

LICENSING, AUDIT AND GENERAL PURPOSES COMMITTEE

AUDIT MANAGER 29 JULY 2019
REPORT NO. AUD 19/07

INTERNAL AUDIT – AUDIT UPDATE

SUMMARY:

This report describes the work carried out by Internal Audit for quarter 1.

RECOMMENDATION:

Members are requested to:

- i. Note the audit work carried out in quarter 1, including the work slipped from quarter 4 2018/19.
- ii. Note the update to the expected deliverables for quarter 2.
- iii. Endorse the expected deliverables for quarter 3

1 Introduction

1.1 This report is to provide Members with:

- An overview of the work completed by Internal Audit to date for Q1 2019/20.
- A schedule of work expected to be delivered Q2 and Q3 2019/20.

2 Audit work – Q4 18/19

2.1 The following audit work has been carried out within quarter 1:

Work	Status
Audit findings – Appendix A of this report	
Corporate Governance	A reasonable assurance opinion has been given to this area. Findings are detailed within Appendix A.
Disabled Facilities Grants	This audit was carried out by the contract auditors. A substantial assurance opinion has been given to this area. Findings are detailed within Appendix A.
Risk Management	A limited assurance opinion has been given to this area. Findings are detailed within Appendix A.
Contract Management and monitoring	This audit was carried out by the contract auditors. A reasonable assurance opinion has been given to this area. Findings are detailed within Appendix A.

<p>Planning Applications</p>	<p>This audit was carried out by the contract auditors. A substantial assurance opinion has been given to this area. Findings are detailed within Appendix A.</p>
<p>Contract letting and tendering follow up</p>	<p>A follow up was carried out on the recommendations made from the contract letting and tendering audit carried out in 2018/19. The findings from the follow up has not changed the assurance opinion given which was, reasonable assurance. Findings are detailed within Appendix A.</p>
<p>Portable IT equipment follow up</p>	<p>A follow up was carried out on the recommendations made from the portable IT equipment audit carried out in 2017/18. The findings from the follow up has not changed the assurance opinion given which was, limited assurance. Findings are detailed within Appendix A.</p>

3 Expected deliverables for Q2 and Q3 2019/20

3.1 The work expected to be delivered in quarter 2 and 3 is detailed within the table below. As with the previous quarter, these audits can be subject to change due to the changing needs of the organisation or resource availability. An update will be provided at the November meeting.

Service	Audit/ follow up/descriptor	Expected
Property & Regeneration	Purchase of property follow up - <i>A follow up on the recommendations made within the audit carried out in 2017</i>	Q2 2019/20
Finance	Capital Programme Management - <i>A review of the arrangements in place to manage the capital programme and the projects included.</i>	
Regeneration & Property	Estates Management and Commercial Letting – <i>A review of the arrangements in place to manage the Council’s properties and letting of the property.</i>	
Operations	Community Safety Partnership – <i>A review of the partnership arrangement in place for Community Safety ensuring that statutory requirements are being met.</i>	
Finance	Financial borrowing – <i>A review of the process for financial borrowing within the Council. This is a new area for the Council as previously have not borrowed finances.</i>	
Economy, Planning & Strategic Housing	Building Control Partnership – <i>A review of the partnership arrangement in place for Building Control.</i>	
Operations	Taxi Licensing – fees and processing records – <i>A review of the process in place for taking and processing taxi licensing fees.</i>	
Finance/ Regeneration & Property	Contaminated water & soil review – <i>A review of the amount invoiced for the removal of contaminated soil and water for the Depot project.</i>	
Finance	Procurement – <i>A proactive review of procurement to ensure that the procurement process is being appropriately followed.</i>	
Finance	Risk Management consultancy – <i>Consultancy days planned to offer advice for updating the risk management process within the Council.</i>	

Economy, Planning & Strategic Housing	SANGS consultancy – <i>Consultancy days planned to offer advice for the SANGS process.</i>	
Operations	Car park income reconciliation consultancy – <i>Consultancy days planned to offer advice around the reconciliation process for car park income.</i>	
Various	Follow up on high risk recommendations from previous audits	
Operations	PCNs – <i>A review of the PCN process to ensure that the process is correctly followed.</i>	Q3 2019/20
Finance	PCI DSS – <i>A review of PCI DSS compliance within the Council to ensure the standards are being met.</i>	
Finance	Treasury Management – <i>A key financial system review.</i>	
Finance	Cash Receipting – <i>A key financial system review.</i>	
Finance	Council Tax Billing and Collection – <i>A key financial system review.</i>	
Finance	Ethical Governance – <i>A review of petty cash usage within the Council.</i>	
Operations	Housing Allocation list – <i>A proactive review of the process and controls in place for the applicants on the housing allocation list.</i>	

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HEAD OF SERVICE: David Stanley, Executive Head of Financial Services

References: *Internal Audit – Audit Plan* report, presented to the Committee on the 6th June 2019

<https://democracy.rushmoor.gov.uk/ieListDocuments.aspx?Cid=166&Mid=738&Ver=4>

**AUDIT FINDINGS ON SEVEN ITEMS: CORPORATE GOVERNANCE, DISABLED FACILITIES GRANTS, RISK MANAGEMENT,
CONTRACT MANAGEMENT AND MONITORING, PLANNING APPLICATIONS, PORTABLE IT EQUIPMENT FOLLOW UP AND
CONTRACT LETTING AND TENDERING FOLLOW UP**

Audit Title 1	Corporate Governance
Year of Audit	2018/19
Assurance given	<i>Reasonable – Basic controls designed to achieve the system/function/process objectives, are in place. Improvements are required if key controls are to be established.</i>
Overview of area	<p>The CIPFA/ SOLACE framework set a standard for local authority governance in the UK. The overall aim of the standards is to ensure that:</p> <ul style="list-style-type: none"> • Resources are directed in accordance with agreed policy and according to priorities • There is sound and inclusive decision making • There is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities. <p>The CIPFA/ SOLACE framework sets out 7 principles of good governance:</p> <ol style="list-style-type: none"> A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law B. Ensuring openness and comprehensive stakeholder engagement C. Defining outcomes in terms of sustainable economic, social, and environmental benefits D. Determining the interventions necessary to optimise the achievement of the intended outcomes E. Developing the entity's capacity, including the capability of its leadership and the individuals within it F. Managing risks and performance through robust internal control and strong public financial management G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

	<p>The Council has adopted a Local Code of Corporate Governance which evidences its achievement towards the principles of good governance.</p> <p>This audit has been carried out to ensure that the evidence used to demonstrate the Council's actions and behaviours towards implementing these principles is appropriate.</p>		
Priority	Key findings	Management response and agreed action	Action by who and when
Medium	<p>The Council's constitution is not up to date in some areas and requires reviewing to ensure that it remains appropriate.</p> <p><i>Risk: If the constitution is not regularly reviewed to ensure that it remains appropriate then officers ND Members will not be clear on what the Council requires of them in terms of standards and behaviours.</i></p>	<p>A specific team has been assigned the project of updating the Council's Constitution. The team are planning on reporting on the update to Council at the beginning of October 2019.</p> <p>Updates will be communicated to the Corporate Governance Group.</p>	<p>Andrew Colver, <i>Head of Democracy, Strategy and Partnerships</i> and Jill Shuttleworth, <i>Democracy, Strategy & Partnership</i></p> <p>October 2019</p>
Medium	<p>Policies in place to set the standard of behaviours and requirements within the Council, some of which are linked to the Constitution, have not been recently reviewed or updated.</p> <p><i>Risk: If the Council's policies are not regularly reviewed then the standards and behaviours required by the Council may not be correctly communicated to staff.</i></p>	<p>The code of conduct for Councillors, and protocol for Member-officer relations will be reviewed as part of the update to the constitution.</p> <p>The following policies will be reviewed by the relevant services:</p> <ul style="list-style-type: none"> • Code of conduct for officers • Behaviours framework • Disciplinary procedures • Dignity at work • Equal opportunities • Whistle blowing • Anti-fraud and corruption 	<p>Andrew Colver, <i>Head of Democracy, Strategy and Partnerships</i> and Jill Shuttleworth, <i>Democracy, Strategy & Partnership</i></p> <p><i>Alison McBride, Corporate Manager – People</i></p> <p><i>Nikki Hughes, Audit Manager</i></p>

			October 2019
Medium	<p>The register of interests is not up to date for all Members.</p> <p><i>Risk: If the register of interests is not maintained then it would be unclear if there are any conflict of interest which arise.</i></p>	<p>Post the recent elections, all apart from 7 Members now have an updated declaration of interest. The remaining 7 are being followed up by the Corporate Manager – Legal Services.</p>	<p>Catriona Herbert, <i>Corporate Manager – Legal Services</i></p> <p>September 2019</p>
Medium	<p>A register of interests for employees is not regularly refreshed to ensure that declarations are up to date.</p> <p><i>Risk: If employees are not regularly prompted to declare any interests then Managers may be unaware of potential conflicts and employees may neglect to ensure that the register is updated with any necessary changes.</i></p>	<p>Work around the process for employees updating the register of interest is currently being carried out by HR.</p>	<p>Estelle Rigby, <i>Interim HR Manager</i>, (Alison McBride, <i>Corporate Manager - People starting September</i>) and Catriona Herbert, <i>Corporate Manager – Legal Services</i></p> <p>October 2019</p>
Medium	<p>It is unclear if the complaints procedure is always being followed as details are not updated on the SharePoint spreadsheet. Furthermore, it is unclear if lessons are being learnt across the Council as a result of complaints made.</p> <p><i>Risk: If details are not recorded on the SharePoint spreadsheet then it is unclear if the complaint was dealt with as per the procedures. Furthermore, the Council is unable to take any lessons learnt from complaints received.</i></p>	<p>The Head of Customer Experience is completing a complaints review on Aug 2019. This review will look at the process, associated technologies, internal audit and the possibility of a centralised complaints team. The outcomes will be brought to CLT.</p> <p>In the medium term the Head of Customer Experience will bring issues to CLT to ensure that details are recorded and that necessary people have appropriate access to the SharePoint site to support this action.</p>	<p>Quarterly to CLT to commence the end of Quarter 2.</p>
Medium	<p>There is no communication strategy in place to demonstrate how the Council will engage with Stakeholders.</p>	<p>Development of an effective communications strategy forms part of the Rushmoor 2020 modernisation and</p>	<p>Colin Eckworth, <i>Head of Customer Experience</i> and Gill Chisnall,</p>

	<p><i>Risk: Without a communications strategy in place the Council may not engage with Stakeholders at key points within decision making.</i></p>	<p>improvement programme. Development of the strategy has recently been incorporated in the ICE project with a planned delivery of September 2020. In the meantime, the processes and approaches are set out in the Council's last communications strategy remain relevant and continue to be followed.</p> <p>Stakeholders have been engaged with by the Council during the year.</p>	<p><i>Corporate Communications Manager</i></p> <p>September 2020</p>
Low	<p>Rushmoor Strategic Partnership sustainable community strategy has not been updated on the Council's website to reflect the changes made to the partnership and an update on the actions/ objectives to be achieved.</p> <p><i>Risk: Stakeholders may be unaware of the of the changes to the partnership and the objectives if these are not clearly documented.</i></p>	<p>The Rushmoor Strategic Partnership has been superseded with the Rushmoor Partners Network. As a result of this change the strategy has evolved and will be updated on the Council's website.</p>	<p>Andrew Colver, <i>Head of Democracy, Strategy and Partnerships</i></p> <p>August 2019</p>
Low	<p>The Statement of Community involvement on the Council's website is currently out of date and requires reviewing.</p> <p><i>Risk: If the statement of community involvement is not up to date then the Council may not involve the right stakeholders at the right time for making decisions on planning policy and applications.</i></p>	<p>The Council have prepared a revised Statement of Community Involvement (SCI) and has been subject to public consultation.</p> <p>Comments received through the consultation process are being considered and the Council anticipates adopting a final SCI by the end of 2019.</p>	<p>John Thorne, <i>Interim Corporate Planning Manager</i></p> <p>December 2019</p>
Medium	<p>A workforce strategy is currently not in place within the Council to ensure the strategic allocation of resources in the future.</p> <p><i>Risk: By not having in place a workforce plan the Council may not have the right skills, knowledge or</i></p>	<p>Development of a workforce strategy is part of the Rushmoor 2020 programme, scheduled to commence September 2019 with delivery early 2020. The strategy will focus on the allocation of resources to deliver the Council's</p>	<p>Alison McBride, <i>Corporate Manager – People</i></p> <p>January 2020</p>

	<i>amount of resources required to enable the achievement of its strategic objectives.</i>	ambitions	
High	<p>The Risk management process has not been formally adopted and communicated within the Council.</p> <p><i>Risk: Without a clear risk management process set out and communicated across the organisation it is unclear if services are correctly identifying, assessing and mitigating risks to a level which has been determined by the Council as acceptable.</i></p>	<p>The Corporate Risk Management Policy will be reviewed as a result of changes to the organisational structure and responsibilities during 2018/19.</p> <p>The Corporate Risk Management Group (CRMG) will meet regularly during the year (at least quarterly), with the first meeting due to take place in July 2019.</p> <p>The Corporate Risk Register will be reviewed by CRMG in July 2019 to ensure the format is fit for purpose, and that all key risks have been identified, scored, and reviewed effectively.</p> <p>Risk management will be embedded in the organisation through the inclusion of risks within Service Business Plans, and through reporting of key Strategic Risks through Corporate Leadership Team (CLT) on at least a quarterly basis.</p>	<p>David Stanley, <i>Executive Head of Financial Services</i></p> <p>October 2019</p>
Medium	<p>It is unclear if contracts within the Council are being monitored and performance communicated.</p> <p><i>Risk: If the contracts within the Council are not monitored they may not be performing as required.</i></p>	<p>The Executive Head of Finance will review the guidance for Contract Managers concerning contract management with the aim of producing a framework for contract management.</p> <p>Whilst there are advantages to a standardised approach, there are a number of factors that will inform the approach to contract management such as risk, contract value etc.</p> <p>Therefore, guidance will set out the</p>	<p>David Stanley, <i>Executive Head of Financial Services</i></p> <p>Katherine Berry, <i>Principal Procurement Officer</i></p> <p>October 2019</p>

		principles of contract management with contract managers to include proportionate contract management measures in contract documents.	
Medium	<p>It is unclear if all strategies, and performance towards them, are reviewed. e.g. deprivation strategy</p> <p><i>Risk: If performance towards strategies is not reviewed then the Council will be unaware of they are achieving the intended outcomes.</i></p>	<p>The Council is currently reviewing its performance management system as part of its work to prepare a new three-year rolling Council Plan. This will be focussed on monitoring overall performance of the Council, monitoring progress at service/portfolio level and how it is progressing towards its priorities. These will include action plans, underpinning strategies and policies.</p>	<p>Andrew Colver, <i>Head of Democracy, Strategy and Partnerships</i></p> <p>November 2019</p>
	<p>Decision makers do not always receive detailed analysis of the options available.</p> <p><i>Risk: If all potential options with associated risks and financial implications are not detailed then decision makers cannot make an informed decision on the most appropriate option for the Council.</i></p>	<p>Some of the options are discussed at informal Cabinet and therefore are not included within the Cabinet report.</p> <p>A clear narrative around how the options have been reviewed should be recorded within the Cabinet reports.</p>	
High	<p>An asset management strategy is currently not in place within the Council.</p> <p><i>Risk: If the Council does not have in place an asset management strategy then it cannot be clear on the correct mix of properties to invest in and the risk vs returns required.</i></p>	<p>A high level Asset Management plan is going to Cabinet in July.</p> <p>The following areas of work have, as a result, been highlighted for priority attention,</p> <ul style="list-style-type: none"> a) The Property Acquisition Process b) A Review of the Investment Portfolio c) A Review of the Rent Arrears Process d) An audit of Property Ownership e) Procurement of an Asset Management system to digitise 	<p>Paul Brooks, <i>Executive Head of Regeneration & Property</i></p>

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Priority key for way forwards	
High priority	A fundamental weakness in the system/area that puts the Authority at risk. To be addressed as a matter of urgency.
Medium priority	A moderate weakness within the system/area that leaves the system/area open to risk.
Low priority	A minor weakness in the system/area or a desirable improvement to the system/area.

Audit Title 2	Disabled Facilities Grants		
Year of Audit	2018/19		
Assurance given	Substantial – Key controls designed to achieve the system/function/process objectives, are in place. There are opportunities to enhance/strengthen these controls.		
Overview of area	<p>The Disabled Facilities Grants (DFGs) system is managed by the Private Sector Housing Team (PSHT).</p> <p>The team facilitate the grants on behalf of residents, with the funding coming from Central Government as part of the Better Care Fund initiatives. The 2018/19 budget was £1.2m, which includes a top-up of funds of £92k allocated by the Department of Health early in 2019.</p> <p>Residents can apply to claim on the funds available, with the assessment and recommendation for works needed undertaken by Occupational Therapists from Hampshire County Council. For the more complex cases, there is often a partnership approach involving the PSHT and a professional quantity surveyor to identify the most appropriate solution.</p>		
Priority	Key findings	Management response and agreed action	Action by who and when
Medium	<p>Concern</p> <p>Within the Application Form and Grant Approval documentation, there is no reference to the responsibility of the owner/resident for servicing, repair, maintenance, etc of equipment provided / works</p>	A sentence will be added to the existing DFG approval document to explain the applicant’s responsibilities for maintenance of the adaptation on completion. This will detail any guarantee	Hilary Smith, Private Sector Housing Manager / Sue Berry, Private Sector Housing Officer – To make the

	<p>completed and when this applies.</p> <p>Risk: <i>There may be misunderstanding as to the responsibility for equipment installed and works completed once Completion Forms are signed.</i></p>	periods.	<p>relevant changes in liaison with IT</p> <p>28th June 2019</p>
Low	<p>Concern As part of the sample testing it was identified that: - For one sample, the Schedule of Works could not be located. - For one sample, the Planning and Building Control documents were not sent on by the QS.</p> <p>Risk: <i>Supporting documentation for grants claims is not complete and statutory compliance cannot be verified.</i></p>	<p>Officers have been reminded of the importance of recording all relevant documents on UNIFORM and IDOX and checking. Officers to check documents provided by the surveyors and ensure that all documents are submitted to the council on completion of works.</p>	<p>Hilary Smith, Private Sector Housing Manager</p> <p>31st May 2019</p>
Medium	<p>Concern The quotation parameters applied for the DFG work do not correspond with the RBC Contract Standing Orders for works up to £10,000.</p> <p>Risk: <i>RBC Contract Standing Orders are not being complied with and could be subject to challenge.</i></p>	<p>Meeting held with Katherine Berry from Procurement team on 15th May 2019 and agreed that three quotes will be required once the new framework agreement is set up. This will include all DFG works except those covered by the ESPO 364 framework agreement which covers the provision of stairlifts, thru-floor lifts and hoists as these have already been procured.</p>	<p>Hilary Smith, Private Sector Housing Manager</p> <p>Not yet determined. Will include end date of current process and start date of new compliant process.</p>
Medium	<p>Concern The current DFG work is undertaken by a group of around 12 contractors who quote for work on a rotational basis selected by the team. The group was inherited from the Homes Improvement Agency and then evolved over time, and some contractors are invited to quote more often than others.</p> <p>Risk: <i>Selection could be as inequitable and subject to challenge and there may be a more efficient and</i></p>	<p>This will require a framework agreement to be set up for all contractors involved in DFG works with the exception of stairlifts, thru-floor lifts and hoists (ESPO 364). Hilary Smith to provide list of contractors who have or are likely to carry out DFG work in Rushmoor. The framework is to be set up for a four-year period. Hilary Smith to provide details of contractor requirements, in consultation with the Council's property and estates</p>	<p>Hilary Smith, Private Sector Housing Manager</p> <p>No date set but as above, end date and new compliant process date to be set</p>

	<i>effective value for money procurement process, e.g. Framework, for the appointment of contractors.</i>	team. A further meeting with the Procurement team has been set up for 12th June 2019 to move this forward, at which point we will be in a position to consider when the new framework agreement will start.	
Low	<p>Concern For the occasional contracts over £50,000, the Procurement Service is not consulted for guidance on the best approach and requirements, e.g. advertising on the South East Business Portal (SEBP).</p> <p>Risk: <i>RBC Contract Standing Orders are not being complied with and could be challenged.</i></p>	This will be dealt with as part of the new framework agreement. The maximum for each DFG is £30,000.	<p>Hilary Smith, Private Sector Housing Manager</p> <p>No date set but as above, end date and new compliant process date to be set</p>
Medium	<p>Concern a) The financial stability of contractors is not formally verified. b) There is an expectation that contractor works would be guaranteed for 12 months but this is not formally set out in the purchase orders / process.</p> <p>Risk: <i>Work could be awarded to a financially unstable contractor and there could be misunderstanding of responsibility should any issues arise.</i></p>	Annual financial checks will be made on all contractors as part of the new framework agreement.	<p>Hilary Smith, Private Sector Housing Manager</p> <p>No date set but as above, end date and new compliant process date to be set</p>
High	<p>Concern Two quantity surveying services are exclusively used (with one particularly favoured- BJC Design with payments in 2018/19 of c.£46k). The Contract Standing Orders 'requirement of aggregation' are not applied in assessing contract requirements.</p>	<p>A separate framework agreement will be set up to procure quantity surveying services.</p> <p>Hilary Smith to provide details of existing surveyors and to provide details of surveyor requirements in consultation</p>	<p>Hilary Smith, Private Sector Housing Manager</p> <p>No date set but as above, end date and new compliant process</p>

	<p>Risk: <i>RBC Contract Standing Orders are not being complied with and the EU Public Procurement Directives for services may be breached.</i></p>	with the council's Property and Estates team.	date to be set
Medium	<p>Concern There is no annual verification of the Professional Indemnity Insurance for the two quantity surveying services or the Public Liability insurance for the contractors.</p> <p>Risk: <i>Services and works could be being provided without the appropriate insurances in place.</i></p>	<p>This will be dealt with by the new framework agreement.</p> <p>In the meantime, the two existing surveyors will be asked to provide their public liability insurance information.</p> <p>All of the twelve existing contractors who currently carry out DFG works have provided details of their public liability insurance.</p>	<p>Hilary Smith, Private Sector Housing Manager</p> <p>No date set but as above, end date and new compliant process date to be set.</p> <p>28th June 2019</p>
Medium	<p>Concern Contracts let over £5,000 are not being added to the RBC Contracts Register.</p> <p>Risk: <i>Contract Standing Orders (13.1) and the Central Government Transparency Code requirements are not being met.</i></p>	All contractors and surveyors will be added to the RBC Contracts Register by the Procurement Team once a list is provided to them.	<p>Hilary Smith, Private Sector Housing Manager</p> <p>28th June 2019</p>

Audit Title 3	Risk Management		
Year of Audit	2018/19		
Assurance given	<i>Limited – Minimal controls designed to achieve the system/function/process objectives, are in place. Significant improvements are required if key controls are to be established.</i>		
Overview of area	<p>Risk is a key area across the Council. Appropriate identification and mitigation of the risks faced by the Council should be carried out at a strategic, corporate and service level.</p> <p>Risks should be regularly reviewed to ensure that they remain a risk and are still being appropriately mitigated to a level acceptable by the Council.</p> <p>Risk Management was highlighted within the annual audit opinion for 2017/18 as an area where action would enhance the adequacy and effectiveness of governance, risk management and control. Furthermore, the implementation of a risk management process was an action within the Annual Governance Statement 2017/18.</p>		
Priority	Key findings	Management response and agreed action	Action by who and when
High	A risk management process has not been clearly formulated, communicated or embedded within the	The Corporate Risk Management Policy will be reviewed as a result of changes to	David Stanley, Executive Head of

	<p>Council. There are gaps in:</p> <ul style="list-style-type: none"> • The formal documenting of risks at a corporate and service level • Understanding the risk appetite of the Council • Ensure a standard process is consistently used across the Council • Ensuring the risk are being mitigated to a level which is within the Council's risk appetite. <p>Risk: Without a risk management process the risks to the Council may not be appropriately identified or mitigated, which could result in a major impact to the Council.</p>	<p>the organisational structure and responsibilities during 2018/19.</p> <p>The Corporate Risk Management Group (CRMG) will meet regularly during the year (at least quarterly), with the first meeting due to take place in July 2019.</p> <p>The Corporate Risk Register will be reviewed by CRMG in July 2019 to ensure the format is fit for purpose, and that all key risks have been identified, scored, and reviewed effectively.</p> <p>Risk management will be embedded in the organisation through the inclusion of risks within Service Business Plans, and through reporting of key Strategic Risks through Corporate Leadership Team (CLT) on at least a quarterly basis.</p>	<p>Finance</p> <p>October 2019</p>
Audit Title 4	Contract Management and Monitoring		
Year of Audit	2018/19		
Assurance given	Reasonable – Basic controls designed to achieve the system/function/process objectives, are in place. Improvements are required if key controls are to be established.		
Overview of area	<p>A review of the Contract Management was undertaken to ensure that contracts are being managed and monitored effectively in achieving their objectives both financially and operationally.</p> <p>The Senior Procurement Officer assists Contract Managers with the tendering and contract award activities of new suppliers and will ensure that the correct policies (local, national and European) and legal procedures are followed and adhered to. Contract Managers are then expected to manage their contract on a day-to-day basis.</p>		
Priority	Key findings	Management response and agreed action	Action by who and when
High	Corporate Framework	Agreed	David Stanley,

	<p>There is no Contract Management corporate framework in place to provide guidance for Contract Managers, Procurement and management to:</p> <ul style="list-style-type: none"> a) Assess the level of contract management required, e.g. formal, ad-hoc, 'light touch'; b) Assess the risk to the business, e.g. financial, Health and Safety, reputational, business continuity, etc; c) To re-assess the level of contract management as the contract becomes established and client relationships evolve; d) Set out the requirement of recording meeting minutes / contract issues / progress, including the need for a standard template; e) Set out the steps to take if a contractor's performance / quality of delivery is inadequate, e.g. KPIs. f) Set out the process for the review / monitoring of continual contracts, e.g. HAGS/SMP Ltd, those contracts with expiry dates and any action required, e.g. PHS; g) Set out the process for adding on to the Contract Register; h) Set out the process when handing over an on-going contract to a new manager to oversee, e.g. PHS. i) Set out the reporting requirements to senior management and Members. <p><i>Risk: There is an inconsistent level of contract management which puts business operations at risk together with potential financial implications.</i></p>	<p>The Executive Head of Finance will review the guidance for Contract Managers concerning contract management with the aim of producing a framework for contract management.</p> <p>Whilst there are advantages to a standardised approach, there are a number of factors that will inform the approach to contract management such as risk, contract value etc.</p> <p>Therefore, guidance will set out the principles of contract management with contract managers to include proportionate contract management measures in contract documents.</p>	<p><i>Executive Head of Finance</i></p> <p>Katherine Berry, <i>Principal Procurement Officer</i></p> <p>October 2019</p>
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	<i>Contract Managers are not guided as to how to balance good control with resources available.</i>		
Medium	<p>Contract Terms Under Contract Standing Orders, it is not mandatory for contracts under £50,000 to have a contract, with a purchase order being used incorporating the standard RBC terms and conditions. There is no specific assessment of whether more contractual protection is needed for certain contracts.</p> <p>Risk: <i>The Council may be at risk when experiencing performance concerns, are in dispute or wanting to terminate a contract, without the insurance of specific contract terms.</i></p>	This will be investigated as part of the review of the Council's Contract Standing Orders.	David Stanley, <i>Executive Head of Finance</i> October 2019
High	<p>Key Roles There is no corporate guidance that sets out the clear roles and responsibilities for the Contract Managers, Procurement and management.</p> <p>Risk: <i>The key officers in the management of contracts are unaware of their responsibilities and the expectations of their role.</i></p>	New guidance for Contract Managers will be issued following the review and adoption of the Council's Contract Standing Orders	Katherine Berry, <i>Principal Procurement Officer</i> November 2019
Medium	<p>Guidance / Training There is no formal written guidance on Inform or training available for contract managers.</p>	Agreed but not implemented This will be considered as part of a	All contract managers July 2019

	<p>Risk: <i>Contracts managers are not being given the opportunity to attain the appropriate skills or be guided by best practice.</i></p>	wider review of the training and support requirements for contract managers.	
Medium	<p>Visits to Sites As part of some contracts, contractor visits to sites are required, e.g. PHS, 3C. Under the PHS contract, Health and Safety requirements of signing in and out were not being applied until an issue arose. For 3C, there are detailed specific Health and Safety conditions in the contract.</p> <p>Risk: <i>For site visits involving contractors, contract managers should ensure that all Health and Safety and security requirements are adhered to at all times.</i></p>	Contractors conducting site visits will be reminded of the Health & Safety conditions stipulated in the contract	David Stanley, <i>Executive Head of Finance</i> September 2019
Medium	<p>Sharing Knowledge There are no pro-active resilience arrangements. The contracts reviewed identified that detailed knowledge of managing these was generally held with a single officer and there is no active approach to identify the highest risk contracts.</p> <p>Risk: <i>Operations and service delivery could be disrupted with the absence of a key contract manager.</i></p>	<p>Agreed Whilst the recommendation is agreed, services are responsible for their own business continuity arrangements. These should set out the arrangements in place for managing the highest risk contracts.</p> <p>Heads of Service will be reminded of the need to ensure that a detailed contract management information is documented and available to services</p>	

		to mitigate the risk of service delivery failure	
Medium	<p>Division of Duties For most contract payments, there are no division of duties, with the checking and authorising of invoices being managed solely by the Contract Manager.</p> <p><i>Risk: The Council is vulnerable to the risk of fraud.</i></p>	<p>Agreed A review of the authorisation process for contract invoice payments through Integra will be undertaken to ensure that there is an adequate separation of duties.</p>	<p>Alan Gregory, <i>Finance Manager</i></p> <p>Morag McVey, <i>Payments and Insurance Manager</i></p> <p>September 2019</p>
Medium	<p>Verifying Invoices For one contract (PHS) the invoice is sent directly to Accounts Payable and there is no check undertaken by the Contract Manager of the rates paid.</p> <p><i>Risk: If Contract Managers do not receive invoices to review them, the Council cannot confirm the correct rates are being applied.</i></p>	<p>The Finance team will consider the arrangements in place for contract invoice submission so that they are approved by the appropriate contract manager.</p>	<p>Alan Gregory, <i>Finance Manager</i></p> <p>Morag McVey, <i>Payments and Insurance Manager</i></p> <p>September 2019</p>
Medium	<p>Verifying Rates The contracts setting out the schedule of rates for PHS, Capita and Northgate could not be located to enable the verification of the rates invoiced.</p> <p><i>Risk: The Council cannot confirm that the correct rates are being applied and paid.</i></p>	<p>Agreed Whilst the recommendation is agreed, services are responsible for their own business continuity arrangements. These should set out the arrangements in place for managing the highest risk contracts.</p> <p>Heads of Service will be reminded of the need to ensure that a detailed contract management information is</p>	<p>David Stanley, <i>Executive Head of Finance</i></p> <p>September 2019</p>

		documented and available to services to mitigate the risk of service delivery failure	
Low	<p>Local Procedures For the contracts reviewed, there were no local procedures in place setting out the management and payments processes.</p> <p><i>Risk: Operations and service delivery could be disrupted with the absence of a key contract manager.</i></p>	<p>Agreed Whilst the recommendation is agreed, services are responsible for their own business continuity arrangements. These should set out the local procedures in place for contracts.</p> <p>Heads of Service will be reminded of the need to ensure that a detailed contract management information is documented and available to services to mitigate the risk of service delivery failure</p>	<p>David Stanley, <i>Executive Head of Finance</i></p> <p>September 2019</p>
Low	<p>Sharing Knowledge There is no corporate process for the sharing of contract experiences, good practice, issues arising, etc, e.g. the recent PHS contract.</p> <p><i>Risk: The organisation is not communicating the good and poor contract management lessons to relevant parties to inform future practice.</i></p>	<p>Whilst this is considered best practice, there is not a clear management response to this recommendation.</p> <p>The Council's Principal Procurement Officer will consider ways to improve knowledge sharing and good practice</p>	<p>Katherine Berry, <i>Principal Procurement Officer</i></p> <p>December 2019</p>
Audit Title 5	Planning Applications		
Year of Audit	2018/19		
Assurance given	<i>Substantial - Key controls designed to achieve the system/function/process objectives, are in place. There are opportunities to enhance/strengthen these controls.</i>		
Overview of area	The Planning Team process approximately 1,000 applications a year with a variety of different application types and associated fees. Workload can vary with peaks and troughs through the year. In 2017-18, the team exceeded government targets on statutory time limits for decision making and on the quality of decisions based on appeal statistics.		

	The majority of staff within the Planning Team have worked at the Council for a number of years and have considerable experience. A number of recent structural changes have taken place at Senior Management level and line management has changed for a number of staff.		
Priority	Key findings	Management response and agreed action	Action by who and when
Medium	<p>Concern:</p> <p>There is no standard checklist or prompt to ensure that officers have taken all the practical steps necessary (i.e. fee check, all relevant consultees/neighbours comments captured, publicity, site visit, notifications of decision) to process an application. It may be beneficial to consider such a prompt/check in light of the following findings from sample testing of 20 applications:</p> <ul style="list-style-type: none"> • In 6 applications sampled, contributors made representations. For 2 out of these 6 applications, the contributors were not notified about the decision. • In 1 of the sample, there was no scanned fee receipt or receipt number added to Uniform/IDOX • In 2 of the sample, the website indicated that no comments had been made but there were comments identified on the Uniform system. • In 1 of the sample, the site visit notes and photos had not been saved to the system in error. <p>Risk: <i>There is a risk that key administrative/process steps may be missed; this potentially exposes the Council to criticism/complaints/further unnecessary work after the decision and/or loss of revenue.</i></p>	As part of the departmental re-organisation and alignment of management and reporting, the Development Management procedure notes will be revised and updated to address this.	John Thorne, <i>Interim Corporate Planning Manager</i> March 2020

<p>Low</p>	<p>Concern:</p> <p>The scheme of delegation on the website giving delegated authority to the Head of Planning is dated 2004, and the document setting out the powers and duties of the Development Management Committee is dated 2014.</p> <p>Risk: <i>These documents may benefit from a review and refresh as they may not be totally up to date or compatible with current processes, especially in light of the interim structural changes.</i></p>	<p>Revisions to the constitution and the Scheme of Delegation are anticipated to take place in autumn 2019.</p>	<p>Andrew Colver, <i>Head of Democracy, Strategy and Partnerships/ Jill Shuttleworth, Democracy and Partnership Manager</i></p> <p>October 2019</p>
<p>Medium</p>	<p>Concern:</p> <p>There were no job descriptions available at the audit from HR for the following roles:</p> <ul style="list-style-type: none"> - Principal Planning Officer (Development Management), - Development Officer - the newly created Interim Corporate Planning Manager. <p>The following concerns were also identified/observed from discussions with staff about roles and responsibilities:</p> <ul style="list-style-type: none"> • Capacity of Principal Planning Officers (PPOs) to offer necessary support/guidance and training if there are changes to the types of planning applications officers are asked to consider. • PPO workload and the potential for delay to 	<p>Up to date JD for PPO and DO exist dating from recent job evaluation and recruitment advertising. They will be shared with HR</p> <p>JD for new CPM post to be prepared.</p> <p>These points have already been recognised and inform the proposed reorganisation of management and reporting. They are all pertinent to the design of the reorganisation and will be taken into account as part of that process.</p> <p>Caseloads are within expected levels.</p>	<p>John Thorne, <i>Interim Corporate Planning Manager</i></p> <p>June 2019</p> <p>Tim Mills, <i>Head of Economy, Planning and Strategic Housing</i></p> <p>September 2019</p> <p>John Thorne, <i>Interim Corporate Planning Manager /Tim Mills, Head of Economy, Planning and Strategic Housing</i></p> <p>March 2020</p>

	<p>decision making if they do not have capacity to provide support/advice/time for discussion.</p> <ul style="list-style-type: none"> • Excessive PPO workload may cause morale issues at all levels. • Need for alternative arrangements to be put in place when PPOs are dealing with Committee Closedown. • Cover in the Interim Corporate Planning Manager's absence. <ul style="list-style-type: none"> • Desire for greater clarity over who will be expected to do what going forward, i.e. the types of applications officers should and should not be expected to consider at each level; where responsibility sits for the administrative elements of the process, etc. • If administration processes are redistributed, concern that Planning Officers should retain ownership of the application description and consultees. • Importance of being realistic and honest about what can be achieved with the current resource limitations. <p>Risk: <i>If staff are not clear on their responsibilities and the scope of their role, this may result in confusion and misunderstanding. A lack of capacity to carry out roles/responsibilities may result in delays; impact on staff morale; and, have an adverse effect on the team's ability to meet KPIs.</i></p>		
Medium	<p>Concern: There is no requirement for staff to agree to declare</p>	Scheme of delegation is clear on limiting delegated powers to take decisions on	Estelle Rigby/ Alison, Corporate HR Manager

	<p>any conflicts of interest when considering planning applications.</p> <p>Risk: <i>In the event of any irregularity or accusation, it could not be evidenced that staff were aware of their responsibilities to highlight any potential conflict of interest.</i></p>	<p>applications made by employees/relatives and Councillors.</p> <p>All decisions require a recommendation and separate authorisation</p> <p>Staff will be reminded annually of their responsibilities. Whether there should be a requirement to acknowledge and sign up to a code of conduct regarding personal interests will be considered as part of wider of corporate governance</p>	<p>and Catriona Herbert, <i>Corporate Manager – Legal Services</i></p> <p>October 2019</p>
Low	<p>Concern: The Statement of Community involvement published on the website indicates that the Council will go beyond statutory requirements and include a publication about householder/minor applications in a local newspaper. It is no longer the Council's practice to go beyond statutory requirements on publication (ceased about 18 months ago).</p> <p>Risk: <i>The Statement of Community Involvement is not up to date with current practice and there is a risk of complaint that the Council is not in compliance with their published policy.</i></p>	<p>Revised SCI in preparation, currently out to consultation which addresses this issue.</p>	<p>John Thorne, <i>Interim Corporate Planning Manager</i></p> <p>December 2019</p>
Medium	<p>Concern On a review of data published on the website, a total of 11 applications (received between April and December 2018 that were over the 26 week deadline under the planning guarantee), were showing on the website as status 'unknown'.</p> <p>Risk: <i>Inaccurate information is being reported to the public.</i></p> <p>Auditor note: This was explained at the audit as due to system issues from the categorisation chosen on</p>	<p>Attributable to human/computer error in entering information and status to the Uniform system. These anomalies are found and corrected when preparing quarterly reports.</p>	<p>John Thorne, <i>Interim Corporate Planning Manager</i></p> <p>Ongoing on a quarterly basis</p>

	Uniform and not as a result of failing to make a decision.		
Low	<p>Concern: For 1 out of the 20 sample applications tested, the wrong document (a piece of correspondence between the Planning Officer and an agent) was saved as the 'decision notice' and published on the website in error. There was no indication that the document contained sensitive personal data. The issue was rectified during the audit and the correct document saved to the system.</p> <p>Risk: <i>If incorrect documents are published, there is a risk that sensitive data could inadvertently be made public and contravene the Data Protection Act.</i></p>	Human/computer/contractor errors can occur when entering documents into the Development Management System. These are corrected when they come to light. All staff have received GDPR training and are aware of the need to safeguard and redact personal data.	John Thorne, <i>Interim Corporate Planning Manager</i> Complete
Medium	<p>Concern: During discussions with planning staff, the following concerns were raised:</p> <ul style="list-style-type: none"> • Current performance management arrangements do not identify whether work is shared out consistently and workloads are balanced; there is a perception that this is not always the case. • Staff do not receive feedback on performance against targets and would find this beneficial. <p>Risk: <i>If staff feel that performance management systems are not identifying concerns over workload balance and performance, or not recognising good performance, this may have a negative impact on morale.</i></p>	These points are all pertinent to the design of the reorganisation of management and reporting and have informed the need for and will be taken into account as part of that process	John Thorne, <i>Interim Corporate Planning Manager</i> March 2020
Medium	<p>Concern Exceptions in testing identified:</p> <ul style="list-style-type: none"> • For 1 of the 20 sample applications tested, there was no evidence of a scanned fee receipt or 	The majority of fees are prescribed clearly in regulations and on the Council's website. Those submitted via the planning portal are calculated by the	Complete

	<p>receipt number.</p> <ul style="list-style-type: none">• For 1 sample, it was not evident from the documents saved on Uniform how the fee of over £50k had been calculated. <p><i>Risk:</i> <i>There is the possibility of under/overcharging or complaints if fee calculations are not transparent.</i></p>	<p>website. No application can become live and valid unless the fee is paid</p> <p>Occasionally fees for large scale complex applications involve some interpretation of the regulations. This is resolved in discussion at pre-application stage. This discussion would be recorded on the pre-app file rather than the application file.</p>	
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Audit Title 6	Contract Letting and Tendering - follow up
Year of Audit	2017/18
Assurance given at time of the audit	<i>Reasonable – Basic controls designed to achieve the system/function/process objectives, are in place. Improvements are required if key controls are to be established.</i>
Assurance given at time of the follow up	<i>Reasonable – Basic controls designed to achieve the system/function/process objectives, are in place. Improvements are required if key controls are to be established.</i>
Overview of area	<p>An audit was carried out on contract letting and tendering in January 2018. The audit found that whilst there is a structured procurement process in place, in order for Rushmoor to achieve value for money going forward, the focus on compliance and financial savings needs to be driven by Heads of Service with the robust support of senior management.</p> <p>The findings from this audit resulted in 9 medium priority and 4 low priority recommendations being made which were agreed by management.</p> <p>Management comment: As the follow-up report sets out, there have been changes in the management structure of the Council which has resulted in Financial Services having responsibility for Procurement.</p> <p>The original recommendations from the audit in January 2018 remain unimplemented at the time of the follow-up audit, and this management comment sets out the approach being taken by the Executive Head of Finance and the Principal Procurement Officer to those findings.</p> <p>The Contract Standing Orders (CSOs) and Financial Procedure Rules (FPRs) are being reviewed as part of the wider review of the Council's constitution and will be completed by September 2019. Therefore, it would be more appropriate to review recommendations when the updated CSOs and FPRs have been formally adopted by Council.</p> <p>The Executive Head of Finance will review the Council's strategic approach to procurement as part of the Council's Saving Plan requirement. This may impact on the way in which procurement activities are undertaken, use of frameworks etc.</p> <p>Therefore, an updated management response to the follow-up audit will be provided to the committee in</p>

	November 2019.		
Priority	Way forward agreed	Follow up findings	Recommendation status
Medium	The Contract Tendering and Letting Framework is robust and is supported by comprehensive Contract Standing Orders (CSO) that were revised in 2015. Their introduction was accompanied by training which was taken up by c.85% of appropriate budget managers and staff and it is understood that there is to be re-fresher training in early 2018. There is also guidance available on Inform for officers and management	Further training has been provided which has been targeted to specific areas of spend. At the end of the financial year a spend analysis will be carried out in order to develop a work plan around procurement and training.	Not implemented
Low	Although the CSO states that there is a list in place of authorised contracting officers for all service areas, Audit were informed that this is yet to be produced.	This has not been completed. This will be the responsibility of the new Corporate Legal Services Manager and will be raised with her.	Not implemented
Medium	A Council's Contract Register is maintained but was found to be incomplete with not all contracts listed, as highlighted by an analysis of spend undertaken by the Procurement team. This was corroborated by the audit review and the 17 contracts tested which were not on the Register totalled expenditure of £931,000 for 2016-17. There was also some inconsistency in the level of detail recorded, also required to meet Transparency Code needs. In addition, there were differences in the data between the Procurement supplier spend analysis and Finance figures provided.	Once the spend analysis has been carried out in April then this will be reviewed.	Not implemented

Medium	The Financial Procedure Rules are set out in Part 4 of Rushmoor Borough Council's Constitution. The 'Expenditure' element may not reflect current practice as the Rules are dated December 2006.	The Financial Procedure Rules are currently being updated by the Head of Financial Services and are due to be completed in 2019.	Not implemented
Medium	Rushmoor has a Procurement Strategy (2010-2013) which is posted on the RBC website and includes many contract related references, including an action plan dated from June 2010. The contract elements of the strategy and the action plan may not reflect current practice or future objectives or be consistent with supporting the Council plan, priorities or vision.	Due to the restructure of the Heads of Service and the Procurement team moving to a different service the procurement strategy is still in draft form. This strategy is due to be implemented in 2019. Some further work to enhance the procurement strategy has come out of the recommendations made from the Contract Management audit.	Not implemented
Low	Audit found only partial compliance with regards the retention of documentation being held to support procurement decisions and compliance with the CSO. Where the Procurement team had been utilised to facilitate the purchasing process, records were complete, including recording on the Contracts Register.	Further communication and training for officers is required to ensure that documents are sufficiently retained, and details included on the Contracts Register. This will be linked to the above recommendation where further training will be provided to officers.	Not implemented
Medium	Some suppliers' frameworks have been set up but are currently not being fully utilised across the Authority.	The use of frameworks is increasing but this will be reviewed further at the end of the financial year once the year-end analysis has been carried out.	Not implemented
Low	Procurement have demonstrated the financial benefit of negotiation using a framework	The updated procurement strategy will look to guide officers to use framework	Not implemented

	agreement by securing preferential rates for both a new contract and existing arrangements in place with the same supplier.	agreements where possible.	
Low	It was noted that recruiting managers are approaching various staff agencies directly to employ temporary staff. There may be merit in drawing up a centralised framework agreement, which includes the current providers.	Nothing has been done around this.	Not implemented
Medium	Testing indicated that in some instances, there was non-compliance with the CSO, but that the type of expenditure meant that an approved 'exemption' was appropriate, e.g. where professional acts can only be booked through specific promoters, these had not been applied for.	Only 1 exemption has been rejected. However, it is unknown if exemptions are being applied for, when appropriate. Once an exemption has been rejected it is unclear what happens. The use of exemptions is an area that can be picked up within the training for officers.	Not implemented
Medium	Some contracts reviewed were ongoing on a rolling basis and it could not be demonstrated that official 'extensions' had been approved or that value for money was being demonstrated.	This is still the case – non-compliance with the Contract Standing Orders. This is an area that can be picked up within the training for officers.	Not implemented
Medium	As per the CSO, financial checks of contractors had not been undertaken for all contracts with a total value in excess of £50,000. This included on-going contracts where 'aggregation' had not been taken into account at the outset.	This is still the case. This is an area that can be picked up within the training for officers.	Not implemented

Medium	Where suppliers were being sourced from a rotation list for Disabled Facilities Grants, it was noted that this list had never been subject to review and had been inherited from the Homes Agency. In addition, financial checks of these companies had not been carried out.	This has also been highlighted within the Disabled Facilities Grants audit. A recommendation was made, and action is being taken to address this issue. The Principal Procurement Officer has started work with the Private Sector Housing Manager relating to this as it appears to be OJEU level.	Not implemented

Audit Title 7	Portable IT Equipment - follow up
Year of Audit	2017/18
Assurance given at time of the audit	Limited – Minimal controls designed to achieve the system/function/process objectives, are in place. Significant improvements are required if key controls are to be established
Assurance given at time of the follow up	Limited – Minimal controls designed to achieve the system/function/process objectives, are in place. Significant improvements are required if key controls are to be established
Overview of area	An audit was carried out on IT portable equipment in March 2018. The audit found that controls in place for mobile devices assigned to staff, were in need of significant improvement. The audit was unable to confirm if all mobile devices

	<p>were accounted for and being used.</p> <p>The Council uses a Mobile Device Management system (MDM) to asset manage mobile devices. The use of an MDM helps to comply with the Government's Public Services Network (PSN) Code of Connection requirements and provides a list on devices and owners.</p> <p>The findings from this audit resulted in 6 recommendations being made, 3 medium priority and 3 Low priority, which were agreed by management.</p> <p><i>Management Comment:</i></p> <p><i>The use of mobile devices (smart phones and tablets) has grown significantly and whilst every effort is made to maintain details of all devices and recover older equipment, it has become clear that a more robust administrative system is required. The new mobile phone contract is being implemented and work is underway to confirm the exact number of devices to be bought under the new contract. At this point, it is proposed to re-set and establish a new baseline. New policies will be introduced accordingly.</i></p> <p><i>The iPad contained within the report will be written off and other smart devices returned.</i></p> <p><i>It should be noted that all the 2018/19 smartphones returned during last years restructure have been internally re-cycled.</i></p>		
Priority	Way forward agreed	Follow up findings	Recommendation status
Medium	<p>Inventory Check A full physical inventory check should be undertaken by IT Service Desk of all mobile phones owned by the Council. The database of users and assets held by IT should be reconstituted referencing each phone to an individual and accurate sim record. Some form of annual review should also be undertaken to</p>	<p>A record of all mobile devices is held by IT, however the system does not clearly show when a mobile device has been re-assigned to another user. Therefore, it appears that the Council has more devices then it actually does. This also makes it difficult to monitor if leavers have returned their mobile devices.</p>	Not implemented

	ensure that phones issued were still required and assigned to the right user.	The Head of IT, Facilities and Project Services accepts that this is not a clear system for monitoring devices held by the Council and is currently looking into ways in which this could be better managed without it being an onerous process. This may mean that the leavers process requires updating to ensure better liaison with IT when someone is leaving and checking what devices are due to be returned.	
Low	Updating Vodafone Billing Reference Once an inventory check has been undertaken and the database of phones reconstituted, phone references for Vodafone itemised billing should be updated online against the correct employee and maintained.	The tender process for mobile phones has just been completed. As a result, a list of all mobile numbers currently used by the Council has been identified. This data will be recorded on the MDM system against the relevant mobile devices.	
Medium	Return of Mobile Phone The former employee should be contacted to return the phone that was issued with immediate effect	It was unclear if this mobile phone had been returned. This further highlights the need for a clear record of mobile devices to ensure that they are returned from leavers. A cross reference of device serial numbers was carried out as part of this audit. This identified that the device was given to another employee. However, it was identified that the iPad had not been returned. A note within the system states that the employee was keeping the device. However, the Head of IT, Facilities and Project Services confirms that this was not agreed. As the item is of low value and now	Not applicable

		pursuing this will prove difficult the Head of IT, Facilities and Project Services has stated that this item will be written off.	
Low	<p>Leavers Checklist As part of the leaver process, HR should add an entry to the existing leaver's checklist prompting the return of assigned equipment if applicable.</p>	The return of assigned equipment is detailed within the leaver's checklist form.	Implemented
Medium	<p>Mobile Phone Policy The Mobile phone policy should be reviewed and updated to reflect current requirements</p>	Due to other corporate priorities, this has not been carried out. The policy will be updated and linked to the Bring Your Own Device (BYOD) policy.	Not implemented
Low	<p>Mobile Phone Policy Issue The Mobile phone policy should be issued to all existing users of a Council mobile phone and with all newly issued mobile phones</p>	Due to other corporate priorities, this has not been carried out. Once the mobile phone policy has been updated then this will be issued to relevant staff.	Not implemented