensure that extensions are agreed. b) Training on the FOI process and legislative requirements should be provided to all officers who are involved in responding to and monitoring FOI requests. c) A report on the status of FOI requests should be presented to CLT for oversight on at least a quarterly basis.	Medium	Monitoring Officer	~~May 2023~~ Oct 2023	Management update: This is ongoing. Service Review to be undertaken in October. Looking at one system over both Councils. Internal audit comment: Recommendation remains open.
2022/23 – Cyber Security	**CS rec 2: Remediation of external and internal vulnerabilities** The Council should ensure that vulnerabilities identified in the external Nessus scans and internal vulnerability scans are summarised and reported to senior management on a regular basis for the purposes of: • Informing senior management of the potential risks posed to the Council's IT infrastructure and underlying information assets. • Prioritising and remediating vulnerabilities on a timely basis, in line with the Council's risk appetite and target risk scores specified in risk registers.	High	Corporate Manager for IT and Service Improvement	~~June 2023~~ Oct 2023	Management Update: • We get regular reports from our SoC to allow overview of Cyber. • We have now had the opportunity to successfully recruit into the infrastructure team (IT Operations Officer) give us more resources. The post holder started in August. • Following our additional resources we are working towards formalising the process for remediation and have a target date of the October to introduce a RAP process (remediation action plan), linked to our recent adoption of "Change Enablement" processes. Internal audit comment: Internal Audit is satisfied based on evidence received that parts one and three of the recommendation are sufficiently completed. Part two remains open.

AUDIT	RECOMMENDATIONS MADE	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
	• Ensuring that sufficient resource is allocated to managing and remediating vulnerabilities.				

RECOMMENDATIONS: OVERDUE

These recommendations have been marked as overdue as they have exceeded their original and revised implementation dates by at least once. Therefore, they have now missed at least two revised implementation dates.

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
2021/22 – Risk Management	**21/22 RSK rec 1:** Management should review the content of the previous risk management training provided (in person and online), decide the best format for the training going forward and determine which staff need to receive the training. Training completion rates should be monitored closely and reported to senior management on a periodic basis to ensure any low levels of completion are addressed.	Medium	Risk and Insurance Officer	~~Dec 2022~~ ~~March 2023~~ ~~June 2023~~ ~~Aug 2023~~ Jan 2024	<u>Management previous update:</u> A new e-learning module is in place and risk management refresher training will be rolled out to staff. Further to previous comments regarding the new-e-learning portal, HR were unable to locate the previous e-learning module. There are some risk management training modules on metacompliance, so we may look at these or update the PowerPoint presentation. <u>Management most recent update:</u> Both recommendations remain open. However, Zurich are facilitating three workshops for up to 16 officers at each session to refresh their risk management knowledge and to engage and discuss new and emerging risks. It will cover the following: • Risk management basics – definitions and benefits • The council's methodology and tools • Consider threats associated to the delivery of objectives • Agree risk descriptions for including on the register. Dates to be agreed for the workshops, so looking at either November or early in the New Year <u>Internal audit comment:</u> Recommendation remains open.
2021/22 – Risk Management	**21/22 RSK rec 3:** The risk officer and senior management should monitor actions taken against risks and ensure that risk owners clearly document what	Medium	Risk and Insurance Officer	~~Dec 2022~~ ~~March 2023~~ ~~June 2023~~	<u>Management previous update:</u> A guide to Risk Controls and Treatments has been sent out to Risk Owners and further training will be provided. This action remains in progress.

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
	actions have been taken to support reductions in risk scores. Staff should be sufficiently trained to understand how strengthening internal controls can have a direct impact on mitigating risks.			~~Aug 2023~~ Jan 2024	Management most recent update Both recommendations remain open. However, Zurich are facilitating three workshops for up to 16 officers at each session to refresh their risk management knowledge and to engage and discuss new and emerging risks. It will cover the following: • Risk management basics – definitions and benefits • The council's methodology and tools • Consider threats associated to the delivery of objectives • Agree risk descriptions for including on the register. Dates to be agreed for the workshops, so looking at either November or early in the New Year Internal audit comment: Recommendation remains open.
2021/22 – Building Control	21/22 BC rec 2: The service should request the Council's ICT department and third-party provider to enable functionality that allow management to download reports from the system which closely monitor progress against ISO and statutory KPIs. There should be reports that show: - Application date and date approved or rejected versus the ISO and statutory completion date requirements - All current active applications being worked on - All rejected applications within a specified timeframe - All approved applications within a specified timeframe. The Council should also liaise with the system service provider to ensure that the completion	Medium	Building Control Team Leader	~~June 2022~~ ~~Oct 2022~~ ~~Dec 2022~~ ~~Feb 2023~~ ~~June 2023~~ Dec 2023	Management most recent update: This is still work in progress, as it has a direct connection with the proposed revised Building Control performance criteria resulting from Grenfell Inquiry et al. The HSE produced last Month draft 'Operational Standards Rules monitoring arrangements' on behalf of the Building Safety Regulator. The Building Safety Regulator will be the overseeing controlling body for the whole of the Building Control field of activities across both the Public and Private Sectors. These draft Operational Standards identify a number KPIs for the industry, amongst which are ones covering the full extent of those issues noted in the audit. The Building Service Regulator is currently in the process of producing a digital solution for the required data reporting. It is currently intended to give Building Control Bodies six months to prepare for the new arrangements, presumably for the date of the final document being produced. The one exception to the above KPI discussion is the audit item that files being worked on are recorded, as noted on 'bullet point 2'. This is already done on the existing system, in terms of those being processed for approval / evaluation. The auditor had more in mind a booking in and out system for the actual hard

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
	deadline dates are precisely calculated on the system.				copy files being used on site. This would however be too resource burdensome on the professional staff due to the number of movements involved. They can, though, be possibly partly tracked through Uniform site visit entries. The real solution to the overall issue is to scan full file details onto a data base, which would render the whereabouts of hard copy files much less important. This has traditionally not been undertaken due to Council Financial considerations outside the Service's own control. In the light of the above it is intended to wait for the final adopted Operational Standards Rules to be produced by HSE before altering any of the current IT system. Internal audit comment: Recommendation remains open.
2021-22 – S106 agreements	*S106 rec 1:* a) The Council should identify an appropriate function to take central ownership of s106 agreements. This team should then lead on all aspects of s106 arrangements, including negotiating the agreements with developers and monitoring them from planning consent through to delivery. b) The function should ensure that there are sufficient mechanisms in place to liaise with developers, to monitor progress of developments. Progress meetings with the developers should be implemented, taking account of the size of developments and anticipated speed of progress. c) The function should also liaise with Finance to ensure invoices are issued accurately and in a timely manner. A central s106 agreement register/tracker should be put in place where all aspects of the s106 agreements can be recorded and monitored, including progress against trigger points and the status of any payments. This	High	~~Director, Housing and Regeneration~~ ~~Strategic Director and Interim Director Housing~~ Interim Director of Resources	~~Jan 2023~~ ~~Feb 2023~~ ~~July 2023~~ ~~Sep 2023~~ TBC	Management previous update: The Interim Director of Resources will undertake a complete review of the Council's S106 process to be reported to A&S Committee in September. Management most recent update This has not been completed due to current resource constraints. Internal audit comment: Recommendation remains open and awaiting revised implementation date.

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
	tracker should be owned by the responsible function recommended above and should be reported to each of the teams involved in the management of s106 agreements (Planning, Housing, Finance and Legal) on a regular basis (quarterly as a minimum) with each of the teams being required to provide updates as appropriate.				
2021-22 – S106 agreements	**S106 rec 2:** Responsibility for the recording, allocation and monitoring of s106 contributions to the capital programme should be clearly assigned and communicated to a team or individual within the Council, who should own the process for ensuring contributions are utilised on appropriate projects in a timely manner and prior to any contributions becoming repayable to the developers.	High	~~Director, Housing and Regeneration~~ ~~Strategic Director and Interim Director Housing~~ Interim Director of Resources	~~Jan 2023~~ ~~Feb 2023~~ ~~July 2023~~ ~~Sep 2023~~ TBC	<u>Management previous update:</u> The Interim Director of Resources will undertake a complete review of the Council's S106 process to be reported to A&S Committee in September. <u>Management most recent update:</u> This has not been completed due to current resource constraints. <u>Internal audit comment:</u> Recommendation remains open and awaiting revised implementation date.
2020/21 – Disaster Recovery and Business Continuity	**20/21 DRBC rec 1:** Management should perform a training needs analysis to identify and assess the level and type of training required by all members of staff with regards to business continuity and disaster recovery and should develop a mandatory training programme that is based upon these requirements. Training delivery methods could include, but not be limited to, the exercise types suggested in Appendix I in our report. Attendance should be recorded and monitored and training records should be maintained for audit purposes. Furthermore, Management should conduct a formally documented test of its business continuity and disaster recovery arrangements and should put arrangements in place to test	Medium	Risk and Insurance Officer	~~Oct 2021~~ ~~June 2022~~ ~~Sep 2022~~ ~~Dec 2022~~ ~~Sep 2023~~ Nov 2023	<u>Management previous update:</u> The training was provided in May 2022. Due to a new organisational OneTeam and risks we need to do new BC Plans before carrying out any testing. <u>Management most recent update:</u> There is a lead for EP/BC at Rochford. At the present time the recommendation remains outstanding. <u>Internal audit comment:</u> First part of the recommendation previously closed by Internal audit. However, second part of recommendation remains open.

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
	them on a routine basis or following a significant change to the Council's operations. The results of the tests should be reported to Senior Management and any issues identified should be resolved in a timely manner.				
2021/22 – IT Data Breaches	*21/22 ITDB rec 1:* a) Management should review and update the Council's Data Protection policy and Data Breach policy to ensure that it remains in compliance with the UK GDPR requirements and they are relevant to the Council's needs and in line with the Council's strategic objectives. b) The Data Breach policy should include detailed procedures for reporting a data breach. This should include but not be limited to: o Defining roles and responsibilities o Description of type of personal data breach o Steps taken in case of a breach o Risk assessments and escalations o Containment and recovery o Contact details of the DPO, or other point of contact o Measures taken to evaluate and mitigate any possible breaches o Breach notifications to the ICO o Training and awareness o Monitoring and reporting compliance c) The revised policies should be approved and communicated to members of staff and arrangements should be put in place for reviewing the policies on an annual basis.	Medium	ICT Manager	~~Jan 2022~~ ~~June 2022~~ ~~Sep 2022~~ ~~Dec 2022~~ ~~Feb 2023~~ ~~June 2023~~ ~~July 2023~~ Nov 2023	Management previous update: Brentwood Council has gone into partnership with Evalian to support the Council's statutory requirements for Data Protection. As part of this a full gap analysis is being conducted for Data Protection including but not limited to Policies, Processes for Data Protection and Data Breaches. Following this a formal remediation action plan will be developed and actions implemented. This work will support the Information Governance (IG) Group in their role around information Governance, and the contract will be monitored by the Corporate Manager – IT & Service Improvement. The current Data Breach Policy is available. The gap analysis has been carried out by Evalian and the Council is awaiting the report and the action plan from them. a) Reviewing of Information Governance policies is part of the role for the IG group and therefore this action is being co-ordinated by the group working with appropriate officers and partners. b) In addition to above – the group is reviewing the recommendations as part of its action plan. Once the suggestions have been reviewed, the agreed ones will be included. c) Agreed this is normal practice and will be published in document library and formal communication will be shared with all staff, and also including other IG activities such as training and awareness. Regular reviewing of IG policies is part of the roles and responsibilities of the newly formed IG group and will be undertaken. Management most recent update:

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
					The responsibilities for Data Protection have recently changed following the senior management restructure and now fall into the remit of the Interim Director of Governance. Further updates will be provided once this transition is complete. Internal audit comment: Recommendation remains open.
2021/22 – Partnerships	**21/22 PART rec 1:** a) The Council should ensure that the Partnership Checklist is completed in all cases and held centrally. Consideration should be given to retrospectively completing the checklist for the Community Safety Partnership. b) The Partnerships Register should clearly indicate the risk level for all partnerships listed and the gaps in the register should be completed retrospectively. c) The Council's Partnership Register should include a hyperlink to the completed Partnership Checklist.	Medium	Corporate Manager Communities, Leisure and Health	~~July 2022~~ ~~Sep 2022~~ ~~Dec 2022~~ ~~Feb 2023~~ ~~March 2023~~ ~~July 2023~~ November 2023	Management previous update: An annual review of the partnership register has been completed. After the briefing with CLT on the Council's arrangements the partnership webpage will go live and there will be links to the partnership register and any relevant webpages for the other partnerships that the Council is involved in. Management most recent update: The Corporate Manager for Communities is due to take a briefing paper to the next Corporate Leadership Team meeting on 20/09/2023 along with the Partnership Register and wording for the webpage. Internal audit comment: Recommendation remains open until the action has been fully completed and can be evidenced.
2021/22 – Partnerships	**21/22 PART rec 2:** The Senior Leadership Team should ensure that an Annual Performance Assessment is completed by the partnership leads for all partnerships. Reminders should be put in place before the annual deadline to ensure this is completed in a timely manner.	Medium	Corporate Manager Communities, Leisure and Health	~~July 2022~~ ~~March 2023~~ ~~July 2023~~ November 2023	Management previous update: A briefing paper on the Council's partnership arrangements together with the Partnership Register is being presented to CLT in June. Management most recent update: The Corporate Manager for Communities is due to take a briefing paper to the next Corporate Leadership Team meeting on 20/09/2023 along with the Partnership Register and wording for the webpage. Internal audit comment:

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
					Recommendation remains open until the action has been fully completed and can be evidenced.

FOR MORE INFORMATION:

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