

**READING BOROUGH COUNCIL REPORT BY
EXECUTIVE DIRECTOR OF RESOURCES**

TO:	AUDIT & GOVERNANCE COMMITTEE		
DATE:	23 July 2019		
TITLE:	IMPLEMENTATION OF AUDIT RECOMMENDATIONS TRACKER		
LEAD COUNCILLOR:	COUNCILLOR EMBERSON	PORTFOLIO:	CORPORATE & CONSUMER SERVICES
SERVICE:	AUDIT	WARDS:	BOROUGHWIDE
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1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The outcomes of all internal and external audit reports are reported to this Committee.
- 1.2 Following discussion at the April 2018 Audit and Governance Committee it was agreed to provide a greater focus on the importance of implementation of agreed audit recommendations an implementation tracker report would be reported to all future meetings of this Committee. This is the fifth report on the tracker.
- 1.4 Appendix 1 attached sets out all of the current high and medium risk internal audit recommendations and the officer responsible for implementing them.

Appendix 1 - Audit Recommendations - Implementation Tracker July 2019.

2. RECOMMENDED ACTION

- 2.1 The Committee are asked to note the report.

3. POLICY CONTEXT

- 3.1 This report supports the Council's objective of ensuring that the Council is fit for the future.

4. THE PROPOSAL

- 4.1 A summary of those high and medium risk Internal Audit recommendations which remained outstanding at the last Committee together with an updated management response is provided in Appendix 1 attached. Those recommendations which were reported as closed at the last meeting have been removed from the tracker and 28 new recommendations have been added to the Implementation Tracker since the last meeting.

Going forward all new Internal and External audit recommendations will be added to the tracker.

- 4.2 Prior to reporting to Committee officers responsible for implementing the specific recommendations are asked to update the 'Implementation Tracker'. Each recommendation is marked with a percentage complete which correlates to a red/amber/green rating depending on the percentage of completeness. Up to 25% complete is marked red, between 26% and 75% complete is amber and over 75% complete is green. However, any recommendations that are less than 50% complete but have exceeded their agreed completion date are also marked red.
- 4.3 Once recommendations are reported as being 100% complete to the Committee they are removed from subsequent reports.
- 4.4 Where there is a lack of progress with implementation, e.g. successive missing of implementation dates etc. The Assistant Director and responsible officer (if they are different) will be asked to attend a meeting of the Committee to explain the difficulties with implementation and the steps they are taking to address them.
- 4.5 There are 87 high and medium risk Internal Audit recommendations on the tracker attached at Appendix 1, of those
- 37 (43%) are currently green;
 - 29 (33%) amber and
 - 21 (24%) red

Compared to the previously reported position recommendations which are rated green have reduced from 53% to 43%. Amber recommendations have increased by 4% and those rated red have increased (by 6%). The increase in those rated red is mainly due to a number of new audits, recently completed. Actions to address some of these 28 new recommendations are not yet due.

16 recommendations are completed and will be deleted from the next report.

The table below provides a comparison of progress against reports in the past year.

RAG Status	Audit & Governance meetings			
	September 18	January 19	April 19	July 2019
Green	42%	49%	53%	43%
<i>Number of Recs</i>	44	57	48	37
Amber	18%	34%	29%	33%
<i>Number of Recs</i>	19	40	26	29
Red	41%	16%	18%	24%
<i>Number of Recs</i>	43	19	16	21
<i>Total Recommendations</i>	106	116	90	87

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 The proposals contained in the report support the Council's Corporate Plan priority to:
- Remain financially sustainable to deliver its service priorities.

8. LEGAL IMPLICATIONS

- 8.1 The Council has a duty under the Accounts and Audit Regulations to ensure it has in place a financial control framework which is fit for purpose. It also has a duty to ensure Value for Money in the provision of services.

9. FINANCIAL IMPLICATIONS

- 9.1 Whilst there are no specific financial implications arising directly from this report, the timely implementation of audit recommendations is critical in strengthening the Council's internal control and governance arrangements.
- 9.1 The Council's Chief Internal Auditor's reports have over several years repeatedly reported that audit recommendations made in previous audits have not been implemented. This does not represent value for money from either an audit or wider organisational perspective.
- 9.2 Poor systems of internal control and financial governance potentially leave the Council exposed to loss and will result in higher external audit costs due to the lack of assurance they provide and the consequential higher testing thresholds required by the Council's external auditors.
- 9.3 Whilst there are still a large number of recommendations that are rag rated red, there has been positive engagement with the new arrangements and significant improvement since implementing the new tracking and reporting process

10. BACKGROUND PAPERS

- 10.1 Internal Audit Reports presented to Audit and Governance Committee, Chief Internal Auditors Annual Report 2017 & 2018.

Rec No.	Dir	Audit Title	Recommendation	Rec Yr.	Original Audit Completion Date	1st Follow-up Date	Responsible Officer	Responsible Officer Latest Update	Updated on (date)	Status (% Complete)	Overall Status
1	DoR	Bank rec & control account reconciliations	<p>1. A corporate approach for producing reconciliations, evidencing balances and for monitoring the completion status, issues and their resolution needs to be produced and agreed.</p> <p>2. Greater staff/resource resilience is required to ensure the reconciliations are completed on a timely basis throughout the year.</p> <p>3. Departments should be required to provide a reconciliation position statement each month.</p> <p>4. Response will be addressed in rec 5 2017-18 action plan</p> <p>5. In conjunction with recommendation 3, reconciliation needs to be brought up to date.</p> <p>6. The completion and review of the bank reconciliation status MUST be a monthly key priority.</p>	16/17	9-Feb-17	4-Oct-17	<p>Matt Davis - Assistant Director of Finance, Jean Stevenson - Chief Accountant</p> <p>Reconciliation officers: Bank & cash – Jean Stevenson Creditors – Jean Stevenson Council Tax, HB, NNDR, Debtors – Sam Wills Payroll – Sharon Brown Rents – Zelda Wolfie</p>	All these recommendations have been implemented with the exception of inclusion in the monthly monitoring (recommendation 6)	8-Jul-19	76 or more	
2	DoR	Bank rec & control account reconciliations	The Assistant Director of Finance should ensure there is sufficient resource available to properly and robustly plan, execute, test and implement the accepted bank and cash reconciliation process	16/17	9-Feb-17	4-Oct-17	Jean Stevenson - Chief Accountant / Matt Davis - Assistant Director of Finance	Whilst resources remain tight following the Finance restructure, the Technical Accountant has produced procedures and has organised the Technical team to ensure reconciliations are kept up to date. The procedures are currently being tested and the bank reconciliation is up to date.	26-Jun-19	Complete	
3	DoR	Bank rec & control account reconciliations	<p>Following implementation of recommendation 1 of last years action plan, business process documents should be written for each reconciliation process to include:</p> <ul style="list-style-type: none"> • Purpose of the procedure (impact on council) • Clearly define the outcome of the process • Name the process in accordance with naming conventions • Define the start and end of the process • Outline who does what and responsibilities – not person specific but role specific • Tools to complete the process, Systems, printing, marking etc. • Exceptions – if process goes wrong, system down etc. • Individual steps to get from start to finish • Reports used etc. • What to do when completed – balanced and unbalanced, actions, financial levels, responsibilities and authority • Review and sign off by the Assistant Director of Finance • Reporting framework • Evidence • Storage & protection 	16/17	9-Feb-17	4-Oct-17	Jean Stevenson - Chief Accountant / Matt Davis - Assistant Director of Finance	The Technical Accounting team are using the new procedures and will review them fully once the backlog of issues with the Statement of Accounts have been cleared. Reconciliations are being submitted monthly to the Chief Accountant for review. The bank reconciliation processes have now been documented and documentation of the other reconciliations will be implemented and reviewed as part of implementing the monthly tracker process. No further progress has been made on these recommendations due to other work taking precedence	8-Jul-19	76 or more	
4	DoR	Bank rec & control account reconciliations	<p>The Assistant Director of Finance should provide guidance and advice on the treatment of historic reconciling adjustment items for all system reconciliations.</p> <p>Likewise technical advice should be given in respect of those systems reconciliations that continue to have unreconciled balances.</p>	16/17	9-Feb-17	4-Oct-17	Matt Davis - Assistant Director of Finance	Historic differences on the bank reconciliation and other reconciliations have now been written out as part of the finalisation of the 2017/18 accounts. A monthly review is to be conducted as part of the new tracking process to ensure that any unreconciled items are cleared promptly.	26-Jun-19	Complete	
5	DoR	Bank rec & control account reconciliations	<p>The 'unresolved' suspense items on Academy should be periodically (quarterly) checked to Academy to ensure correct recording.</p> <p>The Assistant Director of Finance should agree the treatment of historic unresolved items.</p>	16/17	9-Feb-17	4-Oct-17	Matt Davis - Assistant Director of Finance/ Jean Stevenson - Chief Accountant	Reconciliations to the end of March 2018 have been reviewed as part of the closure of 2017/18 accounts and historic amounts have been written off. Ongoing reviews will be conducted by the Technical Accountant and periodically reviewed by the Chief Accountant.	26-Jun-19	Complete	

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6	DoR	Creditors/AP	Formulate an action plan to address corporately the larger number of open purchase orders with a view to closing as many as possible.	18/19	1-May-18		Matt Davis - Assistant Director of Finance/ Christopher Beauchamp - Accounts Payable Manager Jennifer Bruce - Financial Systems Manager	All purchase orders over 18months old have now been closed by the Systems Team The AP team are currently closing all older style purchase orders beginning with 5, good progress being made, there is an outstanding issue with older legal purchase orders being closed. Completion date 30/08/19	26-Jun-19	76 or more	
7	DoR	Creditors/AP	Operational issues identified should be addressed in new procedure manual to avoid reoccurrence.	18/19	1-May-18		Matt Davis - Assistant Director of Finance/ Christopher Beauchamp - Accounts Payable Manager Jennifer Bruce - Financial Systems Manager	Operation issues regarding Fusion are being address with the Fusion Team to avoid the development of a work around manual. Procedure for all of the correct Account Payable process still being produced, Completion 31/07/19	26-Jun-19	51 to 75	
8	DoR	Creditors/AP	Documented processes for all areas of operation linked to clearly defined roles and responsibilities for members of staff. This would include identifying the business interfaces and expectations around processing, time taken volumes of business for areas like Mosaic payments or expenditure limits on cost centre codes etc.	16/17	25-Mar-17	1-May-18	Jean Stevenson - Chief Accountant Chris Beauchamp - Accounts Payable Manager	SLA set up for BFFC. For RBC our Fusion system is under review, this review is looking into our current setting and interfaces between Fusion and Mosaic/Planet FM.	26-Jun-19	76 or more	
9	DoR	Creditors/AP	Need to clearly identify the strategic contribution of AP to the authority and what is required to make AP business process(es) effective for efficient use of AP for the council.	16/17	23-Mar-17	1-May-18	Matt Davis - Assistant Director of Finance Chris Beauchamp - Accounts Payable Manager	The strategic contribution is for accounts payable to enforce controls of expenditure on the Council. The main focus of this will be the roll out of supplier portal, to reduce costs to the council in terms of processing. This has been delay due to issues around the Fusion open purchase order report that has prevented a clean up of open purchase information, clean up happening now. Portal has been tested and is working, suppliers to be invited to use portal and to send invoices directly into the Fusion scanning/imaging solution, mass/auto matching within fusion to be considered once 75% of suppliers on-board with portal/scanning solution. Open PO's/receipts to be address for each supplier when invited to Supplier Portal. P2P is not voluntary and all invoices being processed through Fusion do have PO No.'s. The above is covered by the P2P compliance project. Supplier currently being added to the supplier portal on an add hoc basis (if requested and all the purchase orders are up to date, mass roll to begin in September 2019	26-Jun-19	51 to 75	
10	DoR	Creditors/AP	Further work needs to be done to ensure that goods are receipted promptly and for the correct amount or value. Reports need to be run on a regular basis to identify and tackle late payments.	16/17	23-Mar-17	1-May-18	Chris Beauchamp - Accounts Payable Manager	Majority of invoice now being sent to Accounts Payable directly reducing the chances of invoices going missing/getting delayed, invoices are rejected back to supplier if the invoice does not meet RBC P2P requirements. Open purchase order report now working for business partners to action with budget managers, challenging old and open purchase orders and unmatched receipts. Accounts Payable has now developed a report to enable to them to identified all invoices on hold and the reasons for the hold including unreceipted invoices. Accounts payable is currently running the report once a month and chasing requesters via phone and emails about their invoices on hold.	26-Jun-19	Complete	

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11	DoR	Creditors/AP	Need to review the supplier database and cull inactive suppliers as well and consider if centralisation of procurement would be more cost efficient in terms of ordering and paying for goods and services.	16/17	23-Mar-17	1-May-18	Chris Beauchamp - Accounts Payable Manager	Cull of inactive suppliers all done. The role of supplier set up and maintenance is moving to procurement who are currently recruiting for position they as also undertaken a project to create a preferred supplier list. This is no longer an AP responsibility	8-Jul-19	51 to 75	
12	DoR	Debtors	The various policies, guidance and procedure notes relating to the raising, monitoring and treatment of debt generally should be reviewed and where necessary brought up to date. In addition they should be clearly documented on Iris, if appropriate and all relevant staff and users advised of their location and the need for them to comply with these.	17/18	5-Jun-17	7-Feb-18	Chris Beauchamp - Accounts Payable Manager	Debtors team was joined to the AP Team from 01.10.2018. Decision was made to not update policies and procedures until debtors ledger is moved from Academy to Oracle Fusion. Project Migration scoping session undertaken. Project Plan now in place, funding agreed. New policies and procedures will form part of the project migration plan. Project completion date 01/06/2019	26-Jun-19	76 or more	
13	DoR	Debtors	All staff who raise invoices should be reminded that: a) invoices should be raised accurately and on a timely basis; b) each invoice should bear the necessary information or detail to reduce the likelihood of subsequent customer queries; c) as a principle services should not continue to be provided until outstanding invoices have been paid; d) there should be clear supporting records and information concerning the invoice that is easily accessible and understandable in the event of future query or need.	17/18	5-Jun-17	7-Feb-18	Chris Beauchamp - Accounts Payable Manager	Web forms are now operational and working well with the exception of invoice request from BFFC, these web forms are still not operational, these should be live by september	8-Jul-19	76 or more	
14	DoR	Debtors	It is further suggested that the role and work undertaken by Legal Services in the recovery of unpaid items is reviewed and re-evaluated to ensure it remains appropriate and fit for purpose. Once it is clear what is agreed it is recommended that this is defined in an SLA between Legal Services and Income & Assessment.	17/18	5-Jun-17	7-Feb-18	Chris Beauchamp - Accounts Payable Manager	A Service Level Agreement (SLA) with legal is still being developed to clarify the role of legal in the recovery of unpaid debt. Regular monthly meetings between legal services and income and assessment are underway until the SLA is being is fully developed and agreed	26-Jun-19	51 to 75	
15	DACHS	Direct Payments	It is essential that records are updated accurately and in a timely fashion. Currently there are multiple records that need to be individually updated to provide a complete record of actions and transactions relating to individual DP clients. Therefore it is recommended that the current process is reviewed to assess whether a more streamlined record keeping system could be designed so that records agree, with the purpose of freeing PBST time for monitoring purposes.	17/18	24-Nov-17		Jayne Rigg, Commissioning & Social Care Manager	This is now complete and evidenced in the latest audit review from April 12019	28-Jun-19	Complete	

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16	DACHS	Direct Payments	In order to demonstrate appropriate controls over the use of public funds it is recommended that the strategy, resources and purpose of the current checking programme is reviewed. In particular it is important that the required validation regime (frequency, process etc.) is assessed to make sure that it provides a reasonable but effective challenge to check and agree the legitimacy of expenditure. A pivotal consideration should include an assessment of existing staffing resources and whether these are adequate in order to discharge the standards RBC should be expecting as the responsible body. If the assessment determines that (additional) changes are required then it should also be determined what (additional) resources are needed, if any.	17/18	24-Nov-17		Jayne Rigg, Commissioning & Social Care Manager	This is complete and was evidenced in the latest audit review of April 2019	28-Jun-19	Complete	
17	DACHS	Direct Payments	It is strongly recommended that the strategy to deliver pre-paid cards is reviewed and where appropriate tightened so that (unless there are good and documented reasons not to do so that are assessed on a case by case basis) the principle of their adoption (of pre-paid cards) becomes understood and accepted as the norm. It is also recommended that management identifies whether there needs to be a programme of education or support across relevant areas in the directorate (including care management colleagues) so that the take up is increased and it is further suggested that targets are set for this to happen. An option may be for the Council to remove the choice aspect and explore moving all (new) clients straight on to Pre-paid cards, as some other local authorities already do.	17/18	24-Nov-17		Jayne Rigg, Commissioning & Social Care Manager	Since January 2019 pre-paid cards have been the default offer for all new and reviewed cases. Over 80% of all direct payment recipients are now operating that payment via a pre-paid card.	28-Jun-19	76 or more	
18	DACHS	Financial Deputies	Serious consideration and management support needs to be given to moving to a direct payments system for clients, where feasible, to reduce the amount of cash handled and time required to administer.	17/18	16-Feb-18	01-Jun-18	Jo Purser - Locality Manager	The majority of people now have card accounts open and bank visits reduced as a result. There is a still number of people receiving cash but this is their only option.	20-Jun-19	Complete	
19	DACHS	Financial Deputies	The premise of the team needs to be reviewed. If the team is to be cost neutral, this needs to be carefully costed out to ensure that this is achievable (particularly in terms of income targets).	17/18	16-Feb-18	01-Jun-18	Jo Purser - Locality Manager	This has been reviewed by DMT and acknowledge that the team needs a further review of their functions and workload to ensure that they are able to achieve a cost neutral service.	20-Jun-19	76 or more	
20	DoR	General Ledger	There needs to be consistent control over data entry from feeder systems that standardises and controls data input to reduce the need for journals to amend miscoded items. The number of Oracle Fusion codes needs to be reviewed with a view to identifying key codes and removing redundant or unused codes.	17/18	6-Apr-17	31-May-18	Matt Davis - Assistant Director of Finance	Daily reports produced and sent to owners of feeder systems for their checking that totals loaded correctly. Coding to be reviewed as part of a review of reporting hierarchies and will need to be considered in conjunction with BFFC reporting requirements. This will also be considered as part of the wider review to be conducted of the Fusion System by Oracle over the next few weeks.	26-Jun-19	51 to 75	
21	DoR	General Ledger	All journals need proper designation as to the type of journal and its purpose.	18/19	4-Jun-18		Jean Stevenson - Chief Accountant	The significant reduction in the number of journals means there is more clarity as there are less inputters processing journals. An initial review has been conducted by the Technical Accountant which has not identified any significant issues with current practice. A further review will be conducted once the Statement of Accounts issues are resolved.	26-Jun-19	76 or more	

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22	DoR	General Ledger	The number of codes that are being used for one off transactions needs to be reviewed to ensure that this is the most efficient way to record financial information.	18/19	4-Jun-18		Jean Stevenson - Chief Accountant	This review is scheduled to be conducted by the Financial Systems Team as part of the overall review of codes for the introduction of inter company accounting. This was expected to be completed by 1st April 2019, but will slip to the summer of 2019. Further advice on this issue is expected to be provided by Oracle following their review of the Fusion System.	26-Jun-19	51 to 75	
23	DoR	HB Subsidy	It is recommended that: a) backfill for seconded positions needs to be in place earlier. b) consideration is given to the number of contractors in place in key positions within the team. c) a clear plan is put in place for quality checking going forward. This needs to include the identification and reporting of issues relating to individuals to allow them to be addressed in a timely manner.	16/17	17-Sep-17		Sam Wills - Interim Income & Assessment Manager	10% Quality checking remains in place with contractor. Regular training updates provided to staff. Continued use of subsidy expert. Achieved zero subsidy loss in audit of 17/18 claims, external audit of 18/19 has commenced this month.	2-Jul-19	76 or more	
24	All	Health & Safety	In order to share instances of different and best practice(s) it is suggested that the directorate chairs of the health & safety periodically attend and observe other directorates' meeting to see whether specific techniques, formats etc. could be usefully shared between them.	16/17	8-Feb-17	29-Sep-17	H&S Committee Chairs: Resources - Shella Smith Adults - Steve Saunders DEGNS - James Crosbie Central - Peter Sloman	Meetings have temporarily stopped as staff have left and new Chairs of H&S Committees found. To compensate for this H&S Advisors regularly meet with Chairs of the H&S Committees and attend all H&S Committees. Meetings will be commencing in May 2019.	25-Jun-19	51 to 75	
25	DoR	Health & Safety	There needs to be confidence in the integrity of the staff health and safety training data held on I-Trent and that it is accurate and kept up to date so that reliance can be placed upon this. This may involve some further work to achieve this and possibly some prioritisation of resources by Training / HR.	16/17	8-Feb-17	29-Sep-17	L&D - Russell Gabbini	The Organisational and Workforce Development Manager is leading on the training actions. Data cleanse exercise to tie in with other iTrent work. Also Learning Pool dates is being corrected. New CMT target to get all L1 & L2 training completed by Q2 2019. Plus All staff will have to complete an online appraisal (knowledge check) or update session commensurate with their responsibility. If they fail this then they will have to go to repeat the appropriate level of on-line training or attend a classroom course to be recognised as compliant. Knowledge checks for levels 1 and 2 to be released to relevant staff June 2019	25-Jun-19	51 to 75	
26	All	Health & Safety	Once the exercise to cleanse data has been completed, where it has become flagged that staff training is not up to date, then a programme of training to remedy this should be implemented.	16/17	8-Feb-17	29-Sep-17	L&D - Russell Gabbini	The Organisational and Workforce Development Manager is leading on the training actions. Data cleanse exercise has shown that information in iTrent is not accurate. New exercise underway to tie in with other iTrent work. Also Learning Pool dates is being corrected. New CMT target to get all L1 & L2 training completed by Q2 2019. Plus All staff will have to complete an online appraisal (knowledge check) or update session commensurate with their responsibility. If they fail this then they will have to go to repeat the appropriate level of on-line training or attend a classroom course to be recognised as compliant. Knowledge checks for levels 1 and 2 to be released to relevant staff June 2019	25-Jun-19	51 to 75	
27	DoR	Information Governance and Data Protection	The management framework needs to be documented (action plans and ToRs) and aligned with a strategy that identifies the key staff needed to implement and maintain it. This in turn needs approval and incorporation into the reporting framework of CMT who should receive regular reports on progress and any significant issues highlighted in work practices.	16/17	7-Oct-16	9-Apr-18	Chris Brooks - Head of Legal & Democratic Services	Management framework is encompassed in the General Data Protection Regulations project plan. Monthly reports have been to CMT. The last report to CMT went on 24.07.2018	No changes 26.06.19	76 or more	

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28	DoR	Information Governance and Data Protection	All staff identified as being key to a properly managed information governance process should have their roles and responsibilities reflected in their job descriptions.	16/17	7-Oct-16	9-Apr-18	Chris Brooks - Head of Legal & Democratic Services	This is to be actioned. Discussions are in hand with HR to determine whether it is appropriate that the roles and responsibilities to Information Governance are to be added to Job Descriptions. Chris to meet with Shella Smith to discuss.	26.06.19	25 or less	
29	DoR	Information Governance and Data Protection	Information Asset Owners (IAO) need to be formally appointed for each system that processes personal data with responsibility for ensuring that it operates within the policies and procedures governing information security and data protection including ensuring access to data is only by authorised persons.	16/17	07-Oct-16	9-Apr-18	Chris Brooks - Head of Legal & Democratic Services	IAO guide drafted and taken to CMT on 30.04.2019. The report set out who the role of IOA sits with Heads of Service and Assistant Directors unless delegated. Chris emailed all Head of Service and Assistant Directors for nominations. Update report will be going to CMT on 02.07.2019.	26.06.19	25 or less	
30	DACHS/DCEEH	Mosaic Fusion Year end reconciliation audit	Increased emphasis needs to be placed on the importance of ensuring that data held within Mosaic is of an appropriate quality. This includes ensuring that placements are reflected in a timely manner (purchase orders created, amended and closed), so that commitments are accurately reflected and discrepancies and missing invoices can be identified and addressed.	16/17	17-Oct-16	01-Nov-17	Jon Dickinson - Deputy Director of DACHS	Data quality work continues and we are now down to 300 cases to be cleared from the system from 1800. Weekly reports are distributed to managers for data accuracy and ongoing work takes place through our monthly Performance Board.	25-Jun-19	51 to 75	
31	DoR	Mosaic Fusion Year end reconciliation audit	There should be clearly documented policies and procedures for the year end reconciliation and associated accruals process. These should be available to all relevant individuals and reviewed and updated as necessary on a regular basis to reflect current practice.	16/17	17-Oct-16	01-Nov-17	Nick Penny Strategic Business Partner - DACHS	Notes are currently being prepared by the DACHS Finance team and will be signed off by the Strategic Business Partner.	27-Jun-19	76 or more	
32	DoR	Mosaic Fusion Year end reconciliation audit	A lessons learnt review should be conducted post year end which looks at issues encountered with the year-end reconciliation process and associated accruals and provisions. Outcomes from this should then feed into the following year's year-end process. This is particularly pertinent for Adult Services.	16/17	17-Oct-16	01-Nov-17	Nick Penny Strategic Business Partner - DACHS	The reconciliation process has been reviewed at year end, the team are now using the rec's to support budget monitoring and delivery of savings.	27-Jun-19	Complete	
33	DoR	Mosaic Fusion Year end reconciliation audit	Clear and regular in year and year end reconciliations should be performed between Mosaic and Fusion and review of the accruals/prepayment process to encompass the full financial year rather than since the last invoice received need to be conducted.	16/17	17-Oct-16	01-Nov-17	Nick Penny Strategic Business Partner - DACHS	Mosaic to Fusion reconciliations are currently undertaken on a monthly basis to ensure that the council are paying for the correct value of placement costs.	27-Jun-19	Complete	
34	DoR	Overtime	It is recommended that the monthly payroll return be reviewed and consideration given to including the following: <ul style="list-style-type: none"> • Employee contracted hours • Completed by field • How overtime is being paid for • Reason for overtime 	16/17	23-Aug-16	28-Sep-17	Shella Smith - Head of HR and OD	As of 1 July 2019, overtime is now claimed through iTrent self-service. It now includes a reason for working overtime	4-Jul-19	Complete	

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35	DACHS	Public Health	The recharge of central establishment costs to the public health grant should be done in a timely fashion and in such a way as those costs are transparent and commensurate with the resources employed by the authority to administer the grant monies.	17/18	29-Sep-17		Andy Stockle - Business Partner and Nick Penny - Strategic Business Partner	Corporate recharges have historically been treated 'below the line' and not charged to Public Health. Public Health has a credit budget to reflect this practice. Work is ongoing which is expected to result in budgets for these being put against cost-centres across the Council. This will result in PH no longer having a credit budget.	27-Jun-19	76 or more	
36	DEGNS	Right to Buy	A copy of the Right to Buy Handbook should be available on the new RBC website. Right to Buy policies should be reviewed on a regular basis to ensure that they are still fit for purpose.	16/17	19-Jul-16		Sam Bainbrigg - RTB Team Leader	The Right to Buy handbook is available on the Councils website as is the Right to Buy Policy. The policy will be reviewed at least every two years to ensure it is still fit for purpose	9-Jul-19	Complete	
37	DEGNS	Right to Buy	Revised date: A number of improvements are required to ensure payments are fully accounted for:- * A copy of the RTB Offer and any sale revisions that confirm the final sale price should be forwarded to Finance. * In conjunction with the RTB Team and Legal, Finance should complete a certified periodic reconciliation between payments due, those received and the accounts on Fusion. The RTB application number should be recorded on Fusion to support the address of the property.	18/19	11-Jun-18		Jean Stevenson - Chief Accountant/ Sam Bainbrigg - RTB Team Leader	Process in place for RTB offers and sale revisions confirming the sale price to be sent to finance. Since process was introduced there have not been many sales (3 to 4 per quarter). Checks are performed by Finance on a regular basis as part of the government returns for RTB receipt pooling, no issues have been identified. (JS)	26-Jun-19	Complete	
38	DEGNS	S106	The roles and separations of duties for the Policy Team and Administration Team need to be reviewed to ensure there is inclusion and oversight for the full monitoring of all S106 monies.	16/17	30-Sep-16	14-Jul-17	Mark Worringham - Planning Policy Team Leader	In addition to new written procedures and staff training, the Planning service has now implemented a bespoke recording and monitoring system (Exacom) that coherently addresses the main control requirements for Section 106 processes. A regular or complete reconciliation between the respective record systems in Planning used to identify, track and manage S106 amounts and financial systems that record S106 amounts has not been possible until recently. This is mainly because of resource issues in Finance. A report from Finance was received in January 2019, and reconciliation has been carried out between Planning and Finance records. There remain some inconsistencies, most of which have been accounted for, but outstanding issues being followed up. A finance report to enable reconciliation has been requested on a more regular basis, but at June 2019, the most recent report received was January 2019..	4-Jul-19	76 or more	

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39	DEGNS	S106	<p>The methodology for recording, collecting and monitoring the payment status of S106 monies need to improved urgently. In particular:</p> <p>a. It is strongly recommended the corporate debtor system should be used for the monitoring and collection of all S106 monies. Each sales requisition should be authorised by the PSM. In particular there is a need to establish clear separation of duties between the instigation, recovery and the monitoring of monies.</p> <p>b. The obligation index increases and revised amounts should always be recorded on Acumen.</p> <p>c. Provisional target dates should be established to monitor the status of payment triggers and for prompting the sales requisition.</p> <p>d. A monitoring procedure needs to be produced for reviewing the status of triggers and payments (who, how, when etc.).</p> <p>e. Oracle Fusion codes should be recorded on Acumen, and a record of receipts should also be recorded. Obligations, finance receipts and balances on Oracle Fusion balances should be regularly reconciled and reviewed by management. Evidence of reconciliations should be retained for an audit trail.</p>	16/17	30-Sep-16	14-Jul-17	Mark Worringham - Planning Policy Team Leader	The Exacom System and updated procedures are now in place and are used in operations. This provides an appropriate methodology for recording, collecting and monitoring the payment status of S106 monies. After discussions with Finance it was agreed by the Assistant Director of Finance that the corporate Academy system for raising invoices was not appropriate for the purposes of raising and monitoring S106 invoices' It offers no advantages over the use of the facilities and reporting functions of the Exacom system . Indexation and revised amounts area recorded in Exacom. Trigger dates are a function of Exacom. Monitoring of triggers and payments is being undertaken by the Planning Policy Team Leader. Oracle Fusion codes are recorded on Exacom and receipts/ transaction numbers are also recorded on the system. Attempts have been made to reconcile planning records with Fusion, but there have been challenges in obtaining data in a timely manner because of resource issues in Finance. A Finance report was received in January 2019, and reconciliation is being carried out, and reports are requested on a regular basis to enable reconciliation. However, none has been received from Finance since January 19. A review to the procedure is being carried out, and is expected to be finished shortly.	4-Jul-19	76 or more	
40	DOR	Use of Cash Vouchers & Cash Accounts	<p>Documented procedures should be produced to:-</p> <p>a) stipulate the purpose of petty cash accounts e.g. what is considered to be appropriate expenditure, and what is not</p> <p>b) specify the recording, reconciliation and reporting requirements including the transfer of details on to Oracle Fusion</p> <p>c) define the control requirements for the safeguarding of cash and vouchers.</p>	16/17	2-Nov-16	14-Jul-17	Matt Davis - Assistant Director of Finance Christopher Beauchamp - Accounts Payable Manager	12 petty cash/voucher floats now closed. Remaining petty cash/voucher schemes to be closed - completion 31/08/19	26-Jun-19	51 to 75	
41	DOR	Use of Cash Vouchers & Cash Accounts	<p>Controls need to be introduced within the APT to confirm the completeness and accuracy of the floats in circulation and to ensure that petty cash claims are appropriately authorised. This should involve:-</p> <p>a) Conducting an annual review to ensure the records are correct and up to date.</p> <p>b) Introducing a system for recording the issue, transfer and return of floats. Where floats are transferred between officers a copy of the transfer note must be forwarded to the APT.</p> <p>c) Introducing a check control whereby the APT confirms the accuracy of the float balance and of the authorisation details each time a claim is made.</p>	16/17	2-Nov-16	14-Jul-17	Matt Davis - Assistant Director of Finance Christopher Beauchamp - Accounts Payable Manager	12 petty cash/voucher floats now closed. Write off will be required as the floats starting balances not recorded on all floats, all floats have also been processed on the post office account with no details and the account is also used to paid post office invoices. New accounts to be set up in Fusion for any remaining floats and a balance agreed with teams.	26-Jun-19	51 to 75	
42	DOR	Use of Cash Vouchers & Cash Accounts	Finance should consider whether prepaid cards could be better used to control petty cash expenditure. Or alternatively departments / services could be encouraged to use Visa purchase cards instead of petty cash	16/17	2-Nov-16	14-Jul-17	Matt Davis - Assistant Director of Finance Christopher Beauchamp - Accounts Payable Manager	Prepaid and Visa cards now being used throughout the council instead of petty cash in most areas.	26-Jun-19	Complete	

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43	DEGNS	Waste Operations	Trade waste contracts should contain accurate details of the number of bins and frequency of collection. This should agree with records in Flare. Care needs to be taken to ensure that charges made for trade waste as a minimum cover the costs of providing the service.	16/17	12-Dec-16	24-May-17	Michelle Crick - Waste Services Manager/ David Moore - Neighbourhood Services Manager	A waste management software system has been purchased and a soft roll out for green waste has been completed. Roll out to all crews to take place at end April and then the Trade Waste module will be implemented. The Whitespace system is in place and has been successfully tested for Green Waste and for Domestic waste with real time data being gathered. The system will go live at the call centre on 22nd July subject to the missed bins coordination with the Firmstep system being completed by the web team. A demonstration of the trade waste element of the system has been received and work is beginning to populate this system with a view to going live in September.	28-Jun-19	76 or more	
44	DoR	Additional Payments	There should be a clear policy for each type of allowance and additional payment. These should be reviewed on a regular basis and updated as necessary. All additional payments should be made in accordance with the relevant policy and be consistent across teams, departments and directorates and adhered to in every instance. Policies and procedures should be publicised and promoted to relevant staff and managers and be available on Iris.	18/19	31-Mar-19		Shella Smith - Head of HR and Organisational Development for all new payments HR Partners for existing payments Roger Morris Annette Paterson Kirsty Bennett Denise Burston	A review of all employment policies is already underway. The revised policies will need to be consulted on or negotiated with the recognised trade unions (as appropriate) and approved by Personnel Committee. The review is due for completion by March 2020. The policies covered in this audit will be prioritised.	25-Jun-19	26 to 50	
45	DoR / DEGNS	Network Security (ICT)	Full visibility of the transport sections ICT needs to be established to ensure that a consistent corporate standard for network security is applied	18/19	18-Oct-18		Andrew Withey - Acting Head of Customer Care and Transformation Cris Butler - Strategic Transport Programme Manager	Officers are in the process of engaging with the Council's IT teams in order to progress a programme of actions to apply the corporate network requirements to the existing externally supported Transport systems. The next step is to include the transport network in scheduled penetration testing exercise to identify any potential vulnerabilities with follow on mitigation plan. (The transport network is completely separate from the main corporate network so any issues are limited to transport systems). Advice, support and supplier engagement has been provided to Transport who will commission this. The ICT delivery model for the Council will be reviewed following implementation of the senior management reorganisation and transport IT will be included within the scope of this to determine ownership, management and oversight arrangements for the future. Meanwhile the transport network is secure, with contracts in place with external system providers who cover penetration testing of that network separately. Audit have now confirmed the transport systems do not pose a risk to the corporate network. However, as a part of the corporate restructure, officers are tasked with reviewing how transport systems are currently managed and supported, with a view to transferring them onto the corporate network as soon as practicable.	28-Jun-19	51 to 75	
46	DoR	Network Security (ICT)	Council make Cyber Security and Cyber awareness training mandatory for staff	18/19	18-Oct-18		Russell Gabbini - Organisational and Workforce Development Manager	Work is currently underway to strengthen and expand cyber security and cyber awareness training as an integral part of the ICT Information Security training that has been made mandatory for all new staff. Cyber Security and Cyber Awareness modules have been made available for all staff. Whilst these remain optional reminders and prompts have been issued stressing importance of the training and encouraging staff to complete it. Demonstrations of Cyber Security Solutions have been undertaken and quotations obtained. Further free training options are under review following recommendations from officer attendance at the National Pathfinder Cyber Security Conferences, which includes Board and Councillor awareness Training from Regional Serco Police units, and Board level Cyber Awareness material from the National Cyber Security Centre.	28-Jun-19	51 to 75	

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47	DoR	Network Security (ICT)	The council's disciplinary procedures are amended to reflect the seriousness of not ensuring that laptops are properly patched.	18/19	18-Oct-18		John Barnfield - ICT Technology and Services Manager	The Council's existing ICT Policies already clearly link to the Council's HR Disciplinary Procedures / Code of Conduct and Member Code of Conduct processes. The ICT Policy Statement and ICT Use and Information Policy make clear that failure to adhere to policy may result in disciplinary action. The ICT Policy and Golden Rules have been amended to reinforce need to reload desktops and will be published on the new intranet. All Policies have been reviewed and updated where necessary for 2019/20. Papers have been produced for CMT and Policy Committee to now formally approve these Policy changes. These are initially awaiting CMT approval before onwards approval to Policy Committee. Meanwhile, based on the recommendations being issue by the National Cyber Security Pathfinder conferences, reminder emails are being issued to Staff to remind them of the increasing Cyber security threats and the actions they need to be taking to manage risks in this area including reloading laptops regularly.	28-Jun-19	76 or more	
48	DoR	Network Security (ICT)	There should be regular threat monitoring reports produced by Northgate that include potential hacking incidents and virus software activation to contain threats to enable RBC to take preventative action on staff activity if appropriate.	18/19	19-Sep-18		John Barnfield - ICT Technology and Services Manager	External e-mail and web URL scanning, external firewall protection, server anti-virus and desktop anti-virus software is in place and provides continuous automated threat protection. To implement dashboard style Proactive Event Monitoring and Alerting will require investment in additional products. A joint Bid with St Albans, Assuria (Supplier), Reading University, Cabinet Office, Information Age, E-mpirical, MSG Limited, for the delivery of a scalable SOC/SIEM solution for 10-15 Local Authorities on a Franchise style model, is being presented to the LGA for potential Phase 2 Security funding. This would bring additional an benefit of a rotation of security skills into the market. Further interest of joining the Pilot is being explored with other Berkshire Unitaries. Further exploration of funding sources if the LGA bid is unsuccessful are also being explored. We are hopeful of interest as this is an area of need across many Local Authorities that is recognised by the LGA and National Cyber Security Centre.	28-Jun-19	26 to 50	
49	DEGNS	Bus Subsidy Grant 17/18	Corporate Finance in conjunction with Services should ensure the accounts for funds received under the auspice of a grant determination are produced for certification on a timely basis.	18/19	7-Nov-18		Richard Johnson Strategic Business Partner	The Finance team will review all DEGNS revenue Grant and work with relevant individuals within the service to ensure that where they require an audit that the process is monitored closely and managed. We have a DEGNS grant file and will ensure we identify any grants with conditions/returns	2-Jul-19	51 to 75	
50	DEGNS	Integrated Transport Grant 17/18	Corporate Finance in conjunction with Services should ensure the accounts for funds received under the auspice of a grant determination are produced for certification on a timely basis.	18/19	7-Nov-18		Anna Barefoot [Capital Accountant] & Strategic Business Partner	Initial meetings between finance and service have taken place to discuss IA requirements. A deadline of 31/07/19 has been agreed with IA for all paperwork to be provided. The service are finalising the required working papers week beginning 1st July	28-Jun-19	26 to 50	
51	DACHS	Continuing Healthcare	It is recommended that the Head of Service works with CCG partners to establish and agree a locally set of documented specifications and standards that detail what the joint arrangements for the procedures and timescales for the application, assessment and recording of CHC cases should be. Once agreed these should be signed off by both parties and all relevant staff advised accordingly.	18/19	27-Nov-18		Jo Purser- Locality Manager	Following the implementation of the revised CHC Framework in October 2018, the Locality Manager will work with the CCG and partners to review the current Berkshire wide joint policy for CHC. This work is ongoing along with other partnership working regarding discharge to assess for CHC.	20-Jun-19	51 to 75	

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52	DACHS	Continuing Healthcare	Ongoing efforts to further research and understand the disparity rates in local CHC funding should be fully and consistently backed by senior management in order that the reasons can be properly understood, and any changes made. Resources to do this may have to be found from existing budgets but the work should have senior officer support and the outcomes should be shared with other parties if necessary. Any system changes made as a consequence should be regularly monitored to establish their future effect.	18/19	27-Nov-18		Jo Purser- Locality Manager	NHS England are responsible for auditing the application of the CHC framework. The Local Authority can refer to NHS England if there are specific concerns around the implementation of the framework locally but not research how the framework is being implemented across other areas. Senior management are focusing on ensuring that applications have robust evidence to support individuals to achieve CHC funding. Whilst we accept that the current level of success in this area remains low there are required actions for Reading to implement before highlighting this with NHS England. There has been an increase in the number of individuals agreed at MDT's and panel for CHC funding, through increased staff knowledge and confidence	20-Jun-19	Complete	
53	CRO	Employee Gifts, Hospitality and Declarations of Interest	It is recommended that the existing guidance for Gifts, Hospitality and Declarations of Interests should be reviewed for consistency, ambiguity and clarity. In particular a single Gifts and Hospitality Policy introduced which is linked to any further detailed advice and standards that employees must adhere to, such as the Code of Conduct. The policy should include examples of Gifts and Hospitality that can be accepted or rejected, as before, as well as guidance about how to treat such offers, how offers should be recorded, when and who to send the information to and who to contact for further advice.	18/19	18-Dec-18		Chris Brooks, AD of Legal and Democratic Services Shella Smith, AD of HR and Organisational Development	A revised Gifts and Hospitality Policy has been drafted and will be presented to CMT for approval in July 2019	4-Jul-19	26 to 50	
54	CRO	Employee Gifts, Hospitality and Declarations of Interest	To fully demonstrate commitment to the Nolan Principles it is recommended that an annual declaration of returns is completed by all staff members for individual Gifts, Hospitality or new Declarations of Interest forms. Furthermore, as per CMT's mandate in November 2017, it should be determined whether specific service areas should be targeted to ensure full and complete declarations are completed regularly. The Head of HR and Organisational Development will need how best to achieve this i.e. by using NetConsent or potentially via i-Trent.	18/19	18-Dec-18		Chris Brooks, Head of Legal and Democratic Services Shella Smith, Head of HR and Organisational Development	We believe that an annual reminder should be sent to employees to confirm that they should be aware of the policy and that declarations should be made in accordance with it. This should relate to offers of gifts and hospitality that are both accepted and declined and all declarations of interest. Prior to the implementation of an automated system, we will explore alternative means for achieving this requirement. Using iTrent for this purpose can be explored after phase 1 and 2 of the project to improve its functionality has been completed. This is likely to be early in 2020.	4-Jul-19	51 to 75	
55	CRO	Employee Gifts, Hospitality and Declarations of Interest	It is recommended that all offers of gifts and hospitality and declarations of interests are recorded on a corporate system (potentially on i-Trent when the facility becomes available) and for a summary report on reported activity to be reported by the Head of HR and Organisational Development to CMT each year.	18/19	18-Dec-18		Shella Smith, AD of HR and Organisational Development	Agreed. This will be explored after phase 1 and 2 of the project to improve iTrent functionality and roll out self-service has been completed. This is likely to be early in 2020.	25-Jun-19	51 to 75	
56	CRO	Employee Gifts, Hospitality and Declarations of Interest	It is recommended that the option potentially being considered to use i-Trent to record all declarations of interests, gifts and hospitality is supported by Audit and should be progressed as soon as is practicable.	18/19	18-Dec-18		Shella Smith, AD of HR and Organisational Development	Agreed. This will be considered once the iTrent self service roll-out is complete, in March 2020	25-Jun-19	25 or less	
57	DEGNS	Commercial leases	Consideration should be given to bringing together (centralising) the management and administration of (non-housing) properties under one team. This could include acquisition, disposal as well as lease and income management. Any such proposal would have to be financially variable and appropriately resourced.	18/19	05-Dec-18		Deputy Director, Regeneration & Assets	This recommendation is scheduled for consideration and discussion with the incoming Director of DEGNS, with feedback on the way forward anticipated in July 2019	9-Jul-19	25 or less	

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58	DEGNS	Commercial leases	There is a need for a corporate integrated property asset system that is fully compliant with accounting requirements. This is something we would encourage, in order to reduce staff time spent managing the spreadsheet and ensure greater accuracy in (financial) reporting.	18/19	05-Dec-18		Deputy Director, Regeneration & Assets Matthew Davies, Assistant Director of Finance	A software solution has been purchased from CIPFA, being the only fully International Financial Reporting Systems (IFRS) compliant product found available. Implementation is scheduled to be completed as part of 2018/19 accounts closure process and will be used as the council's holistic financial asset register from that point onwards	9-Jul-19	51 to 75	
59	DoR	Debtors - follow up review	<i>New recommendation</i> The procedures and processes for managing and monitoring sundry debt need to be strengthened to actively reduce and prevent the current level of debt. The following areas should be considered:- * distribution of aged debtors report should be specific to the service. * all services should promote payment at the point of supply of service etc. * arrears should be analysed to identify services and reasons for arrears so that a targeted approach can be instigated. * services should be required to provide an account of the reasons for their arrears alongside the reasons for their budget variance status as part of the regular budget monitoring process/es.	18/19	29/01/2019		Chris Beauchamp (Accounts Payable/Receivable Manager)	New processes and procedures for managing the sundry to be introduced when Accounts Receivable move to Oracle Fusion this will specific reports to services and report to enable the collection teams to be more efficient - Project delay until the 01/09/19	26-Jun-19	25 or less	
60	DoR	Business Rates	The Property Inspector should update the Local Taxation Inspector and Inspections procedure documents.	18/19	16/05/2019		Samantha Wills, Recovery & Control Team Leader	The current local taxation inspector has commenced creating procedure documents to ensure we have no single point of failure and ensures we have succession planning should there be changes to existing staff.	2-Jul-19	51 to 75	
61	DoR	Business Rates	The Control Team should set out as policy a requirement to retain evidence of authorisation and review in a location that will be accessible in the event of staff change.	18/19	16/05/2019		Samantha Wills, Recovery & Control Team Leader	Procedures will be reviewed to ensure they are up to date and contain the elements highlighted in the audit report.	2-Jul-19	25 or less	
62	DoR	Business Rates	The Control Team should consider the feasibility of obtaining the data underlying the RBC Academy Balance Report and the VOA Schedule of Alterations Report in order to periodically review the data for potential errors and/or inconsistency.	18/19	16/05/2019		Samantha Wills, Recovery & Control Team Leader	We are reviewing the feasibility of full VOA/RBC reconciliation	2-Jul-19	25 or less	
63	DoR	Business Rates	The Property Inspector should consider the feasibility of obtaining the data underlying the RBC Band Analysis Report and the VOA Banding Totals Report in order to periodically review the data for potential errors and/or inconsistency.	18/19	16/05/2019		Samantha Wills, Recovery & Control Team Leader	We are reviewing the feasibility of full VOA/RBC reconciliation	2-Jul-19	25 or less	
64	DoR	Business Rates	The Control Team should update the procedure documents for the performance of daily and monthly reconciliations in order to set out how the reconciliations will be verified and the requirement to retain evidence of review in a location that will be accessible in the event of staff change.	18/19	16/05/2019		Samantha Wills, Recovery & Control Team Leader	Procedures will be reviewed to ensure they are up to date and contain the elements highlighted in the audit report.	2-Jul-19	25 or less	
65	DoR	AP Creditors	Sign off and complete recommendations from previous audit report concerning ensuring Supplier database reflects best procurement policy.	18/19	05/04/2019		Matt Davis, Assistant Director of Finance Christopher Beauchamp, Accounts Payable Manager	Working with procurement and the new role to ensure the audit recommendations are completed.	8-Jul-19	25 or less	

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66	DoR	AP Creditors	Issues around the supplier portal need to be resolved and the audit trail to supporting documentation reinstated .	18/19	05/04/2019		Matt Davis, Assistant Director of Finance Christopher Beauchamp, Accounts Payable Manager	Big progress has been made in the closing down the older purchase order to enable full roll out of the supplier portal	8-Jul-19	25 or less	
67	DoR	AP Creditors	Consideration should be given to bringing the supplier set up function in house and subject to documented processes.	18/19	05/04/2019		Matt Davis, Assistant Director of Finance Christopher Beauchamp, Accounts Payable Manager	Job specification completed and procurement are currently recruiting for this role	8-Jul-19	26 to 50	
68	DoR	Data Storage	RBC urgently needs to establish proper governance processes in respect of data creation and storage as it is currently at a high risk of breaching GDPR requirements in respect of only storing data needed for processing.	18/19	05/04/2019		Chris Brooks, SIRO Assistant Director for Legal Services and Governance Jo Barker Interim Assistant Director - Digital & Transformation	Papers have been taken to CMT setting out the assignment of Information Asset Owners. The Council has just undertaken an ISO27001 Information Gap Analysis and those findings and recommendations will further inform remedial work.	04-Jul-19	25 or less	
69	DoR	Data Storage	A corporate programme to address the creation and storage of data needs to be created to ensure that going forward data is stored in a structured manner that facilitates easy recovery and reduces the cost of storage. The objective should be to remove, where possible, all "personal" data storage and integrate data creation and storage with business operations. Data that needs storing should be kept in corporate storage spaces that encourage a structured approach which can be managed by date or subject according to statutory requirements.	18/19	05/04/2019		Jo Barker, Interim Assistant Director - Digital & Transformation	A Formal ISO27001 Information Governance Gap Analysis has been run with IT Governance and those findings and recommendations will help inform further remedial action. Discussions have started to establish formal Information Governance arrangements sponsored outside of ICT.	04-Jul-19	25 or less	
70	DoR	Data Storage	Existing data that is being stored needs review with an ambition of deleting all non essential data before transitioning to Office 365 and cloud based operation.	18/19	05/04/2019		Jo Barker, Interim Assistant Director - Digital & Transformation	A formal Office 365 Project has been commissioned with Northgate and their Gold Partner Risual. Workshops have been held which will now go forwards to inform the data migration strategy/. Advice has also been sought from other Berkshire Unitary Authorities to learn from their migration experiences and recommendations.	04-Jul-19	25 or less	
71	DoR	Data Storage	A decision needs to be taken regarding the future of the Mailmeter product. Microsoft will have products available that will match what it does for email access so an option review needs to establish whether to retain the software.	18/19	05/04/2019		Jo Barker, Interim Assistant Director - Digital & Transformation	A corporate instruction has been given to cull Mailmeter data to 3 years. In order to do this an additional Waterford's Product has been purchase (ComplyKey) and installed on an upgraded server needed to execute the cull. This server is currently processing a backlog of email which built up through the upgrade process which once fully caught up the cull to 3 years can be undertaken. This will manage the GDPR Data Protection Risk associated with held email, and then its future can be determined as part of the O365 Microsoft Strategy. The project for O365 is being taken forward with Northgate and their Microsoft gold Partner Risual, with their recommendations feeding into to a further decision process.	04-Jul-19	25 or less	

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72	DEGNS	Homes for Reading	The HfR Board should consider whether the current system used to document / record EMT meetings is adequate and provides a sufficient trail or whether any improvements need to be made.	18/19	12/04/2019		Mark Green - MD HfR	<p>EMT has delegated authorities to undertake day to day operations of the company. The Decision Log is regularly reported to Board and at each meeting key issues that have arisen during the period since the last meeting and items that may require consideration in the future are discussed.</p> <p>EMT meetings do have an agenda set, and as appropriate to the nature of the discussions notes made and key decisions record. It is not considered appropriate for all discussions to be minuted in a formal manner. HFR does have an activity log that captures key work streams that is regularly update to capture progress of key items.</p> <p>The recommendations will be considered by EMT and discussed with Board to determine if and how improvements can be made going forward.</p>	21-Jun-19	51 to 75	
73	DEGNS	Homes for Reading	In addition to the existing set of declarations of interest(s) it is recommended that these are extended to all other relevant parties, including the Managing Director of HfR.	18/19	12/04/2019		Mark Green - MD HfR	There are formal declaration of interests for all Directors. All Director declarations are reviewed and updated on an annual basis and detail record of the declaration register. The most recent update of declarations was undertaken in September 2018. The MD was appointed as a Director of the company at the Board meeting on the 13th December 2018. The appointment letter and declaration have since been produced and completed.	21-Jun-19	Complete	
74	DEGNS	Homes for Reading	The HfR Managing Director's recommendation to establish a Shareholder Advisory Group or equivalent is supported and it is recommended that this is established as soon as practicable.	18/19	12/04/2019		Mark Green - MD HfR	<p>HfR has agreed the structure of the Shareholder Advisory Group and the proposals identify key personnel to be appointed by RBC. Presently, RBC is undergoing some personnel changes and once people are in post, it is proposed that the SAG is formed.</p> <p>Alongside the formation of the SAG, HFR has also agreed to implement changes to the composition of the Board. Some of the changes proposed, will see current Councillor Directors transition to the SAG.</p> <p>At the Board meeting on the 20th June, HFR's Board agreed to review the structure with the Shareholder.</p> <p>As soon as the approach is agreed by the Shareholder and HFR, it is HFR's intention to complete the changes to the Board and formalise the SAG with RBC.</p>	21-Jun-19	51 to 75	

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75	DEGNS	Homes for Reading	<p>It is recommended that Homes for Reading establishes a standard proforma for the documentation of its systems and procedures, including:</p> <p>a) ensuring these are reviewed and where necessary, updated at regular intervals;</p> <p>b) ensuring that the date of review / update is clearly identified; and</p> <p>c) that these procedures are reviewed, agreed and approved by an appropriate person.</p>	18/19	12/04/2019		Mark Green - MD HfR	<p>HfR has implemented a standard format for procedures, including version control and review processes for key company policy including Health and Safety, Complaints and Fair Wear and Tear, Financial authorisation, Signatories etc.</p> <p>HfR has also implemented key process procedures to aid the flow of activity and to control decision making via gateway authorisations. This processes are available to all service providers.</p> <p>Whilst version control is in place, it is agreed by HFR to implement timescales governing the frequency of review to ensure its processes remain current.</p> <p>Many of HFR's service providers do not have policies in place governing the process / activity undertaken on behalf of HFR. HFR has previously requested all Service Providers to develop this and this remains an area of activity to be progressed. As part of HFR's review of it's SLAs, greater emphasis will be placed on the appropriateness of systems and controls used by contractors.</p>	21-Jun-19	51 to 75	
76	DEGNS	Homes for Reading	In order to help ensure Homes for Reading is fully aware of its current (and future) risks it is recommended that the Risk Register is updated more regularly and then reviewed and agreed (by the EMT and then) by the Board.	18/19	12/04/2019		Mark Green - MD HfR	The risk register is a standing item on the Board agenda and is regularly reviewed.	21-Jun-19	Complete	
77	DEGNS	Homes for Reading	Although recently agreed by the Board, the outcomes of the recent review of governance need to be reviewed and agreed between Homes for Reading and the Council, if necessary.	18/19	12/04/2019		Mark Green - MD HfR	See 74 above. The new arrangements are to be reviewed by the Shareholder and HfR following feedback at the Board meeting on 20th June 19.	21-Jun-19	51 to 75	
78	DEGNS	Homes for Reading	Housing and Homes for Reading need to resolve the issue of the reporting of rent accounts for HfR properties and without it being an intensive manual exercise.	18/19	12/04/2019		Zelda Woffle Housing Operations Manager	<p>3 reports set up in OHMs to manage this process. OHMs is not ideal for HFR due to the way the debit is raised, adjustments made and the way payments/housing benefit is received. Changes to OHMS now give a separate financial statement, which has all the information required except how this is broken down by property and so some manual adjustments still required.</p> <p>HFR has completed a reconciliation of finance as part of the year end process for 18/19.</p> <p>HfR continues to review the position and has the option to separately procure its own asset management software to collect management information directly.</p>	28-Jun-19	51 to 75	
79	DEGNS	Homes for Reading	Housing should consider repeating the local market testing exercise for the supply of goods and services to ensure that RBC procurement guidelines are being met and best value is achieved.	18/19	12/04/2019		Zelda Woffle Housing Operations Manager	HfR has raised this issue with all its Service Providers. HFR spend with suppliers is likely to reduce in 19/20 as a result of its revised operating approach. HFR is seeking to monitor the spend on white goods and cleaning etc., and will agree at Board whether to procure suppliers directly or ask service providers to update existing contract arrangements.	28-Jun-19	51 to 75	

Rec No.	Dir	Audit Title	Recommendation	Rec Yr.	Original Audit Completion Date	1st Follow-up Date	Responsible Officer	Responsible Officer Latest Update	Updated on (date)	Status (% Complete)	Overall Status
80	DEGNS	Homes for Reading	In line with the Homes for Reading MD's plan, it is recommended that existing service level agreements with Finance and other in-house suppliers are reviewed, negotiated where necessary and then agreed between the relevant parties. Thereafter a process of monitoring of the agreement(s) needs to be implemented. Where the levels of performance and service are not adequate there should be an established process for these to be resolved.	18/19	12/04/2019		Mark Green - MD HfR	The lack of performance reporting received from service providers in 18/19 has been increasingly frustrating for HFR. This is a matter that has been discussed at Board and in certain instances the Board has escalated matters with the Shareholder. A revised SLA is currently being drafted including a new set of KPI's to manage performance under the contract for 19/20. As part of the SLA, it is incumbent upon the contractor to ensure timely information is reported. The Board resolved at its meeting on 20/6/19 to host a workshop with the Shareholder to look at the scope of services and the KPI measures with a view to taking a revised proposal back to Board for approval at its next meeting.	21-Jun-19	51 to 75	
81	DACHS	Direct Payments - follow up	It is recommended that a register or summary record of all policies, procedures and letter templates is introduced to ensure these remain up to date. This register should also include confirmation that appropriate management approval has been obtained and the date of the next annual review is recorded, with each document updated accordingly to reflect this.	18/19	02/04/2019		Stephen Saunders, Principal Personal Budget Support Officer	This action is now complete and the audit recommendation is in place.	28-Jun-19	Complete	
82	DACHS	Direct Payments - follow up	The service needs to have up to date assurance about the requirement(s) governing a Personal Assistant being able to work in the same household as a child, and in particular whether a DBS check should be undertaken in compliance with legislation, such as the Safeguarding Vulnerable Groups Act 2006.	18/19	02/04/2019		Stephen Saunders, Principal Personal Budget Support Officer	The recommendation is now being promoted with all the recipients of a direct payment. The legal responsibility is with those in receipt of the payment and making care arrangements as an employer. The remaining task is for this decision to achieve formal sign off by DMT and this is programmed in for early July. The documentation and guidance will then be updated to reflect this.	28-Jun-19	76 or more	
83	DACHS	Direct Payments - follow up	In order to demonstrate and tighten controls over the use of public funds it is recommended, to improve the monitoring of pre-paid cards, that a verified list of suppliers and account numbers is used to be quickly checked, regularly updated and used to substantiate service users' pre-paid card expenditure.	18/19	02/04/2019		Stephen Saunders, Principal Personal Budget Support Officer	Not complete as needs support from finance colleagues to produce verified list and not been available resource to complete. Plans to complete work in July.	28-Jun-19	26 to 50	
84	DACHS	Direct Payments - follow up	In order to improve the monitoring of pre-paid cards it is recommended that the PBST requests a monthly report from Allpay that provides a statement of all services users' expenditure information (Supplier, account number, amount, date of transaction), which can be used to quickly verify account numbers and suppliers on the statement by way of a look up formulae in excel and for any exceptions to be further investigated.	18/19	02/04/2019		Stephen Saunders, Principal Personal Budget Support Officer	The request has been raised with supplier Allpay. There is a similar report type available but does not fully meet the recommendation so the request is in development with Allpay to fully achieve.	28-Jun-19	51 to 75	
85	DACHS	Direct Payments - follow up	To assist with the current back log of monitoring reviews, it is recommended that alternative monitoring strategies are considered. For example DPB service users could be split into different review periods, with those with the longest outstanding reviews allocated to the first review periods with reminder letters being sent 2 months prior to the review month so that the supporting documents are received the month before, giving the PBST sufficient time to ensure the required documents are received on time for the review to be carried out. The PBST should establish a target by which the backlog of reviews should be cleared within a certain date and then creating a set routine for the team and service users in the future. It is also recommended that PBST performance is monitored by senior management and included as part of the DMT's regular review of performance management.	18/19	02/04/2019		Stephen Saunders, Principal Personal Budget Support Officer	The team have been benchmarking their processes against other better performing local authorities to better understand their matrixes and methodology. Work now underway to include these into a new operational procedure for the team. This will be complete by mid July and shared with audit to ensure that it meets with the requirement. Performance stats for the team have now been developed and are discussed each month at the DACHS performance surgery which is chaired by the Director / and or Deputy Director. This has broadened the knowledge of this target across all managers. Recruitment has been successful to all vacant posts and the team will be fully staffed by August. The required resource to address the backlog has been agreed and proposals made as to future requirements.	28-Jun-19	51 to 75	

Rec No.	Dir	Audit Title	Recommendation	Rec Yr.	Original Audit Completion Date	1st Follow-up Date	Responsible Officer	Responsible Officer Latest Update	Updated on (date)	Status (% Complete)	Overall Status
86	DACHS	Direct Payments - follow up	Greater care should be taken by the PBST to ensure necessary receipts, records and documents are sought to support service users' direct payment expenditure.	18/19	02/04/2019		Stephen Saunders, Principal Personal Budget Support Officer	The guidance and literature issued to all recipients has been reviewed in order to make that expectation clearer. It is already stated in the agreement that this is a requirement.	28-Jun-19	76 or more	
87	DACHS	Direct Payments - follow up	Restrictions on the pre-paid card management site should be considered so that the same officers cannot, when completing payments to recoup excess funds, add a new (possibly fraudulent) payee or amend payee data on the site without approval.	18/19	02/04/2019		Stephen Saunders, Principal Personal Budget Support Officer	Allpay have been asked what the authorisation options are and no such facility or provision is available or possible within the system. Now that we understand it is not available we are working on making a local policy and procedure update. We are also reviewing the existing declaration of interest protocol to make sure that this is sufficiently covered by the code of conduct policy.	28-Jun-19	76 or more	
									Status		
									25 or less	15	
									26 to 50	6	
									51 to 75	29	
									76 or more	20	
									Complete	17	
									Total	87	
								100			