



Agenda item
No:

6

HERTFORDSHIRE COUNTY COUNCIL

AUDIT COMMITTEE

22 MARCH 2018 AT 10.00 AM

INTERNAL AUDIT PROGRESS REPORT

Report of the Director of Resources

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Recommendations:

Members are recommended to:

- Note the Internal Audit Progress Report
- Agree changes to the audit plan
- Agree to the removal of high priority actions now complete

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1. Introduction and Background

Purpose of Report

- 1.1 To provide Members of the Audit Committee with information on the position as at 12 March 2018, relating to:
 - a) Progress made by the Shared Internal Audit Service (SIAS) in delivering the Hertfordshire County Council Internal Audit Plan for 2017/18
 - b) Proposed amendments to the approved 2017/18 Audit Plan
 - c) 'Limited Assurance' audits issued since the last meeting of this Committee of which there are none in this reporting period.
 - d) Implementation status of previously agreed:
 - high priority audit recommendations and agreement to remove completed actions; and
 - medium priority recommendations
 - e) An update on performance management information.

Background

- 1.2 The 2017/18 Hertfordshire County Council Audit Plan was approved by the Audit Committee on 1 March 2017.
- 1.3 The Audit Committee receives periodic progress updates against the Internal Audit Plan and this is the fourth update report for the 2017/18 financial year.
- 1.4 The work of Internal Audit is required to be reported to a Member Body, so that the Council has an opportunity to review and monitor an essential component of corporate governance and gain assurance that its internal audit provision is fulfilling its statutory obligations. It is considered good practice that progress reports also include proposed amendments to the agreed annual audit plan.

2. Audit Plan Update

Delivery of Audit Plan and Key Audit Findings

- 2.1 As at 12 March 2018, 87% of the 2017/18 Internal Audit Plan days had been delivered (calculation excludes unused contingency days). Appendix A to the report provides a status update on each individual deliverable within the audit plan.

- 2.2 The following reports have been issued and assignments undertaken in the period since 15 November 2017 which was the cut off period for the previous report that was brought to the Committee in December 2017:

Audit Title	Assurance Level	Number of Recommendations
2016/17 Audit Plan		
SIAS Joint Review		
PREVENT	Not Assessed	No Recommendations (Joint review covering all SIAS partners)

Audit Title	Assurance Level	Number of Recommendations
2017/18 Audit Plan		
Resources		
e-Income	Substantial	1 Medium
Cyber Security	Moderate	1 High 3 Medium 2 Merits Attention
LEP – Compliance with Assurance Framework	Moderate	18 Medium 4 Merits Attention
HBS – Business Operations	Substantial	2 Medium 6 Merits Attention
Pensions Administration	Substantial	1 Medium 1 Merits Attention
Adult Care Services		
Deputyships / Appointeeships	Moderate	7 Medium 2 Merits Attention
Environment Services		
Dropped Kerbs	Moderate	4 Medium 1 Merits Attention

Highways Service - Highways Act 1980 Section 58	Substantial	2 Medium 2 Merits Attention
Public Health		
Commissioning, Contract Management and Contract Payments	Substantial	2 Medium 2 Merits Attention
Council Wide		
Delegated Decision Making	Substantial	1 Medium 2 Merits Attention
Grant Certification / Accounts / Statutory Submissions		
oneTRANSPORT	Unqualified Opinion (following adjustments)	N/a
Hertfordshire Education Foundation	Unqualified Opinion	N/a

2.3 In addition to the above, the following draft reports have been issued to management for comment and response:

Service	Audit Title	Month of Issue
2017/18 Audit Plan		
Resources	Debtors	February 2018
Resources	Creditors	February 2018
Resources	General Ledger	February 2018
Resources	Payroll	February 2018
Resources	Systems Access (SAP)	February 2018
Resources	Feeder Systems	February 2018
Resources	GDPR – Preparedness	March 2018
Environment	Highways Services - PMnet Software Development Project	February 2018
Community Protection	HFRS Service Performance Management	February 2018

Adult Care Services	Market oversight programme – consultancy activity / advice	November 2017
Adult Care Services	Data quality - Business Process Compliance – Older People Service	March 2018
Council Wide Reviews	Volunteering	January 2018
Schools	Theme 3 – Consolidated Report IR35	February 2018

- 2.4 The remaining uncompleted activity from the 2016/17 audit plan (SIAS Partnership Joint Review of Trading Activities) is scheduled for completion on 16 March 2018, facilitated through a workshop event for all SIAS partners.
- 2.5 In respect of progress on delivering the remaining audits within the 2017/18 audit plan, five audits are currently at quality review stage, 14 audits are currently in fieldwork and one is at planning stage.

Schools' Audit Activity

- 2.6 The schools' audit plan for 2017/18 identified three streams of activity:
- a) **Theme 1** - Assessment of the effectiveness of internal control in relation to the requirements of the Schools Financial Value Standard (SFVS) (sample of 27 schools)
 - b) **Theme 2** – Safe Recruitment – to provide assurance that the sample schools comply with the statutory guidance in the Department for Education's publication "Keeping Children Safe in Education" and the Home Office Right to Work in the UK legislation, when undertaking recruitment activity (sample of 18 schools)
 - c) **Theme 3** – IR35 – to provide assurance that the sample schools are complying with the new IR35 (off payroll working) regulations that came into force in April 2017 (sample of 15 schools)
- 2.7 In respect of Theme 1, visits to all sampled schools have now been completed and 26 final reports have been issued. In respect of the remaining visit, a management response is currently being prepared by the school in response to the draft report.
- 2.8 In respect of Theme 2 (Safe Recruitment in Schools), this has now been concluded with final reports issued to all schools visited.

- 2.9 Finally for Theme 3 (IR35 compliance), draft or final reports have been issued to each school visited and a consolidated report, summarising the outcomes from the theme, has been issued to relevant Council Officers.
- 2.10 To date we have not received any referrals for inclusion under the contingency allocation for schools due to become academies.
- 2.11 We continue to receive enquiries from schools regarding a range of financial matters and update the Frequently Asked Questions within the Internal Audit page on the Grid accordingly.

Proposed Audit Plan Amendments

- 2.12 Proposed amendments to the 2017/18 Internal Audit Plan and the reasons for these are set out below:
- 2.13 Resources
- Following discussions with the Head of Technology, the planned audit on Segregation of Duties & Access Controls has been deferred. This is a result of the Service being unable to support this audit in quarter four due to work in preparation for the Public Service Network re-accreditation. As a result a total of 19.5 days has been returned to the Council's contingency allocation.
 - Due to additional work being required on the audit of Adult Care Services Feeder Systems, the budget has been increased by five days to a total of 20 days.
 - At the request of the Resources Board, a review of the Council's preparedness for the General Data Protection Regulations has been added to the plan, with these regulations becoming a requirement from May 2018. A total of 10 days have been allocated for this review.
- 2.14 Grants
- Since the previous progress report SIAS have continued work on the certification of the final grant return for oneTRANSPORT. Following notification from the awarding body that final certification requires a 100% compliance check of expenditure claimed (covering eight previous claims) and the identification of errors in previously submitted claims, the allocation for this review has increased by 7.5 days to 10 days.
- 2.15 Children's Services
- In agreement with the Children's Services Board, the audit of Programme and Project Management has been cancelled, due to

sufficient assurance over this area being available from the 2016/17 audit of Business Cases and Benefits Realisation.

- In addition, the planned consultancy work on Quality Assurance Systems had been deferred to 2018/19 as the framework supporting this system is currently being reviewed by the Service.

2.16 Schools

- In order to accommodate the further work in relation to IR35 compliance within schools, in particular the issue and analysis of a questionnaire to all maintained schools, the audit budget for this theme has been increased by 17 days to a total of 60 days. A draft report summarising the outcomes from this review has now been issued.

2.17 In respect of the plan additions above these have been resourced from the Council's audit plan contingency allocation, leaving a remaining contingency balance of 44 days for the Council's main plan and 12 days for the Schools audit plan.

2.18 Additional minor changes have been made to the audit plan in order to reflect changes of 3 days or less, where original planned items are no longer required, or new activities have emerged.

Limited Assurance Audits

2.19 Since the previous progress report no Limited Assurance opinions have been provided by SIAS.

High Priority Recommendations

2.20 Audit Committee Members will be aware that a final audit report is issued when it has been agreed by management; this includes an agreement to implement the recommendations made. It is Internal Audit's responsibility to advise members of the Committee on progress of the implementation of high priority recommendations; it is the responsibility of Officers to implement the recommendations by the agreed date.

2.21 An update on progress with implementing high priority recommendations is shown at Appendix B to the report. Progress is summarised in the table opposite:

HIGH PRIORITY RECOMMENDATIONS				Not implemented by Due Date	
Total Number of Outstanding Recommendations at the start of this Follow Up Period	Implemented	Not Yet Due	No Longer Applicable	Partially Implemented – Revised Date Agreed	No Update Provided by Action Owner
3	1	1	0	1	0
%	33.33%	33.33%	0%	33.33%	0%

2.22 High priority recommendations relating to schools are excluded from this listing given both the volume of schools within the County and the relative risk of any single recommendation to the Authority as a whole.

2.23 Further details on the implementation status of the above management actions are provided within Appendix B of this progress report.

2.24 One new high priority recommendation has been made since our previous progress report to the Committee.

2.25 The current progress of management in implementing the above actions is reported to the committee within Appendix B of this report.

Medium Priority Recommendations

2.26 The Committee's role in respect of medium priority recommendations is to be satisfied that there is a monitoring process in place and that, in general, agreed recommendations are being implemented.

2.27 The table below details the implementation status of medium priority recommendations that were due for implementation in the period since the last progress report.

MEDIUM PRIORITY RECOMMENDATIONS		Not implemented by Due Date		
Total Number of Recommendations Followed Up in this Period	Implemented	Partially Implemented – Revised Date Agreed	Actions not commenced – Revised date Agreed	No Update Provided by Action Owner
32	8	24	0	0
%	25%	75%	0%	0%

Performance Management

2.28 Annual performance indicators and associated targets are approved by the SIAS Board on an annual basis.

2.29 The actual performance for Hertfordshire County Council against the targets that can be monitored in year is set out in the table below.

Performance Indicator	Performance Target for 31 March 2018	Profiled performance at 12 March 2018	Actual performance to 12 March 2018
1. Planned Days – percentage of actual billable days against planned chargeable days completed (excludes unused contingency)	95%	90%	87%
2. Planned Projects * – percentage of actual completed projects to draft report stage against planned completed projects	95%	88%	85%
3. Client Satisfaction – percentage of client satisfaction questionnaires returned at ‘satisfactory’ level	100%	100%	100%**
4. Number of High Priority Audit Recommendations agreed as %	95%	95%	100%

* Based on audit plan ‘deliverables’ at draft, final and audit closed stage including schools audits and items carried forward from 2016/17 that were not at draft report stage by 31 March 2017.

** 22 completed customer satisfaction surveys have been received during 2017/18, four of which relate to audits completed from the 2016/17 audit plan.

2.30 In addition, the performance targets listed below are annual in nature; Members will be updated on the performance against these targets within the separate Head of Assurance’s Annual Report:

- **5. External Auditors’ Satisfaction** – external audit has been able to draw assurance from the work of internal audit on relevant matters.
- **6. Annual Plan** – prepared in time to present to the March meeting of each Audit Committee. If there is no March meeting then the plan should be prepared for the first meeting of the financial year.
- **7. Head of Assurance’s Annual Report** – presented at the June meeting of the Audit Committee.

APPENDIX A PROGRESS AGAINST THE 2017-18 AUDIT PLAN AS AT 12 MARCH 2018

Hertfordshire County Council Audit Plan 2017/18

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
Corporate								
Annual Governance Statement 2016/17	N/a				8	SIAS	8	Complete
Annual Governance Statement 2017/18	N/a				5	SIAS	5	In Fieldwork
Head of Internal Audit Opinion 2016/17	N/a				5	SIAS	5	Complete
Whistleblowing - named contact and quarterly review	N/a				10	SIAS	10	Through Year
Resources								
Resources Queries < 3hrs Activities	N/a				10	SIAS	10	Through Year
Resources: Hertfordshire Business Services (HBS)								
Business Operations	Substantial	0	2	6	25	SIAS	25	Final Report Issued
Resources: Finance								
Pensions - Administration	Substantial	0	1	1	30	SIAS	30	Final Report Issued

APPENDIX A PROGRESS AGAINST THE 2017-18 AUDIT PLAN AS AT 12 MARCH 2018

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
Payroll					25	SIAS	24.5	Draft Report Issued
Debtors					25	SIAS	24.5	Draft Report Issued
Creditors					25	SIAS	24.5	Draft Report Issued
General Ledger					20	SIAS	19.5	Draft Report Issued
Treasury Management					15	SIAS	10	Draft Report Issued
Adult Care Services – Feeder Systems					20	SIAS	19.5	Draft Report Issued
SAP Systems Access					15	SIAS	14.5	Draft Report Issued
eIncome	Substantial	0	1	0	15	BDO	15	Final Report Issued
Resources: Property								
Carbon Reduction Commitment	Unqualified Opinion	0	0	0	15	SIAS	15	Final Report Issued
Resources: Technology								
Segregation of Duties / Access Controls					0	BDO	0	Audit Deferred
GDPR Preparedness					10	BDO	9.5	Draft Report Issued

APPENDIX A PROGRESS AGAINST THE 2017-18 AUDIT PLAN AS AT 12 MARCH 2018

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
Cyber Security	Moderate	1	3	2	15	BDO	15	Final Report Issued
Resources: Human Resources								
Employee Expenses	Substantial	0	0	4	15	SIAS	15	Final Report Issued
Off Payroll Working (consultancy)					5	SIAS	5	Through Year
DBS and Risk Assessments	Moderate	0	2	1	10	SIAS	10	Final Report Issued
Resources: Legal, Democratic & Statutory Services								
LEP - Compliance with Assurance Framework	Moderate	0	18	4	19	SIAS	19	Final Report Issued
Resources: Customer Engagement & Libraries								
Blue Badges	Substantial	0	0	3	10	SIAS	10	Final Report Issued
Council Wide Reviews								
Conflicts of Interest					25	SIAS	20.5	In Quality Review

APPENDIX A PROGRESS AGAINST THE 2017-18 AUDIT PLAN AS AT 12 MARCH 2018

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
Delegated Decision Making	Substantial	0	1	2	25	BDO	25	Final Report Issued
Volunteering					25	SIAS	25	Draft Report Issued
Business Continuity					25	SIAS	18.5	In Fieldwork
Serious and Organised Crime Audit					25	SIAS	14.5	In Fieldwork
Safeguarding					25	SIAS	1	Allocated
Cross Service Reviews								
0-25 Integrated Service (Children's Services and Adult Care Services)					20	BDO	2.5	In Fieldwork
Home to school / college transport (Children's Services and Environment)					15	SIAS	8	In Fieldwork
Transport Infrastructure Assets (Resources and Environment)					1.5	SIAS	1.5	Audit Cancelled
Early Years Payment Run Processes	Not Assessed	0	0	8	5	SIAS	5	Final Report Issued
Adult Care Services								
Deputyship / Appointeeships	Moderate	0	7	2	18	SIAS	18	Final Report Issued
Integrated Commissioning Arrangements					1.5	BDO	1.5	Audit Cancelled

APPENDIX A PROGRESS AGAINST THE 2017-18 AUDIT PLAN AS AT 12 MARCH 2018

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
Application of Eligibility Thresholds (Older People Service & Adult Disability Service)					20	BDO	3	In Fieldwork
Data Security and Information Sharing					15	SIAS	10.5	In Fieldwork
Direct Payments					15	SIAS		Allocated
Provider Portal (Consultancy Advice)	N/a				5	SIAS	2.5	Through Year
Data quality - Business Process Compliance – Older People Service					20	BDO	18.5	Draft Report Issued
Demography & Budget monitoring - Adult Disability Service					20	BDO	1.5	In Fieldwork
Payment of homes gross - Consultancy Support					1	SIAS	1	Audit Cancelled
Accommodation for Independence Programme (Adult Disability Service)					1	BDO	1	Audit Cancelled
Adult Care Services Queries < 3hrs Activities	N/a				10	SIAS	10	Through Year
Market oversight programme – consultancy activity / advice					20	SIAS	20	Draft Report Issued
ACS Client Finances (Older People Service)	N/a				5	SIAS	5	Complete
Environment Services								
Bus Contracts					15	SIAS	5	In Fieldwork
Dropped Kerbs	Moderate	0	4	1	12	SIAS	12	Final Report Issued

APPENDIX A PROGRESS AGAINST THE 2017-18 AUDIT PLAN AS AT 12 MARCH 2018

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
Highways Service - Highways Act 1980 Section 58	Substantial	0	2	2	15	BDO	15	Final Report Issued
Highways Service - Category 3 Works					15	BDO	2.5	In Fieldwork
Highways Services - PMnet Software Development Project					10	SIAS	9.5	Draft Report Issued
Development Management - Enforcement					0.5	SIAS	0.5	Audit Deferred (see 18/19 Plan)
Compliance with CDM Regulations					15	SIAS	12	In Fieldwork
Environment Services Queries <3hrs activities	N/a				10	SIAS	10	Through Year
WAMS (Waste Management System) - Consultancy Advice	N/a				3	SIAS	3	Complete
Children's Services								
Programme / Project Management					1.5	BDO	1.5	Audit Deferred (see 18/19 Plan)
Financial Monitoring of Schools					15	SIAS	5.5	In Quality Review
Family Finding model					5	SIAS	5	Complete
Quality Assurance Systems (Consultancy)					4	SIAS	4	Audit Deferred (see 18/19 Plan)
Customer Service Centre (safeguarding enquiries)					20	SIAS	6.5	In Fieldwork
GDPR – Transmission of Sensitive Data	Moderate	1	4	3	20	SIAS	20	Final Report Issued

APPENDIX A PROGRESS AGAINST THE 2017-18 AUDIT PLAN AS AT 12 MARCH 2018

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
Children's Services Queries <3hrs Activities	N/a				10	SIAS	10	Through Year
Public Health								
Commissioning, Contract Management and Contract Payments	Substantial	0	2	2	20	BDO	20	Final Report Issued
Immunisation in Schools					0.5	SIAS	0.5	Audit Cancelled
Community Protection								
Service Performance Management					15	BDO	14.5	Draft Report Issued
Internal Quality Assurance Arrangements					15	SIAS	8	In Fieldwork
Trading Standards - Management of Evidence					10	SIAS	6	In Fieldwork
Shared Learning								
Shared Learning Newsletters and Summary Themed Reports	N/a				5	SIAS	5	Through Year
Joint Review					5			In Planning

APPENDIX A PROGRESS AGAINST THE 2017-18 AUDIT PLAN AS AT 12 MARCH 2018

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
Grant Claims								
Herts Chief Finance Officers Society	Unqualified Opinion	0	0	0	2	SIAS	2	Final Report Issued
Hertfordshire Education Foundation	Unqualified Opinion	0	0	0	5	SIAS	5	Final Report Issued
Hertfordshire Charity for Deprived Children	Unqualified Opinion	0	0	0	1	SIAS	1	Final Report Issued
Autism Grant					2	SIAS		Allocated
LEP - Local Growth fund	Unqualified Opinion	0	0	0	3	SIAS	3	Final Report Issued
Integrated and structural maintenance grant					2	SIAS		Allocated
Building Better Opportunities					3	SIAS	2	In Fieldwork
Disabled Facilities Grants / Home Improvement Agency	Unqualified Opinion	0	0	0	5	SIAS	5	Final Report Issued
LEP Capital Grant	Unqualified Opinion	0	0	0	4.5	SIAS	4.5	Final Report Issued
Bus Subsidy Operators Grant	Unqualified Opinion	0	0	0	2	SIAS	2	Final Report Issued
Pot Hole Action Fund	Unqualified Opinion	0	0	0	1.5	SIAS	1.5	Final Report Issued
Local Transport Capital Block Funding	Unqualified Opinion	0	0	0	1.5	SIAS	1.5	Final Report Issued
oneTRANSPORT	Unqualified Opinion	0	0	0	18	SIAS	18	Final Report Issued

APPENDIX A PROGRESS AGAINST THE 2017-18 AUDIT PLAN AS AT 12 MARCH 2018

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
Grants Contingency					0	SIAS		
Other Chargeable								
Plan Delivery Monitoring	N/a				30	SIAS	30	Through Year
Recommendations Follow-Up - Q1	N/a				5	SIAS	5	Complete
Recommendations Follow-Up - Q2	N/a				5	SIAS	5	Complete
Recommendations Follow-Up - Q3	N/a				5	SIAS	5	Complete
Recommendations Follow-Up - Q4	N/a				5	SIAS	5	Complete
Client Liaison	N/a				10	SIAS	10	Through Year
Audit Committee	N/a				20	SIAS	20	Through Year
2018/19 Audit Planning	N/a				30	SIAS	30	Complete
Performance Data	N/a				3	SIAS	3	Through Year
External Audit Liaison	N/a				2	SIAS	2	Through Year
SIAS Development	N/a				40	SIAS	40	Through Year

APPENDIX A PROGRESS AGAINST THE 2017-18 AUDIT PLAN AS AT 12 MARCH 2018

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
SIAS Board Meetings and Preparation	N/a				10	SIAS	10	Through Year
Management of Scrutiny	N/a				5	SIAS	5	Through Year
Management of Health & Safety	N/a				5	SIAS	5	Through Year
Management of Shared Anti-Fraud Service	N/a				5	SIAS	5	Through Year
Management of Risk Management and Insurance	N/a				5	SIAS	5	Through Year
Public Sector Internal Audit - Self Assessment 17-18	N/a				10	SIAS	10	In Fieldwork
16/17 Projects requiring completion								
16-17 Projects requiring completion	N/a				10	SIAS	10	Complete
16/17 Social Media	Substantial	0	0	0	9.5	SIAS	9.5	Final Report Issued
16/17 Client Finances - Establishment Visits	Substantial	0	4	0	12.5	SIAS	12.5	Final Report Issued
16/17 Training Records	Substantial	0	0	3	10	SIAS	10	Final Report Issued
16/17 Ofsted Action Plan	Substantial	0	1	2	7.5	SIAS	7.5	Final Report Issued
16/17 Overtime / Working Time Directive	Substantial	0	0	1	6	SIAS	6	Final Report Issued

APPENDIX A PROGRESS AGAINST THE 2017-18 AUDIT PLAN AS AT 12 MARCH 2018

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
16/17 Pre-Paid Cards	Substantial	0	2	3	8.5	SIAS	8.5	Final Report Issued
16/17 Joint Reviews	N/a				1	BDO	1	Final Report Issued
16/17 Ringway - Service Sector Improvements	Substantial	0	0	0	1	SIAS	1	Final Report Issued
HCC Plan Contingency Balance					44			
Schools								
Advice, queries and guidance for schools	N/a				20	SIAS	20	Through Year
Liaison, awareness raising and training	N/a				18.5	SIAS	18	Through Year
Theme 1 - SFVS (25 schools)	N/a				114	SIAS	114	Final Reports Issued
Theme 2 - Safe Recruitment (18 Schools)	N/a				70	SIAS	70	Final Reports Issued
Theme 3 – IR35 (15 schools)	N/a				57.5	SIAS	57.5	Draft or Final Reports Issued
16-17 SFVS Returns Collation	N/a				10	SIAS	10	Complete

APPENDIX A PROGRESS AGAINST THE 2017-18 AUDIT PLAN AS AT 12 MARCH 2018

AUDITABLE AREA	LEVEL OF ASSURANCE	RECS			AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS/COMMENT
		H	M	MA				
17-18 SFVS Returns Collection	N/a				5	SIAS	5	Complete
Reporting 16/17 themes	N/a				10	SIAS	10	Draft Reports Issued
Follow up schools with high priority recs or moderate assurance	N/a				10	SIAS	10	In Fieldwork
Contingency - Schools Causing Concern	N/a				6	SIAS		Through Year
Contingency - Academy Conversions	N/a				6	SIAS		Through Year
Plan Monitoring	N/a				10	SIAS	10	Through Year
Completion of 16-17 Audits	N/a				8	SIAS	8	In Progress
Schools Plan Contingency Balance					0			

Total		2	54	50	1637		1372.5	
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Key

H = High Priority

M = Medium Priority

MA = Merits Attention

RECS = Recommendation

BDO = new audit partner, replacing PWC from 1 April 2015

N/A = not applicable

APPENDIX B IMPLEMENTATION STATUS OF HIGH PRIORITY RECOMMENDATIONS

No.	Report Title / Date of Issue	Recommendation / Original Management Response	Responsible Officer / Due Date	Management Comment as at October 2017 (previous commentary added where appropriate)	Status of Progress
1	<p>Data Quality (Children's Services)</p> <p>(Final Report Issued May 2017)</p>	<p>Recommendation It was recommended that Children's Services:-</p> <ul style="list-style-type: none"> • Review the Children's Services Data Oversight Strategy to ensure that it is consistent with the corporate Data Quality Strategy • Formally allocate the Senior Information Risk Owner (SIRO) role to a named officer • Ensure that each information system has a named officer for data quality. • Set a clear target date for the implementation of the Master Data Roadmap/Golden Record project • Set up regular data quality meetings across all departments and with external users • Update the Data Quality Strategy to include information on how data quality is reported through the data governance hierarchy. <p>Management response Meet with Corporate colleagues to review the recommendations and determine the appropriate response from a corporate perspective.</p> <p>Present a report to Children's Services Core Board to review the recommendations and agree proposed actions and owners. Develop an action plan following on from decisions taken at Board.</p>	<p>Jenny Eccles - Head of Business Infrastructure</p> <p>July 2017</p>	<p>October 2017 Update - A meeting has taken place with Corporate colleagues and an approach has been agreed. A report will be presented to CS Core Board in September 2017</p> <p>November 2017 Update – The above report has been rescheduled to 6th December 2017 for presentation to Core Board</p> <p>February 2018 Update – Report presented to CS Core Board on 1st February 2018 outlining the recommendations and the proposed actions. Actions were agreed at this meeting and these will now be developed into a formal action plan.</p>	<p>Complete</p>

APPENDIX B IMPLEMENTATION STATUS OF HIGH PRIORITY RECOMMENDATIONS

No.	Report Title / Date of Issue	Recommendation / Original Management Response	Responsible Officer / Due Date	Management Comment as at October 2017 (previous commentary added where appropriate)	Status of Progress
2	<p>GDPR – Transmission of Electronic Data (Children’s Services)</p> <p>(Final Report Issued November 2017)</p>	<p>Recommendations</p> <p>It was recommended that Children’s Services (with the support of the Information Governance Team):-</p> <ul style="list-style-type: none"> reminded staff of the requirement to complete Data Protection iLearn training positively confirm with managers that all staff have completed the training by a specified date. Undertake work to verify that all training records held are up to date and accurate, correcting any inaccuracies and implement ongoing monitoring to provide assurance that records remain accurate. Within the above reviews, include all members of the workforce, extending to areas such as Foster Care. <p>Management Response</p> <ul style="list-style-type: none"> An email from Jenny Coles has been sent to all managers (July 2017) indicating that all staff must have completed the iLearn training. This will be followed up with managers in November 2017 to confirm completion. Implementation of a monthly new starters report to be reviewed to enable managers to ensure iLearn module has been completed. Information Governance Unit to discuss with HR the issues regarding accuracy of iLearn completion data. A review of DP training provided to foster carers is in progress and methods to communicate more securely with foster carers are being developed with the Corporate Technology Team. Manual records of attendance on face to face training (which is considered over and above the iLearn mandatory training) prior to SAP to be inputted onto SAP to provide an overall report 	<p>Jenny Eccles - Head of Business Infrastructure and Elaine Dunicliffe - Information Governance and Access Unit Manager</p> <p>31 January 2018 for completion of all actions (some having earlier completion dates)</p>	<p>February 2018 Update –</p> <p>The Survey regarding completion of training by staff is in the process of being issued. This is scheduled to be completed by the end of March 2018.</p> <p>Discussions with HR, in relation to the new starters report and accuracy of i-Learn, are planned to be completed by the end of March 2018.</p> <p>A Specific Foster Carer email system (which will allow secure communication between foster carers and HCC staff) is currently being tested.</p> <p>Manual records of attendance of DP training are still to be added, with the resource required to complete this currently being identified.</p>	<p>Partially implemented</p> <p>Revised target date – 1 April 2018</p>

APPENDIX C – DEFINITIONS OF ASSURANCE AND RECOMMENDATION PRIORITIES

Levels of assurance	
Full Assurance	There is a sound system of control designed to achieve the system objectives and manage the risks to achieving those objectives. No weaknesses have been identified.
Substantial Assurance	Whilst there is a largely sound system of control, there are some minor weaknesses, which may put a limited number of the system objectives at risk.
Moderate Assurance	Whilst there is basically a sound system of control, there are some areas of weakness, which may put some of the system objectives at risk.
Limited Assurance	There are significant weaknesses in key control areas, which put the system objectives at risk.
No Assurance	Control is weak, leaving the system open to material error or abuse.

Priority of recommendations	
High	There is a fundamental weakness, which presents material risk to the objectives and requires urgent attention by management.
Medium	There is a significant weakness, whose impact or frequency presents a risk which needs to be addressed by management.
Merits Attention	There is no significant weakness, but the finding merits attention by management.