UPDATE ON THE IMPLEMENTATION OF RECOMMENDATIONS SUPPLIED BY INTERNAL AUDIT

Audit Title	No of recommendations	Details of recommendation	Not yet due for implementation	Superseded	Not implemented	Partially implemented / on-going	Implemented	Commentary from internal audit and response
Barrier Controlled Parking Project **2017/18 - Advisory**	1	The papers presented to the Environment Committee setting out the business cases for the car park conversions had not been reviewed by the Chief Finance Officer or the Monitoring Officer, meaning they had not been independently reviewed as financially or as legally sound.	-	-	-	-	1	We have received evidence that this action has now been implemented. All committee papers are now on Modgov and each report has a section to be completed by a member of the Finance Team and the Legal Team
Building & Planning Control **2017/18 – Reasonable Assurance**	1	When the Customer Services Team receive outstanding information to complete a building or planning control application this is not always filtered through to the Planning and Building Control Team promptly. This results in applications being delayed. There is a risk that if applications are not being promptly processed that: - there is a delay in income due to the Council; and - Reputational damage occurs meaning the building control service will potentially receive less repeat business.	-	-	-	1	-	We have received management assurance that the action has been implemented but we are still awaiting evidence to confirm actual implementation has occurred. The Building Control Manager has been reviewing outstanding cases and the process is under review

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Business Process Review (Democratic Services **2017/18 - Advisory**	1	Further roll out of planned implementation of lean workflows has yet to be scheduled for all committees	-	-	-	-	1	We have received management assurance that the action has been implemented but we are still awaiting evidence to confirm actual implementation has occurred. This has been fully implemented and all committees are now on Mod gov
Cash Handling **2017/18 – Reasonable Assurance**	1	Electricity cards are held and sold by a local store on behalf of the Council for sale to gypsy site customers. The cash received is approximately £200 per week and is recorded in a local sales record and passed to a Housing Officer on a regular basis. A letter of receipt is subsequently issued to the store to confirm receipt and this letter records details of the cash income transacted. We note from our sample that these letters of receipt have not been issued for transactions since February 2016. (3 months)	-	-		-	1	As the officer has now left the Council, the auditors had difficulty in obtaining an update. However the council no longer operate electricity cards as responsibility for the gypsy site has been returned to Surrey County Council
Financial Management **2017/18 – Reasonable Assurance**	1	Over the course of a few months four staff members left the Finance team at the Council. As a result, resources within the department have been stretched and formal evidence of Q2 and Q3 monitoring was limited. There is a risk that if formal consistent monitoring of budgets is not taking	-	-	-		1	The Finance Team is now fully recruited and monitoring of budgets is being undertaken

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		place the Council are not tracking the achievement of saving plans effectively (Med)						
Housing Rent Accounting and Reconciliation22016/17 – Partial Assurance	3	1. There is no reconciliation of the cash receipting system to the rent system to ensure all payments are accounted for and all suspense items have been posted to rent accounts.(Medium) 2 The procedure for arrears recovery does not specify the point at which recovery action should begin or the intervals between recovery letters (Med) 3. Arrears are not being chased effectively due to the lack of staff capacity for this and the current lack of functionality for this in the rent system.(Med)	-	-		3	-	The Housing Team are redrafting rent arrears policy, which does specify the point at which the first arrears letter should be sent, and subsequent letters after that. This will be agreed in February. There are additional resources within the team because of the new Private Sector Leasing Officer and the Temporary Accommodation Liaison Officer to ensure arrears can be chased. The rent accounting system continues to present problems and following an upgrade to the academy system , housing have limited remote access and the Housing Team are currently exploring an alternative rent accounting system.

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PCI Compliance **2016/17 – Partial assurance**	3	1 The Council is not PCI compliant, as it has not yet completed the self-assessment questionnaire. We were informed that it has completed approximately 50% of the questions. There is a risk that it could be charged non-compliance fees by the Bank until it is compliant (High) 2 To comply with PCI requirements the Council has to ensure that its third party providers are PCI compliant, however the Council has failed to ensure this by holding copies of their current certificates.(Med) 3 Although the Council's call recording system has been upgraded and is PCI compliant it fails to be compliant when connected to the CRM system, risking the Council holding customer credit card details in breach of PCI requirements.(High)	-	-	-	1	2	Two recommendations (1 and 3) have been implemented. As the Council are moving from Adelante to Civica Pay as part of upgrading the financial system, recommendation 2 will be superseded, as Civica Pay is fully compliant.
Risk Management **16/17 – Reasonable Assurance**	2	There is not currently a documented Board Assurance Framework. This would extend the risk management approach to the inclusion of assurances as to the adequacy of the control framework in place to mitigate exposure to the risk.(Med)	-		-	-	1	The Leadership Risk Register has been enhanced to include an assurance framework of the controls in place

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		The Partnership Risk Register requires review and update (Med)		1				The Partnership Risk Register is no longer maintained as agreed with internal audit
Follow Up (Previous Years Actions)	5	**Information Governance - 15/16** All business critical systems will be tested and restored with the external provider on at least an annual basis (Med) **PCI Compliance 15/16** The Council will draft a 3rd party PCI compliance tracking sheet and track their PCI status annually.(Med) The Council will ensure that the chosen call recording software that 'records' conversations in scope of PCI is PCI compliant (High)			1 1		1	Not implemented and will be addressed when Datacentre arrangements are reviewed Not implemented due to transfer to Civica Pay as stated above Implemented and covered by audit in 2016/17

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		FOLLOW UP FROM PREVIOUS YEARS **Software Licensing 15/16** The Council will amend the existing ICT Acceptable Use Policy to cover information such as: (Med) - The management of the software inventory database; The differing licence requirements for beta versions, demonstration software and freeware; and - The undertaking of regular periodic audits on software.			1			Acting Head of ICT is reviewing the policy
		Venues 15/16 The Council has a timetable for the completion of a venues marketing and cost saving plan. The plan will address: (Med) - how the Council aim to increase revenue; - how the Council aim to cut costs; - a marketing plan; and					1	The Playhouse has a Marketing Plan and a dedicated resource. Draft plans are in place for Bourne Hall and Ewell Court House. As part of the Income Generation Plan, a corporate marketing resource is being established.

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		- Future forecasted spend on improving the venues.						
	18		-	1	3	5	9	