

Borough Council of King's Lynn and West Norfolk Internal Audit Follow Up of Recommendations Report

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1. Executive Summary

- 1.1 The purpose of this report is to provide an update on the status of agreed audit recommendations from the Internal Audits that have been undertaken across the organisation, focusing on overdue items, and completed actions.
- 1.2 The Public Sector Internal Audit Standards (PSIAS) requires the Chief Audit Executive, also known as the Head of Internal Audit, to establish a process to monitor and follow up management actions to ensure that they have been effectively implemented or that senior management have accepted the risk of not taking action. The frequency of reporting and the specific content are for the Authority to determine.

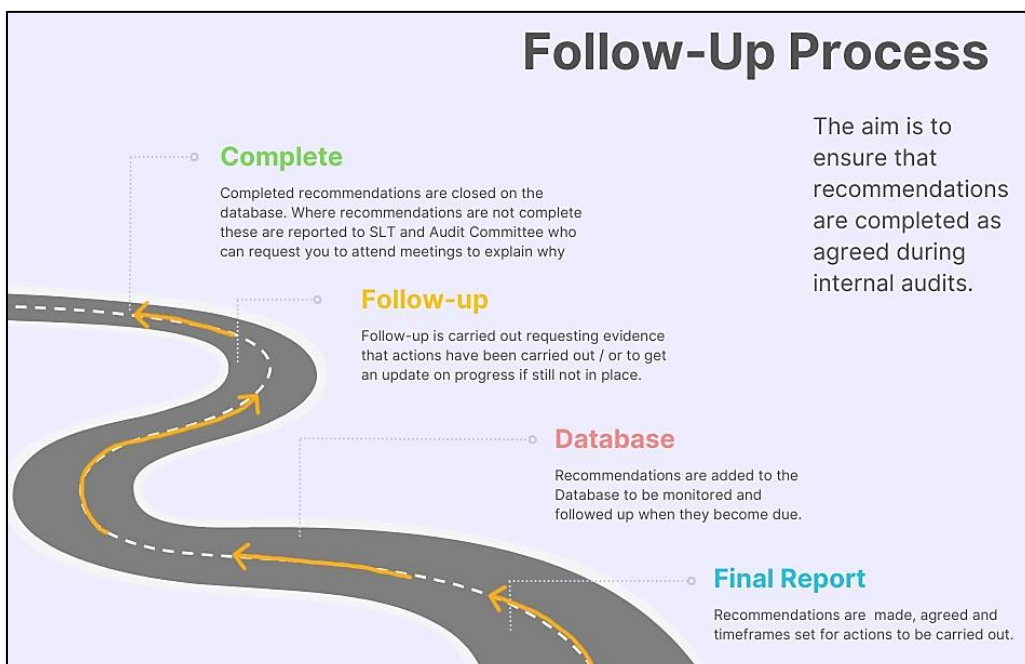
1.3 Key Highlights:

- **59 recommendations have been completed since the last report.**
- **72 recommendations remain overdue, including 6 high priority risk items.**

The latest follow-up activity of outstanding agreed recommendations was concluded during October 2024, with the next follow-up activity aimed to take place during January 2025.

2. The Follow Up Process

- 2.1 Recommendations are agreed during the Internal Audits and timeframes are set for their completion, which are confirmed with the responsible officers and the service managers. The management action subsequently taken is monitored by Internal Audit on a regular basis and reported through to Audit Committee on a half yearly basis. Verification work is also undertaken for those recommendations that are reported as closed.
- 2.2 The follow up activities are undertaken where all responsible officers, with overdue recommendations, are contacted to provide updates. This involves gathering evidence to demonstrate completion of high and medium priority risk recommendations and closing low



recommendations where completion has been confirmed.

3. Summary Dashboard

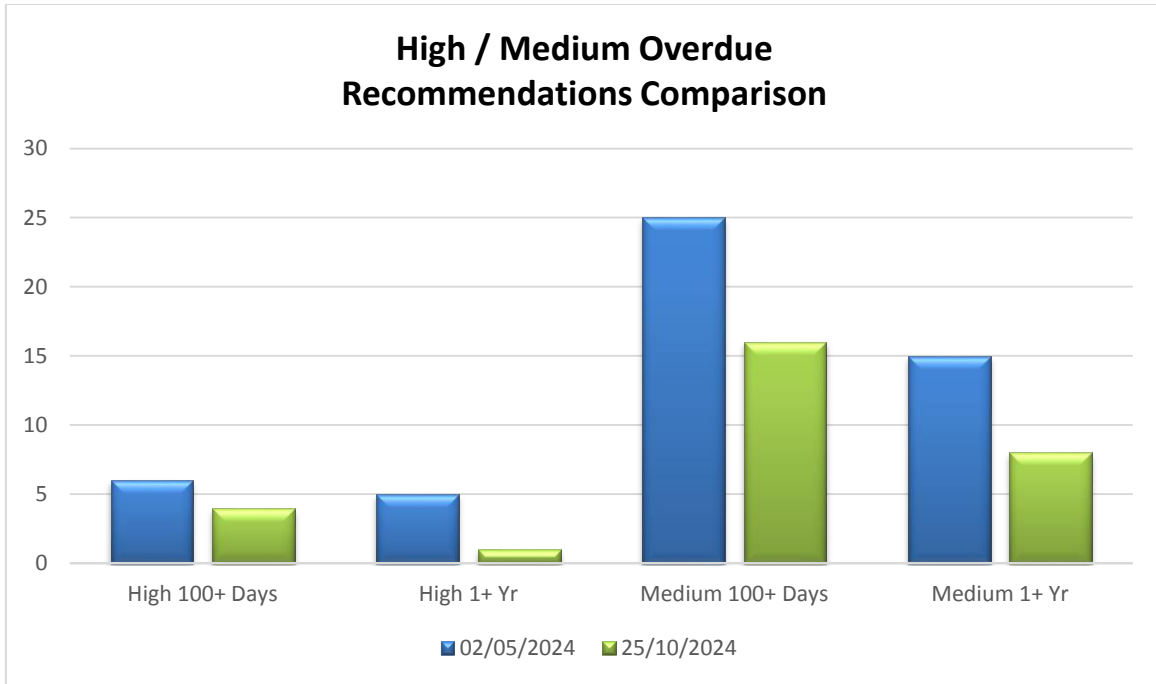
3.1 Progress is demonstrated in the table below which outlines the position as of the 25th of October 2024.

Table 1.

Position 25/10/24	High	Medium	Low	Total
No. of Recs overdue in last report (May 2024)	8	29	43	80
No. of Recs Completed since last report	8	24	27	59
No. of Recs that have become overdue since last report	6	15	30	51
Sub total of overdue Recs	6	20	46	72
No. of Outstanding Recs 100+ days overdue	4	16	39	59
No. of Outstanding Recs 365+ days overdue	1	8	15	24
No. of Recs not yet due for Follow-up	2	10	16	28
Total Outstanding No. of Recs	8	30	62	100

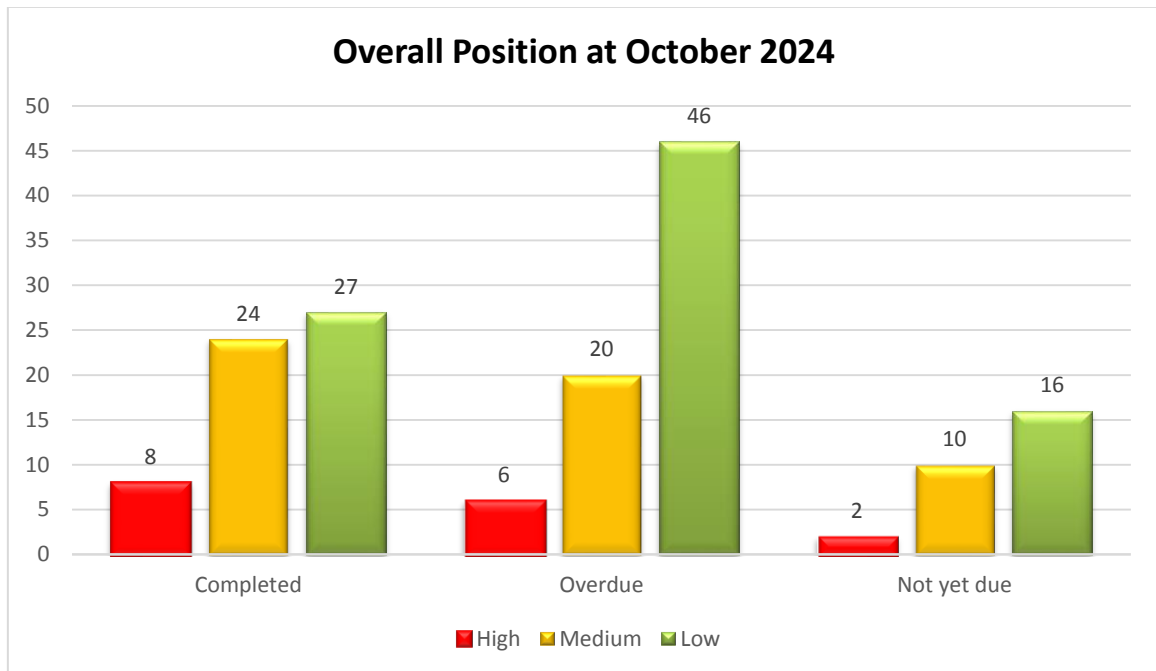
3.2 The below bar chart shows a comparison between the current number of High and Medium recommendations overdue by 100 days and by 365 days or more, compared to the previous position on 2 May 2024.

Figure 1.



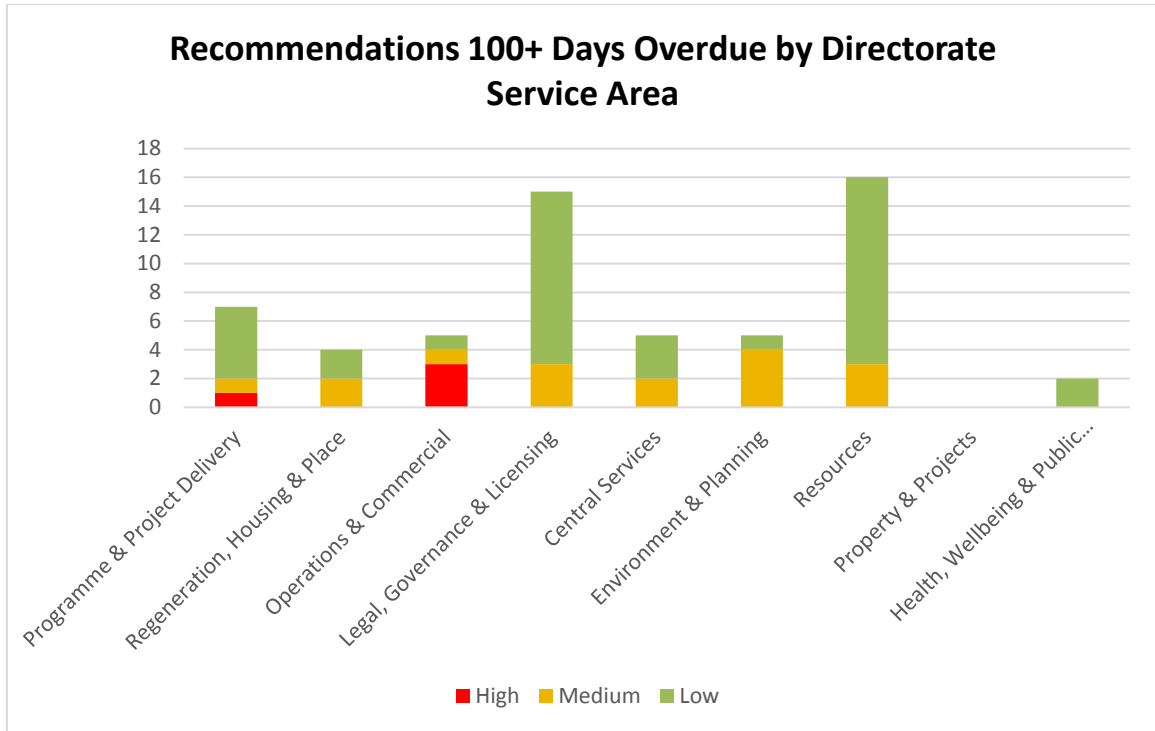
3.3 The below chart highlights the current overall position of recommendations as of October 2024; outlining the completed recommendations, overdue recommendations, and recommendations not yet due to be followed up.

Figure 2.



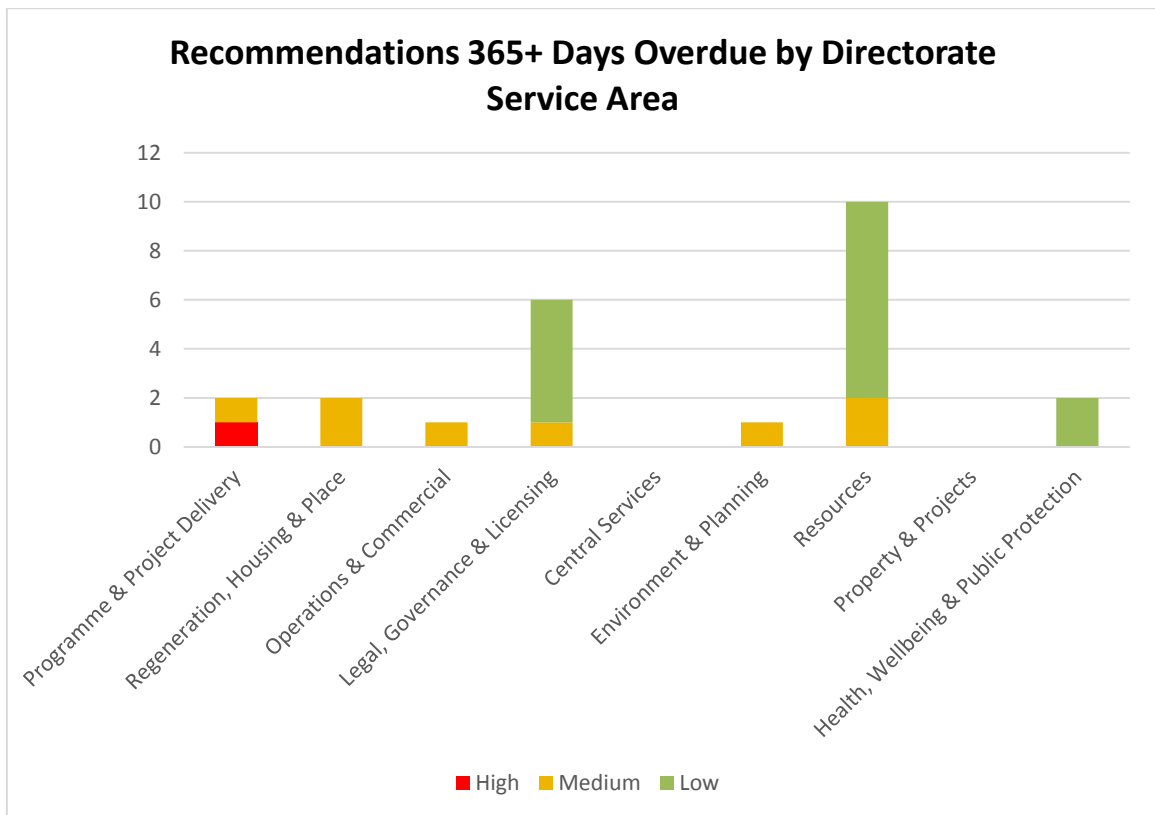
3.4 The below chart outlines the current position for each Directorate Service in respect of recommendations that are overdue by 100 days or more.

Figure 3.



3.5 The below chart outlines the current position for each Directorate Service in respect of recommendations that are overdue by 365 days or more.

Figure 4.



4. Overdue Recommendations

4.1 The current status is as follows:

Appendices 1 and 2 included within this report show the details of all the high and medium priority outstanding recommendations. The outstanding recommendations included within each appendix also outlines either a progress update or no progress update, depending on whether a response from the relevant responsible officer was received.

4.2 The high-priority risk recommendations which are overdue, continue to expose the organisation to:

- Legal and regulatory requirements.
- Capital projects that may not conform to capital strategy and corporate objectives.
- Unforeseen costs not being considered within the Capital Programme resulting from a lack of an Asset Management Plan.
- Inability to effectively monitor tree management strategies and plans to help inform the next Tree and Woodland Strategy from 2027 onwards.
- Inability to identify the full extent of resource requirements, financial implications, and current / emerging risks when projects are submitted to Management Team and Cabinet to be included within the Capital Programme.

5. Completed Recommendations

5.1 In summary, since the 2nd of May 2024, 59 recommendations have been implemented successfully.

The completion of these recommendations has reduced risks in areas such as:

- Income not being captured.
- Unauthorised access to ICT networks and information protected under the Data Protection Act 2018.
- Theft / loss of assets and financial loss to the Council.
- Projects not aligning with corporate objectives and aims.
- Financial, resource and project risks being identified within projects.
- Risks identified within projects being considered in advance of decision making.

As part of the follow up process, Internal Audit has verified the closure of these recommendations through obtaining evidence where recommendations outlined a high and medium priority.

6. Next Steps

6.1 The follow up plan is that all overdue recommendations will be revisited in January 2025 during the next follow up cycle. The Internal Audit function will continue monitoring progress closely.

To place emphasis on the Management's commitment, the Senior Leadership Team are made aware of outstanding recommendations and are taking necessary actions to address them.

7. Conclusion

- 7.1 Currently, the focus is place upon the areas outlined below:
- 6 high-risk overdue recommendations require continuous monitoring within Directorates.
 - 8 medium-risk recommendations overdue by more than 1 year require continuous monitoring within Directorates.

The next report will include an updated status of the raised recommendations' position and will be presented in the next follow-up report, scheduled in the early part of the new financial year.

APPENDIX 1 – OUTSTANDING HIGH RECOMMENDATIONS

Audit Area	Year of Audit	Recommendation	Responsible Officer	Agreed Due Date	Days Overdue	Latest Response
Procurement & Contract Management	2022/23	<p>The CSOs should be reviewed and updated where appropriate; for example, the name of the current Monitoring Officer and the names of the current Procurement Team members should be included. The CSOs should also be updated to make reference to the publication of contracts in FTS above the UK threshold (replacing the reference to the publication of contracts in OJEU above the EU threshold). The CSOs should state the frequency of review and the date of the next review.</p> <p>The Council's Procurement Rules as stated on the Authority's website should be updated to reflect the requirement to publish contracts above the UK thresholds in FTS. Also, the threshold levels should be updated.</p>	Jane Mitchell, Procurement and Contracts Manager	30/06/2023	476	Implementation of the new legislation, Procurement Act 2023, has been delayed by Government to 24th February 2025. Our timetable has been amended accordingly, with the intention now to present new CSOs to Cabinet on 14 January. Will also be presented to Audit Committee on 20 January. A new set of CSOs and a new Procurement Strategy have already been prepared and will remain in draft whilst we prepare supporting guidance for officers and develop the transformation programme, pending consideration by Cabinet and Audit Committee in January.

Audit Area	Year of Audit	Recommendation	Responsible Officer	Agreed Due Date	Days Overdue	Latest Response
Public Open Space - Tree Management	2023/24	<p>The new Arboricultural Officer should review the current Tree Management recording system and ascertain whether there are more effective and efficient systems available. These systems may allow more interaction with other current Council systems and allow timely reporting for management and Members. Consideration could be given to the following options:</p> <ul style="list-style-type: none"> • use of a new off the shelf Tree Management System, such as Ezytreev; • use of the system used by the Facilities Management Officer for the use of Street Lighting; • use of QGIS and/or Idox/Uniform for the Management of Trees. 	Ed Johnson, Arboricultural Officer (POS)	31/03/2024	201	A relevant system has been chosen and this is now going through a process of agreement via procurement.
Public Open Space - Tree Management	2023/24	<p>The expected five-year review of progress towards the initial key policies should be undertaken as soon as possible, to enable the Council to fully understand it's current position in relation to the initial strategy document. This will then allow the Council to develop the new Tree and Woodland Strategy from 2027 onwards.</p> <p>When undertaking this review, new documents regarding the original three appendices from the Tree and Woodland Strategy will need to be developed.</p>	<p>Nathan Johnson-Hales, POS Manager</p> <p>Ed Johnson, Arboricultural Officer (POS)</p>	30/06/2024	110	The Arboricultural Officers have not yet reviewed the Tree and Woodland Strategy. This is work that will be on-going over the next two years leading to the production of a new Council wide Tree Policy for 2027.

Audit Area	Year of Audit	Recommendation	Responsible Officer	Agreed Due Date	Days Overdue	Latest Response
Public Open Space - Tree Management	2023/24	When the relevant documents relating to Tree Management have been updated, all appropriate policies, plans and strategies should be updated accordingly.	Ed Johnson, Arboricultural Officer (POS)	30/06/2024	110	The Arboricultural Officers have not yet reviewed the Tree and Woodland Strategy. This is work that will be on-going over the next two years leading to the production of a new Council wide Tree Policy for 2027.
Capital Programme	2023/24	Appropriately resource the Programme Management Office (as agreed by SLT on 31st January 2023) to allow for the agreed change control processes to be implemented. SLT to also consider how capital expenditure on the Capital Programme for "Operational Schemes" are to be appropriately resourced and for change control processes to potentially be managed through the PMO and reported to SLT as appropriate.	Oliver Judges, Executive Director Place	30/09/2024	18	No progress update provided.
Capital Programme	2023/24	Review and update the Asset Management Plan and assign a responsible officer for Asset Management Planning (to help feed into the Capital Programme). Organisationally there needs to be a consideration for ICT assets.	Oliver Judges, Executive Director Place	30/09/2024	18	No progress update provided.

APPENDIX 2 – OUTSTANDING MEDIUM RECOMMENDATIONS

Audit Area	Year of Audit	Recommendation	Responsible Officer	Agreed Due Date	Days Overdue	Latest Response
Car Parking & Civil Enforcement	2019/20	As referred to in the King's Lynn Transport Strategy, BCKLWN should develop a Car Parking Strategy. This would ensure that a town-wide approach to car parking management is achieved, together with enabling the delivery of the Transport Strategy's suggested improvements.	Jemma Curtis, Regeneration Programmes Manager	31/03/2021	1297	Draft King's Lynn & Hunstanton Strategies received from Aecom May 2024, feedback from internal officers received and revised draft report due September 24 ready for consideration by SLT and cabinet members before wider consultation. Capacity issues have delayed progress against original timeframe.
Regeneration & Economic Development	2021/22	The Council needs an overarching corporate economic development and regeneration strategy to encompass all projects / initiatives and how they meet the corporate business objectives. This should be a cabinet approved document.	Jemma Curtis, Regeneration Programmes Manager	31/08/2022	779	Draft Vision and Strategy due to be published for consultation in mid-September. Final Strategy due to go to cabinet for endorsement in Dec 24.

Regeneration & Economic Development	2021/22	The Council's overarching corporate economic development and regeneration strategy should reflect and capture the organisational aspirations of the Council (including the objectives that underpin the Council's Corporate Business Plan for 2020 – 2024) in terms of sustainability, climate change, carbon reduction, protecting our local environment as well as other matters such as protecting our communities from flooding.	Jemma Curtis, Regeneration Programmes Manager	31/08/2022	779	Draft Vision and Strategy due to be published for consultation in mid-September. Final Strategy due to go to cabinet for endorsement in Dec 24.
Audit Area	Year of Audit	Recommendation	Responsible Officer	Agreed Due Date	Days Overdue	Latest Response
Policies	2021/22	All policies should be held centrally within one corporate index of policies. This would make it easier to monitor and update policies, ensuring they remain current and effective. A central repository would also make it easier for officers and Members to locate a particular policy.	Honor Howell, Corporate Governance Manager	31/12/2022	657	Resource strains - Compliance Officer recruited to cover Policy review. However, resource has been redirected to support the Governance of the housing companies. The Corporate Governance Manager will pick this area of work by end of Q1 in 25/26.

Business Continuity	2022/23	<p>Review whether the BC Portal is the appropriate way to disseminate the information of a BC Incident to officers and members.</p> <p>Once the most appropriate way to disseminate information to officers and members has been decided, the Communications Manager should have access to this and have the ability to add/edit BC incident information appropriately.</p>	Honor Howell, Corporate Governance Manager	31/12/2022	657	No progress update provided.
Audit Area	Year of Audit	Recommendation	Responsible Officer	Agreed Due Date	Days Overdue	Latest Response

Procurement & Contract Management	2022/23	<p>All procurements over £25,000 should be brought to the attention of Procurement to ensure that procurement rules / CSOs are followed. Procurement should send out a global email to all departments and service areas within BCKLWN and AWN requesting them to provide details of all procurements over £25,000, and send out a reminder email each year.</p> <p>Procurement should monitor responses to ensure all are returned, instead of accepting a non-response as meaning no contracts are in place. If nothing is forthcoming, Procurement need to escalate it to the appropriate AD.</p> <p>This will ensure that Procurement are made aware of all contracts negotiated by the Authority and that they are recorded in the Contracts Register.</p> <p>The Procurement Strategy should be amended to state that all procurements over £25,000 are brought to the attention of the Procurement Team, which is in line with the tender threshold.</p> <p>In addition, Procurement should check that a valid contract exists before a new supplier is set up on the Finance system.</p>	Jane Mitchell, Procurement and Contracts Manager.	30/06/2023	476	Bringing the Contracts Register fully up to date and changing the culture on compliance with the requirement to keep the Contracts Register up to date is a workstream of the ongoing Procurement Transformation. Meetings are being held with each Directorate and the Procurement Manager and Monitoring Officer commencing in November to populate the Contracts Register for their area and determine processes going forwards for keeping the Contracts Register up to date. The new intranet will also be used to share the Contracts Register and hopefully build functionality for an accessible way to update Procurement with new contracts
Audit Area	Year of Audit	Recommendation	Responsible Officer	Agreed Due Date	Days Overdue	Latest Response

Accounts Receivable	2022/23	<p>It should be ensured that debt write-offs are appropriately authorised in accordance with the Authorised Signatories Listing.</p> <p>The Group Accountant should collate the reason for these debts and the reason for the write-off for presentation to the FSM for retrospective consideration resulting either in approval or re-instatement of the debt.</p>	Laz Mafuko, Interim Financial Services Manager	31/07/2023	445	Initial response is that this may be problematic to implement - further investigations are ongoing.
Accounts Receivable	2022/23	<p>Debt write-offs should be regularly reported to senior management; they should include the following details:</p> <ul style="list-style-type: none"> • Name of the debtor • Reason for the write-off • Age of debt • Amount written-off • Recovery action that was undertaken, where appropriate, to demonstrate that all avenues were exhausted to recover the debt prior to it being written-off. 	Laz Mafuko, Interim Financial Services Manager	31/07/2023	445	The Write offs are monitored in the Power Bi application.
Complaints and FOIs	2023/24	<p>Once the Corporate Complaints Policy has been revised and updated, it is recommended that it be placed on the Authority's website, with a direct reference to the policy clearly sign-posting users to it.</p> <p>The policy to also be placed on InSite so that it is easily accessible by officers and Members.</p> <p>An article to be included in Staff Update notifying staff of the revised policy and the action that staff should take if they receive a complaint.</p>	Honor Howell, Corporate Governance Manager	30/11/2023	323	<p>New complaints policy in draft format - on forward work programme for Cabinet in March 2025 with a view to adoption in 2025 and will then comply with the recommendation.</p> <p>AD Programme & Project delivery AD Regeneration, Housing & Place AD Operations & Commercial AD Legal and Governance AD Central Services</p>

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Complaints and FOIs	2023/24	<p>The Corporate Complaints Policy to be enhanced by including the following:</p> <ul style="list-style-type: none"> • Version control / document history, • make reference to the Data Protection Act 2018, • include a flowchart detailing the process for handling a complaint, • have working hyper-links to associated policies and forms, • reference relevant Council policies and procedures, • detail the roles and responsibilities of those officers who deal with complaints handling, • specify the length of time that documents relating to complaints should be held for (in accordance with the Council's Document Retention Schedule), • a section on "Learning from Complaints" outlining how the Council will learn from complaints, the process of analysing complaints, identifying trends and using it to drive service improvements, • a "Distribution" section outlining how the policy will be distributed i.e., the policy is available on the Council's website and on InSite. 	Honor Howell, Corporate Governance Manager	30/11/2023	323	<p>The Corporate Complaint Policy requires a further review following the introduction of the Complaints Handling Code on 1 April 2024. New complaints policy in draft format - on forward work programme for Cabinet in March 2025 with a view to adoption in 2025 and will then comply with the recommendation.</p> <p>AD Programme & Project delivery AD Regeneration, Housing & Place AD Operations & Commercial AD Legal and Governance AD Central Services</p>

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Land Charges	2023/24	Following the recent signing of the Collaboration Agreement between the Authority and HMLR, a comprehensive Project Plan be compiled setting out the steps involved in the data migration.	Lee Osler, Office Manager / Deputy SIRO	31/12/2023	292	HMLR assigned us a Delivery Manager on 1 October 2024. A project plan will need to be agreed by both parties, a copy will be provided once agreed. Following an extract of our data to HMLR - we are currently working through errors and queries - another extract is due to be taken w/e 6 October 2024. Ongoing work is being done to resolve queries following health check by HMLR (this is an external project driven by HMLR timescales).
Land Charges	2023/24	As part of the Project Plan for the data migration from the LLC Register to HMLR, the process for data cleansing and data validation, and the security arrangements to be adopted, such as data encryption, be formally documented.	Lee Osler, Office Manager / Deputy SIRO	31/12/2023	292	HMLR assigned us a Delivery Manager on 1 October 2024. A project plan will need to be agreed by both parties, a copy will be provided once agreed. Following an extract of our data to HMLR - we are currently working through errors and queries - another extract is due to be taken w/e 6 October 2024. Ongoing work is being done to resolve queries following health check by HMLR (this is an external project driven by HMLR timescales).

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Starters, Movers, Leavers	2023/24	An overarching procedure document to be introduced outlining the roles and responsibilities for hiring/line managers relating to New Starters, Transfer of Roles and Leavers for ICT, Personnel, and Information Asset Owners.	Nicola Rigby, Personnel Services Manager Richard Godfrey, ICT Manager	31/03/2024	201	Overarching procedure still being worked on.
Starters, Movers, Leavers	2023/24	Review the list of system administrator recipients that receive the full leavers list to produce a more targeted list of key contacts that receive the list. This list should also include transfer of roles and be made available to system administrators. Wording to be included in the new overarching SML procedures outlining the roles and responsibilities.	Nicola Rigby, Personnel Services Manager Richard Godfrey, ICT Manager	31/03/2024	201	Overarching procedure still being worked on.
Land Charges	2023/24	Costs associated with Land Charges to be reviewed to ensure that all relevant costs are included, thereby enabling the correct Land Charges fees to be levied and provide assurance that all relevant costs are covered by the income. Costs to be reviewed on an annual basis to ensure that they remain current. The Authority to be able to explain how the Land Charges fees were calculated and compile procedure notes detailing the cost calculation.	Lee Osler, Office Manager / Deputy SIRO	01/04/2024	200	Previously the level of fees charged have been set based on cost recovery. A further review has identified the need to increase the land charge fees as we have incurred additional recharge costs, such as NCC. The Office Manager is in discussions with the Assistant Director and Accountant. Increased fees will either be levied from 1 January 2025 or 1 April 2025,

Audit Area	Year of Audit	Recommendation	Responsible Officer	Agreed Due Date	Days Overdue	Latest Response
Key Controls & Assurance	2023/24	Access to the Fixed Asset Register spreadsheet should be controlled so that only relevant officers are given access to the register.	Laz Mafuko, Interim Financial Services Manager	30/06/2024	110	Currently, work is being undertaken to ensure this is implemented.
Corporate Governance	2023/24	A clear process to be drafted for determining which policies are to be classed as Tier 1 policies and therefore require formal adoption by Cabinet. This process to be included within the Policy Guidelines. The list of Tier 1 policies on InSite to be updated to record current Tier 1 policies.	Honor Howell, Corporate Governance Manager	31/07/2024	79	Will be incorporated into the review of the Policy Framework.

to be confirmed.

Audit Area	Year of Audit	Recommendation	Responsible Officer	Agreed Due Date	Days Overdue	Latest Response
Corporate Governance	2023/24	<p>The policy review process followed by the Corporate Governance Team to ensure that the recommendations arising from the Internal Audit review of Policies are implemented in full, such as ensuring that:</p> <ul style="list-style-type: none"> • all Tier 1 and Tier 2 policies are held centrally, on InSite; • the appropriate approval process is followed for all Tier 1 policies; • policies are subject to regular review; and • Tier 1 and Tier 2 policies comply with the Policy Guidelines and Policy Template. 	Honor Howell, Corporate Governance Manager	31/07/2024	79	<p>The Governance and Compliance Officer employed to carry out this role has been redeployed to working on the governance of the council's housing companies. This work will now be picked up by the Corporate Governance Manager. All recommendations will be implemented by 31.3.25. All policies and the Policy Framework are published on insite and reviews of all policies have taken place.</p> <p>AD Programme & Project delivery AD Regeneration, Housing & Place AD Operations & Commercial AD Legal and Governance AD Central Services AD Environment and Planning AD Resources (S151)</p>

Audit Area	Year of Audit	Recommendation	Responsible Officer	Agreed Due Date	Days Overdue	Latest Response
Corporate Governance	2023/24	<p>To compile a Declaration of Interests, Gifts & Hospitality Policy relating to Officers. The policy to include the following:</p> <ul style="list-style-type: none"> • policy statement setting out the purpose of the policy, and its aims and objectives; • who the policy applies to; • interests which the Council requires staff to declare, with examples of situations which may result in a conflict of interest for staff; • process for the declaration of interests, gifts, hospitality and sponsorship (with flowcharts appended to the policy clearly setting out each process); • roles and responsibilities of staff, service managers, ADs, EDs, Chief Executive and MO; • links to other related policies; • enforcement, sanctions and compliance with the policy; • template declaration forms. 	Honor Howell, Corporate Governance Manager	30/09/2024	18	A policy will be completed for this but currently waiting on HR to complete their work.

Audit Area	Year of Audit	Recommendation	Responsible Officer	Agreed Due Date	Days Overdue	Latest Response

Corporate Governance	2023/24	<p>The Officers' Code of Conduct to:</p> <ul style="list-style-type: none"> • be publicised via an article in Internal Affairs reminding staff as to what is expected of them as employees of the Authority; • be specifically mentioned in the staff induction programme; • state when it was last reviewed, frequency of review and when next due for review; • include the main corporate policies that staff should be aware of, and • include full details of the process for the declaration of interests by officers, including a flowchart setting out the process to be followed. 	Honor Howell, Corporate Governance Manager	30/09/2024	18	No progress update provided.
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