

Borough Council of King's Lynn and West Norfolk Internal Audit Follow Up of recommendations report

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1. INTRODUCTION

- 1.1 This report is being issued to assist the Authority in discharging its responsibilities in relation to the internal audit activity.
- 1.2 The Public Sector Internal Audit Standards requires the Chief Audit Executive 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.

2. STATUS OF RECOMMENDATIONS

- 2.1 As a result of audit recommendations, management agree action to ensure implementation within a specific timeframe and by a responsible officer. The management action subsequently taken is monitored by the Internal Audit Manager and the Internal Audit Trainee on a regular basis and reported through to Audit Committee. Verification work is also undertaken for those recommendations that are reported as closed. This is the second time the full report has been presented.
- 2.2 An exercise has again been undertaken with each of the service areas responsible for the outstanding recommendations to review the current position. This has involved gathering evidence to demonstrate completion of high and medium recommendations and closing low recommendations where completion has been confirmed.
- 2.3 Considerable progress has been demonstrated with a total of 59 recommendations being closed since 10 November 2022. This report now contains a total of 51 outstanding internal audit recommendations (six high, 27 medium and 18 low). A further 54 recommendations are not yet due for implementation.
- 2.4 **Appendix 1** to this report shows the details of the progress made to date in relation to the implementation of the agreed recommendations. This appendix also reflects the year in which the audit was undertaken to enable the Committee to easily identify historical outstanding recommendations. The table also identifies outstanding recommendations that have now fallen overdue.
- 2.5 **Appendices 2, 3, 4 and 5** to this report show the details of any high and medium priority outstanding recommendations split by the year in which they were raised. The outstanding recommendations included within each appendix also provides a progress update and a new expected deadline from each responsible officer.
- 2.6 Progress on outstanding internal audit recommendations will continue to be reported to Management Team and the Audit Committee on a bi-annual basis.

APPENDIX 1 – STATUS OF AGREED INTERNAL AUDIT RECOMMENDATIONS

			Closed from 9 November 2022 to 30 May 2023			Outstanding			Total Outstanding	Not Yet Due		
			High	Medium	Low	High	Medium	Low		High	Medium	Low
Audit Ref	Audit Area	Assurance Level										
2018/19 Internal Audit Reviews												
18/19.14	Waste & Recycling	Substantial		1				0				
18/19.7	Vehicle Fleet	Substantial		2			1	1				
18/19.8	General Data Protection Regulations 2016 & Data Protection Act 2018	Substantial					2	2				
2019/20 Internal Audit Reviews												
19/20.2	Anti-Fraud, Bribery & Corruption	Substantial		1				0				
19/20.1	Annual Governance Statement	Substantial					1	1				
19/20.8	Car Parking & Civil Enforcement	Substantial		2			1	1				
19/20.5	Careline	Substantial		1			4	4				
19/20.7	Alive West Norfolk - Governance	Substantial	1	1				0				
19/20.3	Whistleblowing Arrangements	Substantial						1	1			
N/A	Personal Identifier & Financial Relationship	Substantial		1				0				
18/19.3	Child Protection	Substantial	1					0				
19/20.4	Council Offices & Sites	Substantial					2	2				
19/20.12	Planning Support	Substantial					2	2				
19/20.6	ICT - Document Management	Substantial		2				0				
2020/21 Internal Audit Reviews												
	ICT - Cyber Security	Substantial					1	1				

			Closed from 9 November 2022 to 30 May 2023			Outstanding			Total Outstanding	Not Yet Due		
			High	Medium	Low	High	Medium	Low		High	Medium	Low
Audit Ref	Audit Area	Assurance Level										
2021/22 Internal Audit Reviews												
21/22.10	Emergency Planning & Management	Reasonable		1			1		1			
	Regeneration & Economic Development	Substantial		2			2		2			
21/22.9	Alive West Norfolk	Limited				2	1	3	6			
CO9	Financial Governance & Budgetary Control	Reasonable					1	3	4			
20/21.1	Policies	Reasonable		2	4		2	2	4			
21/22.8	Data Sharing Arrangements/Information Legislation	Substantial					2		2			
CO1	CTAX & NNDR	Reasonable			2				0			
21/22.14	Licensing	Substantial			1			1	1			
	Disaster Recovery	Reasonable		2	3		1		1			
CO2	Accounts Payable	Reasonable			1			3	3			
	Food Hygiene, Health and Safety & Public Health	Substantial			2			1	1			
	Waste Management Contract	Limited	1	3			1		1			
	Capital Programme	Limited	1			4			4			
	Housing Standards	Reasonable		2	2			1	1			
CO3	Financial Management Systems	Reasonable			1				0			
20/21.16	Planning Enforcement	Substantial		1			1	1	2			
2022/23 Internal Audit Reviews												
KLWN2219	Business Continuity	Reasonable		1	6		1	1	2			
KLWN2211	Accountancy Services	Reasonable							0	4	4	
KLWN2215	Anti-Social Behaviour	Substantial							0		4	
KLWN2205	Business Planning and Performance Management	Reasonable							0	3		
KLWN2209	Accounts Receivable	Reasonable							0	2	6	
KLWN2213	Environmental Protection	Reasonable							0	1	7	
KLWN2210	Income	Reasonable							0	4	1	
KLWN2217	Economic Growth	Substantial							0		3	
KLWN2202	Key Controls and Assurance	Substantial							0		2	
KLWN2216	Towns Fund	Reasonable		1	7				0		1	
KLWN2208	Procurement and Contract Management	Limited							0	1	7	4
KLWN2209	Corporate Health and Safety	Substantial						1	1			
TOTALS			4	26	29	6	27	18	51	1	21	32

APPENDIX 2 – OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS 2018/19

Audit area	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
Vehicle Fleet	All applicable vehicles should be correctly recorded within Technology Forge.	Medium	AD Operations & Commercial	31/12/2020	30/11/2023	Outstanding	It is expected that Technology Forge will move over in the next 6 months barring any issues with year end and external audits. This will address the recommendation.
General Data Protection Regulations 2016 & Data Protection Act 2018	The revised Data Protection Policy (DPP) should go through the prescribed approval process and, if deemed appropriate, be approved by Cabinet.	Medium	Assistant to the Chief Executive	31/12/2019	30/09/2023	Outstanding	The policy has been updated, however has not yet gone to Cabinet for final approval. This will be scheduled imminently.
General Data Protection Regulations 2016 & Data Protection Act 2018	The revised DPP should be publicised to officers and Members. This could be done via an article in Internal Affairs.	Medium	Assistant to the Chief Executive	31/12/2019	31/12/2023	Outstanding	As above.

APPENDIX 3 – OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS 2019/20

Audit Area	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
Annual Governance Statement	All items listed as supporting evidence in the AGS and Code of Corporate Governance should be made available on either the Council's website or on the intranet, as appropriate.	Medium	Assistant to the Chief Executive	31/12/2019	31/08/2023	Outstanding	2019/20 AGS will be reported to Audit Committee in June 2023. This will then be uploaded onto the website.
Car Parking & Civil Enforcement	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.	Medium	Unassigned	31/03/2021	N/A	Outstanding	Awaiting update.
Careline	The process of a client calling into the Council and requesting a Careline product should be a seamless process. Consideration should be given to allow one department (CIC or Careline) to follow the process from start to finish. This would allow the customer to call in to request a product, the officer to record all the necessary information, apply the correct costs to any items required, and book a mutually convenient appointment for a Visiting Officer to carry out the works required.	Medium	AD Health, Wellbeing and Public Protection	30/06/2021	31/08/2023	Outstanding	New software implementation is due for September 2023. Considerations will take place to decide who will process these requests going forward.
Careline	Careline and ICT to develop a process during discussions regarding the various methods of recording customer data onto the system, and the pros and cons of each method on both officers and the system. The technology being used by the Visiting Officers should be available at all times and fit for purpose.	Medium	AD Health, Wellbeing and Public Protection	30/06/2021	31/08/2023	Outstanding	One visiting officer continues to partially work electronically, and one does not. This is due to CCSS not being fit for purpose - at this stage visiting officers cannot change their working methods. A new system is currently being implemented which will enable web-based access on iPads.
Careline	Job timings and item costs should be updated on the system to eradicate the need to amend timings and costs by individual officers.	Medium	AD Health, Wellbeing and Public Protection	31/03/2021	31/08/2023	Outstanding	CCSS does not allow this. Currently exploring whether it will be possible to do this on Charity Log.

Audit Area	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
Careline	Any time saving / efficiency methods of working within the department should be notified and available to all officers.	Medium	AD Health, Wellbeing and Public Protection	30/06/2021	31/08/2023	Outstanding	A new system (as stated above) is currently being implemented which will enable web-based access on iPads. Currently working on a web-based application with a view this could either be completed by customers or installers. This would override what we have in place currently.
Council Offices & Sites	Standardised processes and procedures should be in place and documented to provide consistency and resilience.	Medium	AD Property and Projects	31/03/2022	N/A	Complete, awaiting evidence	Internal Audit have been informed that this recommendation is complete. Once evidenced is received, this recommendation will be closed.
Council Offices & Sites	Any remedial works required on all council offices and sites should be documented to allow responsible officers greater oversight of each buildings maintenance requirements. The following should be included in any documentation:- <ul style="list-style-type: none"> • What works are required to be carried out; • Who will be carrying out the works; • When the works are expected to start and finish; and • The expected cost of the works (if not already included within a contractual arrangement) 	Medium	AD Property and Projects	31/03/2022	N/A	Complete, awaiting evidence.	Internal Audit have been informed that this recommendation is complete. Once evidenced is received, this recommendation will be closed.
Planning Support	Adjust the cost of the service on an annual basis based on the actual departmental costs for the previous year, also adjusting for any surplus / deficit from the previous year to meet legislative requirements.	Medium	AD Environment and Planning	31/03/2022	31/12/2023	Outstanding	We are about to commence with the data migration project with Land Registry. Land Registry will soon be validating our data and this will determine how long the project will take, certainly several months. At the end of the project Land Registry will be responsible for all LLC1 searches and Personal searches. This will have an impact on future resources required to manage the Land Charge service and this will have to be reflected in the future cost levied for land charge searches (Con29). It seems prudent to put a hold on the actions from the internal

Audit Area	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
							audit and re-visit after the migration project.
Planning Support	<p>Consider a review, peer review or similar, to gain assurance whether all costs that could be allocated to services provided by the land charges team have actually been included in BCKLWN costs.</p> <p>Consider increasing the cost of the service to the actual cost of the service provided at the next available opportunity, and review these costs annually to meet legislative requirements.</p>	Medium	AD Environment and Planning	31/03/2022	31/12/2023	Outstanding	As above.

APPENDIX 4 – OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS 2020/21

Audit area	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
ICT – Cyber Security	ICT officers should be included in the preparation and delivery of project plans throughout the authorisation, to ensure all ICT aspects are fully considered and understood within the project.	Medium	AD Resources	31/03/2022	30/08/2023	Outstanding	Proposed email to be brought to ICT Development Group for agreement after the May elections.

APPENDIX 5 – OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS 2021/22

Audit area	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
Emergency Planning & Management	Consider a formal “out of hours” standby cover of Emergency Planning & Management.	Medium	AD Environment and Planning	31/03/2022	31/01/2024	Outstanding	This is progressing and discussions are ongoing – a report has been presented to management team, and they have agreed it needs to be explored.
Regeneration & Economic Development	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.	Medium	AD Regeneration, Housing and Place	31/08/2022	30/08/2023	Outstanding	The Visitor Economy work has progressed and is likely to be concluded in July. This will feed into the wider Economic Growth Strategy. Some of the economic analysis undertaken in 2022 to complete the West Norfolk Investment Plan will be useful, as will the King's Lynn Town Investment Plan, however, there will need to be more detailed place-based work on appropriate interventions and regeneration ambitions.
Regeneration & Economic Development	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	Medium	AD Regeneration, Housing and Place	31/08/2022	30/08/2023	Outstanding	As above.
Planning Enforcement	Considerations to be made to make attempts to contact with the Courts in order to get the relevant reference numbers added to the payments being made.	Medium	AD Legal Services/MO	31/12/2021	31/08/2023	Outstanding	Discussions are in place for setting up the process. A new resource has recently started who will be able to take this on board.
Alive West Norfolk	A suite of new SLA's should be developed for the relevant Service Areas included in the previous SLA. These need to be developed at the earliest possible opportunity. A new agreed set of KPI's should be produced for each Service Area within the SLA, to ensure the service is being provided efficiently and effectively for both parties. The KPI's should be monitored and reported appropriately to the AWN Board, and a relevant council body if required.	High	MD Alive West Norfolk	30/09/2022	31/08/2023	Outstanding	No SLAs currently in place between the Council and Alive West Norfolk. Awaiting draft SLAs from the Council for agreement around KPIs.

Audit area	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
Alive West Norfolk	<p>Responsible officers from finance and AWN to consider the fees and charges going forward, with a view to amending these to the appropriate values.</p> <p>There is mention within the Financial SLA of additional costs should senior financial officers need to be involved in accounting queries. This cost should ideally be an hourly rate for the services provided, agreed by both parties prior to work commencing.</p> <p>The financial budgets should be amended and reflect actual, and agreed, costs rather than expected costs.</p>	High	MD Alive West Norfolk	30/09/2022	31/08/2023	Outstanding	MD Alive West Norfolk has provided a new revised due date, however this action lies outside of the MD's control, and instead within the Council.
Alive West Norfolk	When the Management Agreement is next due for review, consider if it is appropriate for member involvement in decisions of AWN.	Medium	MD Alive West Norfolk	30/09/2022	31/08/2023	Outstanding	MD Alive West Norfolk has provided a new revised due date, however this action lies outside of the MD's control, and instead within the Council.
Financial Governance & Budgetary Control	Where Finance have verbally agreed with a budget holder to undertake a virement, Finance should require the budget holder to confirm the virement via email. This should be supported by an exception report detailing budget virements made during the year.	Medium	AD Resources	31/07/2022	30/09/2023	Outstanding	This will be tied into a review of the Financial Regulations.
Data Sharing Arrangements	All current and future DSA's should include all aspects of the most recent ICO Data Sharing Code of Practice. Current DSA's should be enhanced if required when next reviewed.	Medium	Assistant to the Chief Executive	30/06/2022	31/12/2023	Outstanding	Currently in the process of putting together a document/central record with any DSAs that are current. When they are due to expire, notification would be sent and updated.
Data Sharing Arrangements	To provide assurance that consent has been sought and approved by the individual whom the data relates to, the council should include as a standard Appendix to DSA, the model consent form recommended by the ICO.	Medium	Assistant to the Chief Executive	30/06/2022	30/09/2023	Outstanding	Policy updated and will be taken to Cabinet soon for approval.
ICT Disaster Recovery	ICT should compile a DR Test Plan which should detail those procedures, based upon an assessment of risk, which should be tested on an ongoing basis to provide assurance over the DR process in different scenarios.	Medium	AD Resources	30/09/2022	30/09/2023	Outstanding	Currently engaging with external providers of professional services, to provide a healthcheck of current arrangements. DR test plan will be produced following this. Employed Fordway Solutions Ltd. to review and add documentation of DR arrangements.

Audit area	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
Waste Management Contract	The contractor's Public & Products Liability Insurance minimum limit of indemnity should be raised from £5m to £10m for each claim to bring it in line with the minimum limit as stated in the contract (clause 20.1.1).	Medium	AD Operations & Commercial	30/10/2022	31/10/2023	Outstanding	This is being worked through with the contractor.
Policies	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.	Medium	AD Central Services	31/12/2022	31/12/2023	Outstanding	Review completed and recommendations reported to Management Team (September 22). Work on central repository commenced prior to Policy Officer going on maternity leave and is currently on hold pending a review of the policy function.
Policies	All policies should go through the prescribed approval process in accordance with the Policy Guidelines prior to publication. All Tier 1 corporate policies should be approved by Cabinet. Once approved, the date approved should be stated on the policy.	Medium	AD Central Services	31/12/2022	31/12/2023	Outstanding	Review of Tier 1 policies completed and reported to Management Team (September 22). Schedule for review of Tier 1 policies compiled. Further work on hold due to Policy Officer's maternity leave and pending review of policy function due to be completed summer 23.
Capital Programme	The governance process should be enhanced before projects are submitted for inclusion within the Capital Programme. Detailed information relating to finance, resource and risks should be included within project information submitted to Management Team for consideration.	High	AD Resources	30/09/2022	31/12/2023	Outstanding	For Major Projects a process is being developed as per the IA of Project Management Framework for Dec 2023. In the meantime, finance are reviewing their Capital Programme tracking data and will look to include the key elements required by this recommendation, which should be available from Committee papers or project managers. For operational projects, a data capture form will be used to collate succinctly the key data. All to be in place and evidence for Dec 2023.
Capital Programme	Consider creating a suite of documents to enable a complete and fully informed decision-making process. The suite of documents should include the following: - <ul style="list-style-type: none"> • A pre-project proposal form/start up form (capturing the information suggested within this Capital Programme Audit Report) • A project closure form – to evaluate and carry out a lesson learned assessment. The form could also be used to ensure the budget code provided to the project is now concluded, and all payments for the project have been made by and received by the Council. <ul style="list-style-type: none"> • A Flowchart of the proposal through to 	High	AD Property and Projects	30/09/2022	N/A	Outstanding	This recommendation, along with the rest of the Capital Programme recommendations, will be followed up as part of the 2023/24 Capital Programme audit.

Audit area	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
	<p>project closure cycle would be helpful to be included within the initial checklist suite of documents could act as a prompt for each step in the project cycle. This could be referred back to for ease of reference.</p> <ul style="list-style-type: none"> • A Project register – to keep a file for each project by reference number (this can then assist with the Shared drive idea and allow the key responsible relevant officers to have access to the relevant project references). The register would: <ul style="list-style-type: none"> o allow a record to be kept of all projects currently being undertaken; o allow statistics to be produced on project information; o enable officers to easily identify the current status, and work undertaken, of a project; o information contained within the shared drive would enable knowledge to be shared, skills to be retained and passed on through the project, information would be accessible within one designated area rather than being saved in multiple locations which is not easily accessible. 						
Capital Programme	<p>There should be a consistent approach to appraising the viability of a project, enabling officers and Members to be fully informed about a project, prior to inclusion on the Capital Programme. There is ongoing dialogue with the Chair of the Officer Major Project Board (OMP) regarding the Terms of Reference for the Project Development Group (PDG) and the OMPB. The PDG could be the mechanism to assess the viability of a project prior to Management Team and Cabinet approval, ensuring a consistent approach to appraising project viability.</p>	High	AD Property and Projects	30/11/2022	N/A	Outstanding	This recommendation, along with the rest of the Capital Programme recommendations, will be followed up as part of the 2023/24 Capital Programme audit.
Capital Programme	<p>To use the Business Case documentation submitted within the Town Investment Plan (TIP) as a basis, to ensure that all major projects are documented in a consistent manner. The documentation used for the projects within the Town Investment Plan (TIP),</p>	High	AD Property and Projects	30/11/2022	N/A	Outstanding	This recommendation, along with the rest of the Capital Programme recommendations, will be followed up as part of the 2023/24 Capital Programme audit.

Audit area	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
	and subsequently submitted to Central Government as Business Cases, uses consistent headings that include: - <ul style="list-style-type: none"> • Objectives; • Aims; • Scope; • Financial implications, including revenue costs and future costs (resource and maintenance costs); • Resource requirements; and • Risk Registers. 						

APPENDIX 6 – OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS 2022/23

Audit area	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
Business Continuity	<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>	Medium	AD Environment and Planning	31/12/2022	31/12/2023	Outstanding	On hold pending information from Web Team. The role of the BC portal will be reviewed once the intranet improvements have been made.