REPORT TO SHEFFIELD CITY COUNCIL AUDIT AND STANDARDS COMMITTEE
15th October 2020

Internal Audit Tracker Report on Progress with Recommendation Implementation

Purpose of the Report

1. The purpose of this 'rolling' report is to present to members of the Audit and Standards Committee progress made against recommendations in audit reports that have been given a high opinion (using the old system), a no assurance opinion, or a limited assurance with high organisational impact opinion (using the new system).

2. As the report tracks recommendations until they have been fully implemented, there will be a period when reports are included that use both the old and new style of internal audit opinion.

Introduction

3. An auditable area receiving one of the above opinions is considered by Internal Audit to be an area where the risk of the activity not achieving objectives is high and sufficient controls were not present at the time of the review. All reports will have been issued in full to members of the Audit and Standards Committee at their time of issue.

4. Where Internal Audit has yet to undertake follow up work, the relevant Portfolio managers were contacted and asked to provide Internal Audit with a response. This work included indicating whether or not the recommendations agreed therein have been implemented to a satisfactory standard. Internal Audit clearly specified that as part of this response, managers were required to provide specific dates for implementation, and that this information was required by the Audit and Standards Committee.

5. This report also details reviews that Internal Audit proposes to remove from future update reports because all agreed recommendations have now been implemented. The Audit and Standards Committee is asked to support their removal.

FINANCIAL IMPLICATIONS
There are no direct financial implications arising from the report.

EQUAL OPPORTUNITIES IMPLICATIONS
There are no equal opportunities implications arising from the report.

RECOMMENDATIONS

1. That the Audit and Standards Committee notes the content of the report.

2. That the Audit and Standards Committee agrees to the removal of the following reports from the tracker:

- Early Payments to Care Providers
- Subject Access Requests

Executive Summary

Reports received in full by the Committee

As agreed, the Audit and Standards Committee members will receive, in full, reports with no assurance (regardless of the organisational impact) and limited assurance with a high organisational impact. In addition, limited assurance, medium impact opinion reviews would be reported on a discretionary basis.

Four reviews were added to the Recommendation Tracker report in July 19. These were not followed-up for the last report due to longer than usual implementation dates, and so were included in this report.

These reports are:

- Software Licensing (Resources)
- Hardware Asset Management (Resources)
- Early Payment to Care Providers (People)
- Enforcement Agent Review (Resources)

New reports added to this Tracker

For this period, 3 new reports have been added.

Title	Assurance	Impact
Assurance Reviews		
Information Security Incidents	Limited Assurance	High Organisational Impact
Direct Payments	Limited Assurance	Medium Organisational Impact
Automatic Number Plate Recognition (ANPR) governance controls	Limited Assurance	High Organisational Impact

Recommendation implementation

In total, updates have been provided on 52 out of 52 recommendations that are due for implementation. Of these, 25 (48%) have been implemented and 27 (52%) are ongoing, indicating work has been started but not yet fully completed.

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Items to note
There are four critical recommendations ongoing in this report.

Two critical recommendations are contained within the OHMS application review and relate to arrangements for changing the application host and upgrading the system. Progress has been delayed due to the ongoing insourcing of the Capita IT contract, with action now being scheduled for November 2020.

One critical recommendation is contained within the Information Security Incidents report and relates to the requirement for staff to complete the relevant information management and cyber security training. Action is now scheduled for September 2020.

The final critical recommendation is contained within the Software Licensing report and relates to undertaking appropriate due diligence to ensure that the Council has in place the required volume of software licences to cover the operational activity of the Council. Action is now scheduled for March 2021.

Report to EMT
The tracker report was circulated to the Executive Management Team on the 6th October 2020.

Members of EMT noted the content of the report and that the ongoing recommendations, whilst in-progress, have all exceeded their original implementation dates.

EMT discussed the Software Licensing recommendations and the Hardware Asset Management recommendations, which are deemed to be ongoing.

UPDATED POSITION ON TRACKED AUDIT REPORTS AS AT Sept 2020

The following table summarises the implementation of recommendations, by priority, in each audit review.

Audit Title	Total				Complete				Ongoing				Outstanding	
	Critical	**High**	**Medium**	**Ec/eff**	**Critical**	**High**	**Medium**	**Ec/eff**	**Critical**	**High**	**Medium**	**Ec/eff**	**High**	**Medium**
Information Security Incidents	1	4	3						1	3	3		1	
Software Licensing	1	8				2			1	6				
Hardware Asset Management		7				3				4				
Enforcement Agent Review		13				12							1	
Early Payment to Care Providers		4	2	1		4	2	1						
OHMS Application Review	2								2					
Revenues and Benefits Contact Centre		1								1				
Subject Access Requests		1			1									
Controls in Town Hall Machine Room		1								1				
Appointeeship Service		1								1				
Council Processes for Management Investigations		2								2				
Total	**4**	**42**	**5**	**1**	**1**	**21**	**2**	**1**	**4**	**18**	**3**		**2**	

Shaded items to be removed from the tracker

1. Information Security Incidents (Corporate) (issued to Audit and Standards Committees 21.1.20)

As at Sept 2020
Internal Audit: This report was issued to management on the 12.9.19 with the latest agreed implementation date of 31.12.19. An update on progress with the recommendations is included below.

Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position provided by Roger Norton during the Internal Audit follow up review 11.8.20
1.1	There should be clarity on information sharing required across Services and the expectations on and accountabilities of all parties involved. This should be clearly documented so that all parties can discharge their responsibilities effectively.	**High**	Mark Jones, Senior Information Management Officer	December 2019 **Revised Implementation Timeframe: 30.09.20**	**Action ongoing** The requirement for an information sharing and disclosure document was begun by the previous DPO Mark Jones but not completed prior to him leaving the Council. Timescales for this should be revised to take account of the current recruitment process. The action for the Data Protection Office to have regular one to ones with the assistant directors Legal & Governance is fulfilled via regular meetings between the DPO and the Assistant Director Legal and Governance. A forum has also been set up to include the Caldicott Guardians

1.2	At the IGB in April 2019 it was recommended that the Board ask their managers to remind staff to complete the relevant information management and cyber security training in the next three months. Numbers completing training should be re-visited in July 2019 to identify if this action has taken place. If the numbers have not increased significantly at this point, clear action needs to be taken. The relevant information should be provided to Directors/Heads of Service and they should send an email out directly to all staff who have not completed the training, asking them to do so as a matter of urgency and by a specific date. It should be made clear that access to the Council's managed service will be removed if the training is not completed by a set date and not reinstated until this has been undertaken. Going forward, where training is updated, or staff are required to undertake refresher training, they should be given a set period of no more than three months to undertake the training. If they do not, access should be revoked. The issue of mandatory training should be covered in PDRs. Directors should be provided with lists of all staff not completing mandatory training on a quarterly basis. If take up continues to be low, steps should be taken to remove staff from the Council's managed service.	**Critical**	Mark Jones, Senior Information Management Officer	Actions detailed to be undertaken over the coming months. Review of this in January 2020 and referral to IGB where necessary. **Revised Implementation Timeframe: 30.09.20**	**Action ongoing** As of the end of March 2020 approximately 64% of individuals have completed the mandatory training. The training is currently being revised by the Councils IM team working with learning and development as per the actions recommended. The revised training is expected to be available August 2020 The raising of the completion figure will require wider support and monitoring of completion rates but manager, the mandatory inclusion in PDRs. Completion rate has been fairly stable and not improved. As noted in the management comments this lack of improvement in completion rage should be raised at IGB.

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		A case folder to be created for each individual security incident.	Medium	Mark Jones, Senior Information Management Officer	December 2019	Action ongoing
3.1	A case folder to be created for each individual security incident. Regular reviews of SharePoint to be undertaken to ensure all fields are completed etc. Information management team to consider if the Council is currently using any other systems that would provide a better alternative for the recording of security incidents than SharePoint.	Medium	Mark Jones, Senior Information Management Officer	December 2019 **Revised Implementation Timeframe: 31.12.20**	**Action ongoing** The action to create a case folder for each individual security incident has been completed. The action to review whether other systems can provide better reporting has been undertaken and the Councils new service management tool "Service Now" is being considered and the intention is that all incident reporting should be reported via Service. Business change resource has been employed to investigate the feasibility of a project to complete the required work. The action to undertake regular review of SharePoint fields has not been completed. This would be a BAU task for which currently there is insufficient resource within the IM team to complete.
3.2	After a period of six months, the workings of the new SOP should be reviewed and evaluated to ensure that it is fit for purpose (the Information Governance Working Group also to be involved in this as representatives of this group hold key responsibilities within the process). Any amendments to the process, in light of the review, should be ratified by the IGB (Information Governance Board).	Medium	Mark Jones/Information Governance Working Group	December 2019 **Revised Implementation Timeframe: 30.09.20**	**Action ongoing** As per the recommendation that the SOP should be reviewed after six months. The review of this SOP is on the agenda for review at the Information Management Working Group (IMWG) to be held on July 7th 2020.

4.1	Incident management reports to be completed for all incidents regardless of risk. Where risk is lower, reports can be tailored to reflect this - with only key details recorded. The report to be sent to the relevant Head of Service/Information Asset Owner for sign off and agreement to actions. The report to be retained within the relevant G Drive folder.	**High**	Mark Jones, Senior Information Management Officer	December 2019	Progress on this matter was to be monitored to understand the resource implications of the production of such reports. The result of this is that very little progress has been made – there is insufficient resource within the IM to consistently produced Incident management reports for all risk levels and the production of reports over the period has been very inconsistent over the period with completion of the reports depending on the level of workload within the IM team at any given time based on external factors such as incident in progress/ volume of FOI requires open etc. Consequently there is also limited progress on the action to send incident reports to heads off service for sign-off and agreement to actions. **Unable to progress due to resource implications.**
5.1	Information management team to establish programme of checking on agreed actions (in conjunction with the Information Governance Working Group). Priority to be given to high risk incidents.	**Medium**	Mark Jones, Senior Information Management Officer	December 2019 **Revised Implementation Timeframe: 30.09.20**	**Action ongoing** As per the management comments summary aggregate reporting should be embedded first. No significant progress has been made in establishing a programme of checking on agreed actions. Serious consideration needs to be given to whether the IM team should have this governance and audit role. Currently the IM team do not believe that they could carry out this role with the current resources available to the team.

5.2	Once incident management reports have been produced, review how the information gathered can be presented to the IGB as part of quarterly reporting on information security incidents (this can be undertaken in conjunction with the Information Governance Working Group). The reports should be used to support greater trend analysis in reporting to the Board so that support and training can be targeted where appropriate.	**High**	Mark Jones, Senior Information Management Officer	December 2019 **Revised Implementation Timeframe: 30.09.20**	**Action ongoing** As noted above incident management reports are not produced for every incident and there for no significant progress has been made towards effective trend analysis during the period.
5.3	Information relating to outstanding claims and costs should be reported quarterly to the Information Governance Board (IGB) so that the financial implications are visible to senior management.	**High**	Mark Jones, Senior Information Management Officer	December 2019 **Revised Implementation Timeframe: 30.09.20**	**Action ongoing** The provision of information relating to outstanding claims with need to be provided by Strategic Insurance. Tim Sharp has moved from Risk to the IM team but will continue to liaise with insurance to provide the required information to IGB.

2. Direct Payments (People) (issued to Audit and Standards Committees 2.3.20)

As at Sept 2020
Internal Audit: This report was issued to management on the 15.1.20 with the latest agreed implementation date of 30.6.20.   This report will be followed up and included in the next tracker.

3. Automatic Number Plate Recognition (ANPR) Governance controls (Place) (issued to Audit and Standards Committee 25.8.20)

As at Sept 2020
Internal Audit: This report was issued to management on the 6.8.20 with the latest agreed implementation date of 31.1.21.   This report will be followed up and included in the next tracker.

4. Software Licensing (Asset Management) (Resources) (issued to Audit and Standards Committee 1.5.19)

As at July 2019
Internal Audit: This report was issued to management on the 18.3.19 with the latest agreed implementation date of 1.4.20.   The recommendations will be implemented post the current contract and hence the longer than usual implementation timescale.   Internal Audit will maintain a watching brief of this area.

As at Sept 2020
Internal Audit: An update on progress with the recommendations is included below.

Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position provided by Mike Weston – Assistant Director ICT Service Delivery on 22.9.20
1.1	An effective management plan for software licensing begins with a clear statement of policy. The Council should have a Policy in place that details its goals for enforcing all applicable copyrights, managing software assets to obtain maximum benefit and acquiring properly licensed software through an approved procurement process that minimizes the risk of acquiring illegal software. All roles and responsibilities in relation to this should be clearly defined. This will include defining the roles and responsibilities of the suppliers contracted to manage software licensing on behalf of the Council. The recommendations below will link to the detail in this policy.	**High**	Gary Sweet, ICT Client Service Delivery Officer Mike Weston, Assistant Director - ICT Service Delivery	01/04/2020 **Revised Implementation Timescale** 30.10.20	**Action ongoing** We have a new policy drafted that details BCIS goals for managing software assets. The policy includes goals, procurement process, roles and responsibilities etc. but due to Covid-19 this has been delayed and will be finalised and presented to BCIS SMT for approval in October.
2.1	Appropriate due diligence should now be undertaken and a true up of all software assets, to ensure that the Council has in place the required volume of software licences to cover the operational activity of the Council. This should be completed prior to the end of the Council's contract with the IT supplier. Any costs associated with this should be dealt with within the contract.	**Critical**	Mike Weston, Assistant Director - ICT Service Delivery	01/04/2020 **Revised Implementation Timescale** 31.3.21	**Action ongoing** Software assets fall into server software and EUC software. A validation exercise is currently in flight utilising the 3rd party, Phoenix to audit the Server estate. Once completed and in conjunction with the completion of the tech refresh of EUC devices, then a validation exercise can be completed across EUC estate. This will enable a true up to ensure operation compliance. We have also agreed terms of reference with Internal Audit for Proactive Business Partnering Review of IT Assets.

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2.2	Roles and responsibilities for software licensing management to be clearly defined and documented. This links to the recommendation above on the Council having in place a clear statement of policy on Software Licensing. Management to seek the relevant assurance that staff/suppliers employed to manage the Council's software licensing requirements have the necessary skills and expertise to undertake the work. Management to seek assurance that periodic reviews will be undertaken to ensure compliance with the terms and conditions of licences. Management to seek assurance that staff/suppliers are skilled in delivering efficiencies within the licensing processes and to clarify and document how this will work in practice.	**High**	Gary Sweet, ICT Client Service Delivery Officer Mike Weston, Assistant Director - ICT Service Delivery	01/04/2020 **Revised Implementation Timescale** 31.3.21	**Action ongoing** Roles and responsibilities are defined in the SAM policy document. We are ensuring that relevant training is provided to relevant staff, although Covid-19 has hindered the progress of the training. We do utilise our SME partners for advice where pertinent. Regular internal auditing will be included in the final process documentation once completed (again, Covid -19 has hampered progress of this). Licence Management as a function is being handled internally and not outsourced. PDRs and skills matrices are being developed as part of a council wide initiative, which will include licence management skill sets for relevant staff.
3.1	Assurance to be sought on the use of an appropriate discovery tool to track and monitor software assets.	**High**	Gary Sweet, ICT Client Service Delivery Officer Mike Weston, Assistant Director - ICT Service Delivery	01/04/2020 **Revised Implementation Timescale** 31.3.21	**Action ongoing** An exercise with 3rd party, Phoenix is currently in flight implementing an appropriate SAM tool into the server estate. Once successful, we will be looking to implement into the EUC estate.

3.2	Management to seek assurance that an appropriate software licence inventory is in place and that this records all details of licences being managed. This should include items such as the quantity of licences, the type of licences in place, the owner of the licence and the location of the contract etc. If the discovery tool employed does not identify all types of licence in operation, separate arrangements should be in place to record these licences; for example, having separate processes in place to update the inventory etc.	**High**	Gary Sweet, ICT Client Service Delivery Officer Mike Weston, Assistant Director - ICT Service Delivery	01/04/2020	**Action complete** The CMDB in Service Now will hold all pertinent information relating to licences; supplier, licence, users, implementation date etc.
3.3	BCIS management to seek assurance that a full baseline of the Council's software assets has been established. Results of this to be agreed with the appointed supplier/s.	**High**	Gary Sweet, ICT Client Service Delivery Officer Mike Weston, Assistant Director - ICT Service Delivery	01/04/2020 **Revised Implementation Timescale** 31.3.21	**Action ongoing** Baseline will be established as per the output the exercise in flight as per above.
3.4	Management to define and document the process for software licensing procurement going forward. Inventory records should be reconciled to requisitions for software licences and the scope for efficiencies considered in all procurement.	**High**	Gary Sweet, ICT Client Service Delivery Officer Mike Weston, Assistant Director - ICT Service Delivery	01/04/2020	**Action complete** Procurement process of all software licences has been defined in the SAM document.

3.5	The steps to be taken regarding the re-harvesting of software licences to be considered as part of the disposal/decommission of IT assets process.	**High**	Gary Sweet, ICT Client Service Delivery Officer Mike Weston, Assistant Director - ICT Service Delivery	01/04/2020 **Revised Implementation Timescale** 31.3.21	**Action ongoing** Harvesting of licences has been documented and finalisation of procedures needs to be undertaken (Covid-19 has delayed the progress of this finalisation).
4.1	Agreement with the supplier to establish what reporting on software assets will be required and how frequently this will be provided. Reporting on both hardware and software assets could be consolidated in to a dashboard style report for ease of use. There should be a clear process to follow up and resolve any issues that occur.	**High**	Gary Sweet, ICT Client Service Delivery Officer Mike Weston, Assistant Director - ICT Service Delivery	01/04/2020 **Revised Implementation Timescale** 31.3.21	**Action ongoing** Licence Management functions will be conducted internally, that being said, the 3rd party, SCC do provide a monthly report as to what has been procured. Internally, regular auditing will be conducted to ensure that we are regularly validating our CMDB with that purchase, implemented, harvested etc. Any discrepancy in the results will be investigated and reconciled appropriately; this will be part of the final process documentation.

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5. Hardware Asset Management (Resources) (issued to Audit and Standards Committee 1.5.19)

As at July 2019

This report was issued to management on the 18.3.19 with the latest agreed implementation date of 1.4.20.   The recommendations will be implemented post the current contract and hence the longer than usual the longer than usual implementation timescale.   Internal Audit will maintain a watching brief of this area.

As at Sept 2020

Internal Audit: An update on progress with the recommendations is included below.

Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position provided by Mike Weston – Assistant Director ICT Service Delivery on 22.9.20
1.1	Policy document to be produced and agreed. Policy document to be communicated as appropriate.	**High**	Gary Sweet, ICT Client Service Delivery Officer Mike Weston, Assistant Director - ICT Service Delivery	01/04/2020 **Revised Implementation Timescale** 31.3.21	**Action ongoing** Policy documentation has been created and is being validated/ finalised. Covid-19 has impacted progress in finalising the operational version.
2.1	Assurance to be sought that the supplier has in place an appropriate asset repository/database (CMDB) through which they will manage the Council's assets and that designated Council Officers have access to this system/monitoring information is provided from the system on a periodic basis.	**High**	Gary Sweet, ICT Client Service Delivery Officer Mike Weston, Assistant Director - ICT Service Delivery	01/04/2020	**Action complete** The Service Now CMDB is in place and is managed by internal IT teams and access provided to all pertinent parties.

2.2	Asset extracts received from the IT supplier should be sample checked for accuracy over the coming weeks. Identified issues to be addressed directly with the IT supplier. The new supplier, SCC, will need to establish an asset baseline once the contract commences. This will be achieved by the use of an appropriate discovery tool that should deliver a clear and accurate view of hardware devices deployed across the multi-platform/multi-site networks of the Council. This should be used in conjunction with the asset information sample checked by BCIS and inform the end of contract negotiations with the IT supplier. The use of a discovery tool will only identify assets connected to the network. A process will need to be in place for standalone assets etc. Assurance to be sought from the new supplier on how the discovery tool will be utilised on an on-going basis and how this will be used to update the CMDB.	**High**	Gary Sweet, ICT Client Service Delivery Officer Mike Weston, Assistant Director - ICT Service Delivery	01/04/2020 **Revised Implementation Timescale** 31.3.21	**Action ongoing** Regular auditing of the asset estate will be included into operational procedures. As previously mention, the exercise being conducted with Phoenix will identify all hardware assets which will enable identification and reconciliation etc. Devices not attached to the network, will be covered by audit policy that will regularly validate and verify that accurate CMDB records hold true. Progress has been stalled due to Covid-19.
2.3	The new IT hardware requisition process to be clearly defined, documented and communicated to all staff across the Council.	**High**	Gary Sweet, ICT Client Service Delivery Officer Mike Weston, Assistant Director - ICT Service Delivery	01/04/2020	**Action complete** Hardware requisition process has been documented.

2.4	Assurance to be sought on how the new CMDB operated by the Council's supplier SCC, will be integrated with requisition, change, discovery and audit processes. Once this has been fully agreed between all parties, the processes should be fully defined and documented with all roles and responsibilities clearly specified. Any process should report on users with more than one laptop/asset. Review of these users will ensure that the issue of assets not being disposed of correctly is addressed. A comprehensive starters and leavers process will also aid the process.	**High**	Gary Sweet, ICT Client Service Delivery Officer Mike Weston, Assistant Director - ICT Service Delivery	01/04/2020 **Revised Implementation Timescale** 31.3.21	**Action ongoing** CMDB is managed internally and processes to update and maintain the CMDB have been written and are regularly reviewed. Due Covid-19, the vast majority of users now have two devices. Current policy is in place mandating that anyone that can work from home, works from home. Desk top devices remain in secure office locations while laptops (Tech refresh) are being deployed. There will be an exercise to collect all old devices once covid-19 restrictions are lifted.
3.1	Assurance to be undertaken on the IT asset disposal process going forward. This should include details of how end user computers will be disposed of (including how data will be removed and hard disks securely cleaned or physically destroyed) and how software licences will be re-harvested etc. Following disposal, the CMDB should always be updated with a certificate of disposal or destruction. A process should also be clearly defined and documented regarding the disposal of server hardware or other operational systems (including business applications). As for desktops, software licences should be re-harvested where appropriate and hard disks securely cleaned/destroyed.	**High**	Gary Sweet, ICT Client Service Delivery Officer Mike Weston, Assistant Director - ICT Service Delivery	01/04/2020	**Action complete** Processes in place to securely dispose of IT equipment including updates to CMDB.

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| 4.1 | Agreement with the supplier SCC on the following needs to take place:

1. What reporting from the CMDB will be undertaken for the Council?
2. How frequently will this reporting take place?
3. In what format will this reporting take place?
4. Has the reporting to be undertaken been clearly defined within the appropriate contractual documentation?

How this information will be monitored by the Council also needs to be fully defined and documented. There should be a clear process to follow up and resolve any issues that occur.

Reporting in a dashboard format may prove beneficial. | **High** | Gary Sweet, ICT Client Service Delivery Officer

Mike Weston, Assistant Director - ICT Service Delivery | 01/04/2020

Revised Implementation Timescale 31.3.21 | **Action ongoing**

CMDB is managed internally and dashboards available. Auditing regularity and process to be finalised. |

6. Enforcement Agent Review (Resources) (issued to Audit and Standards Committee 1.5.19)

As at July 2019
This report was issued to management on the 15.3.19 with the latest agreed implementation date of 31.8.19. An update on progress with recommendation implementation will be included in the next tracker report.

As at Sept 2020
Internal Audit: A follow up review was undertaken in March 2020, from the information provided Internal Audit is satisfied that progress has been made against the original recommendations. All 13 recommendations were accepted following the original review; all but one of these have been satisfactorily implemented. The only recommendation outstanding relates to fraud training which is not yet available to the service (refer to the table below for full details).

Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position provided by Finance Manager Income Collection and Management Team on 27.3.2020

2.4	Management should be aware of fraud indicators and escalate concerns regarding employee performance to ensure appropriate action is taken to protect both the Council and the employee.	**High**	Len Rubie, Finance Manager Income Collection and Management Team	30.6.2019 **Revised Implementation Timeframe:** 31.1.21	The availability of the fraud e-learning has been delayed.

7. Early Payment to Care Providers (People) (issued to Audit and Standards Committee 8.5.19)

As at July 2019
This report was issued to management on the 22.3.19 with the latest agreed implementation date of 30.6.19.   Due to the timescales for completion of this report, an update on progress with recommendation implementation will be included in the next tracker report.   Please note at the time of issue to the Audit and Standards Committee members, an update on progress had already been submitted to EMT (2nd April).

As at Sept 2020
Internal Audit: A follow-up review with Service Management in August 2020 was undertaken and now considers the updated positions for all seven recommendations satisfactory with new controls in place that are operating effectively. Internal Audit testing took place which verified the updated positions. .

Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position provided during the follow up review as at February 2020 and August 2020
1	Senior management should consider whether and what level of disciplinary action should be undertaken against the officers involved on this decision - in line with SCC policies. Service managers need to be alerted to the non-compliance with the Councils Finance Regulations and Standing Orders on this occasion.	**High**	John Doyle – Director of Business Strategy, People	30 June 2019	**Action complete** An update from John Doyle, provided on 2nd May 2019 reported: HR advice has been sought and the issue has been addressed appropriately in the service reflecting the work we have done between audit, finance and the service managers. There is no doubt the seriousness of this has been fully reviewed, fully understood and the activity and approach since the initial issue has fully reflected this.

| 2 | As a matter of urgency, management should ensure that the early payments made to all categories of providers are reconciled. This should explicitly address the double payment error payment noted in the briefing paper. No further payments should be made to providers until management have assurance that the issue has been resolved.

Results of the reconciliation should be presented to Internal Audit for verification, alongside evidence of the non-VAT liability of the payments. | **High** | Charles Crowe – SCAS Service Manager | 30 June 2019 | **Action complete**

There are now processes in place for early payment approvals. Early payments were required to manage the Coronavirus response and approval was sought from the DoF&CS.

There was a particular risk associated with early payments being made at the point of transfer between two systems. Early payments are now made through a single system which lowers the inherent risk of overpayment or double payments.

ContrOCC automates robust claw-back processes where any over or double payment is detected. |

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| 3 | Going forward project governance controls/decision making needs to be strengthened. Management should review what key decisions need to be made as the Whole Family Case Management (WFCM) project draws to a close and ensure they are formally approved and recorded.

Any future decisions to pay in advance should be notified to the Director of finance and Commercial Services as per the regulations. | **High** | Dominic Sleath - Head of Business Strategy, information and Performance Analysis

Liam Duggan – Head of Business Planning, Strategy and Imp

Liz Gough – Interim Director of Finance and Commercial Services | 30 June 2019 | **Action complete**
The next key decision will concern the implementation of the provider portals and the optimisation of these technologies. A focused session at the board will be required to review financial risks especially payment period and what decisions will be needed to ensure a safe cutover.
Any subsequent decision to implement a new ContrOCC module e.g. Visits, will also need a full assessment by the WFCM board.
All decisions to pay in advance are now notified to the Director of Finance and Commercial Services as per regulations. No additional payment controls are possible via the ContrOCC system itself. Controls have been added via the FSSG team whereby larger payment files above a threshold now first require authorisation from service management. This process has been triggered on a number of occasions during 2019/20.
Procedural guidance has been written and issued to staff in order to protect officers from accidentally releasing any payments early.
New reporting capability developed in response to the early payment issue has also identified a very small number of low value payments which have been released an average of 8 days early in error as part of the payment to care home providers for retrospective care. Retrospective payments are released every day and require a manual intervention to 'filter' out the next month's payment line from historic payment lines now due. |

4	Management to seek clarity on the Commissioning role going forward with regard to the early payment of providers. Management to ensure that the required approval/authorisation controls for this are in place. Assurance needs to be given that officers outside of Commissioning that currently have the capacity to amend contract details will have this facility removed immediately.	**High**	Liam Duggan – Head of Business Planning, Strategy and Imp	30 June 2019	**Action complete** Officers in SCAS with access rights to contracts have been reviewed. Only those with a need to access this in order to set up direct payments remain.
5	Management should develop some form of exception reporting within Controcc to identify and verify if/when early payments – or any extraordinary payments etc are made.	**Medium**	Charles Crowe	30 May 2019	**Action complete** The report was made available to FBP on the 7th February 2020.
6	Risk Management controls need to be strengthened. Management need to review the risk management plan/risk register for the WFCM project to ensure that all current risks and issues are robustly managed and treated.	**Medium**	Liam Duggan/Charles Crowe	30 May 2019	**Action complete** Risk management for Income and Payments Project a regular item with robust mechanism for review and escalation as required.
7	In line with good project management principles, the actions and outcomes taken in regard to this incident should be included and documented in the PIR/lessons learnt phase of the WFCM project. Additionally this should be shared with senior management/stakeholders to provide assurance that this has been done.	**Efficiency/ effectiveness**	Liam Duggan	31 March 2020	**Action complete** A PIR was undertaken and these issues were fed into this.

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8. OHMS Application Review (Corporate) (issued to Audit and Standards Committee 24.5.18)

As at July 2018
This report was issued to management on the 4.1.18 with the latest agreed implementation date of 30.4.18. An Internal Audit follow-up review has been completed and the results are included below.

As at Jan 2019
Internal Audit: An update of progress with the 5 recommendations ongoing in the last report is provided below.

As at Jul 2019
Internal Audit: An update on progress with two recommendations ongoing in the last report is included below.

As at Jan 2020
Internal Audit: one of the remaining two recommendations was due to for implementation within the timescales for completion of this report. The result is included below

As at Sept 2020
Internal Audit: An update on progress with two recommendations ongoing in the last report is included below.

Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position provided by Service Manager (Applications, Systems & Data) 29.9.20

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1.1	Discussions should now take place between the systems team and BCIS to determine the likely extent of any outage and the implications of this. An options paper should then be prepared to explore the business continuity arrangements required in the absence of formalised disaster recovery arrangements.	1 - Critical	Beverley Mullooly, Head of Neighbourhood Services	April 2018 **Revised Implementation Timeframe:** 31.11.2020	**Action ongoing** It has been agreed by BCIS and HLT to move the hosting of OHMS from Capita to the supplier, Northgate as part of ending the Capita IT contract and the Tech 2020 changes. This was planned for quarter 3 19/20, however for several reasons and issues, the OHMS application will continue to be hosted by Capita until November 2020. This was proposed and agreed between BCIS and Capita.
1.2	Because the system is not currently up to date and considerable expense and effort will be required to enable this, it is recommended that an options review is undertaken to ascertain what the best method is to take the application forward. This should include the do nothing option, update the current version with a view to moving to the new product or to look at other potential solutions. This will need input from the Housing Service to ensure that the solution adopted is the most cost effective in delivering their service requirements.	1 - Critical	Beverley Mullooly, Head of Neighbourhood Services	April 2018 **Revised Implementation Timeframe:** 31.11.2020	**Action ongoing** The OHMS application will be upgraded to the latest version after the hosting arrangement has been resolved.

9. Revenues and Benefits Contact Centre (Resources) (issued to Audit and Standards Committee 24.10.17)

As at Jan 2018
This report was issued to management on the 10.10.17 with the latest agreed implementation date of 31.12.17.   Due to the timescales for completion of this report, an update on progress with recommendation implementation will be included in the next tracker report.

As at July 2018
A progress update on the agreed recommendations is included below

As at Jan 2019
Internal Audit: An update of progress with the 4 recommendations ongoing in the last report is provided below.

As at Jul 2019
Internal Audit: An update on progress with recommendation implementation is included below.

As at Jan 2020
Internal Audit: An update on progress with the two remaining recommendations is included below.

As at Sept 2020
Internal Audit: An update on progress with the final remaining recommendation is included below.

Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position provided by Revenues and Benefits Client Team 25.9.20.

| 2.1 | Strategic and operational management in Customer Services and Revenues & Benefits should review Revenues & Benefits contact centre performance and to ensure the KPI is realistic and can be achieved in line with other service pressures and resources. | 2 – High | Paul Taylor, Head of Customer Services

Andrea Gough, Service Delivery Manager, Customer Services

Tim Hardie, Head of Commercial Business Development

John Squire, Finance Manager Revenues and Benefits Client Team | 31st December 2017

Revised Implementation Timeframe: 1.7.21 | **Action ongoing**

Customer Service Management Comments
There have been two recent significant developments with regards to the Revenues and Benefits Contact Centre performance. From January 2020 a number of Council Tax enquiries were temporarily diverted to Capita's Contact Centre operation. The rationale for this was to mitigate against any short-term disruption of the insourcing of Finance functions from Capita. It currently appears that these arrangements will run for a year. The effect of this change was to significantly improve the performance of the Customer Services Contact Centre Revs and Bens team so that it has regularly exceeded its KPI of 85% calls answered.

Secondly, as a response to the COVID-19 pandemic, Customer Services redoubled its efforts to enable operatives to take calls from their own home. This has now been substantially achieved with the vast majority of the Revs and Bens team taking calls from home since July 2020. Performance continues to be considerably better than the service's KPI.

The new Storm telephony system is now installed and callers who wait for longer than 60 seconds are now given an approximate estimation of how long they might be waiting for their call to be answered (although this does not apply to customers being directed to the Capita service)

Going forward the new system also offers the possibility of web chat conversations (real time conversations by text) and the potential for callers to ask to be called back. We are also |

					giving some thought as to whether Revenues and Benefits could make some use of our existing out of hours contact centre.
					The "back office" (processing) Revenues and Benefits team re-joined Sheffield City Council as part of the insource from Capita on 6th January 2020.
					In the medium term the expectation is that having both front and back-end operations in-house will give scope for greater flexibility, including e.g. moving more resources onto the telephones at times (e.g. the billing run) when we know that things will be particularly busy.
					In preparation for the insource a Customer Experience discovery piece was commissioned by BCIS at the request of Resources Leadership Team. The findings of this work are now being channelled into an action plan as well as feeding into the SCC-wide Customer Access/Customer Experience work which is under way.
					In the short-term it should be noted that Finance will shortly be initiating debt recovery action and this will potentially impact on the performance of the Revenues and Benefits Contact Centre.

10. Subject Access Requests (CYPF) (issued to Audit and Standards Committee 28.4.17)

As at July 2017
This report was issued to management on the 18.1.17 with the latest agreed implementation date of 31.10.17.   Due to the timescales for completion of this report, an update on progress with recommendation implementation will be included in the next tracker report.

As at Jan 2018
A follow-up audit was undertaken in December 2017. The results are reproduced below. Of 7 agreed recommendations, 4 are complete and 3 are ongoing.

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As at July 2018
3 recommendations remained ongoing from the previous update. 1 of these has now been actioned, with 2 being linked to the SCC2020 Records Management Project.

As at Jan 2019
Internal Audit: An update of progress with the 2 recommendations ongoing in the last report is provided below.

As at Jul 2019
Internal Audit: An update on progress with 2 recommendations ongoing in the last report is provided below.

As at Jan 2020
Internal Audit: Despite multiple requests, an update on progress with the final recommendation has not been provided to Internal Audit.   The statement below is that provided at the last update.

As at Sept 2020
Internal Audit: An update on the final recommendation is provided below.

Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position provided by Senior Manager – Business Support 29.9.20
5.1	A Portfolio data map should now be produced for responding to subject access requests. This should clearly detail the routine information that should be checked when a subject access request is received, where this can be located and who is responsible for this source of information.	2 - High	Elyse Senior-Wadsworth, Service Manager - Business Support	31.10.17	**Action complete** Data map is now in place. We have clarity on where data for social care requestors would be held. Stream lining out core systems has made this much simpler.

11. Controls in Town Hall Machine Room (Resources) (issued to Audit and Standards Committee 24.5.17)

As at July 2017
This report was issued to management on the 27.4.17 with the latest agreed implementation date of 31.12.17.   An update on progress with recommendation implementation will be included in the next tracker report.

As at Jan 2018
An update on progress with recommendation implementation was requested. It is acknowledged by Internal Audit that not all the recommendations are due for implementation as at the date of update.

As at July 2018
A progress update on the 2 outstanding recommendations is included below. 1 action has been completed and 1 is now part of the wider SCC2020 programme of work.

As at Jan 2019
Internal Audit: The timescale for implementation of this recommendation is March 2019 and so a further update has not been requested.

As at Jul 2019
Internal Audit: An update on progress with final recommendation ongoing in the last report is provided below.

As at Jan 2020
Internal Audit: The revised implementation date for the final recommendation has not been reached however an IT update is on the agenda for the January Audit and Standards Committee meeting and this will cover the work being undertaken on ICT business continuity.

As at Sept 2020
Internal Audit: An update on the final recommendation is provided below.

Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position provided by Assistant Director ICT Service Delivery 22.9.20
6.1	Working in conjunction with the Capita Security Manager, management should ensure that there are appropriate business continuity arrangements in place for the room following a full business impact analysis. This should be completed once the roles and responsibilities in relation to the room have been clearly formalised and documented.	2 - High	Mike Weston, Assistant Director ICT Service Delivery	31.12.17 **Revised Implementation Timescale** 31.3.21	**Action Ongoing** The equipment in this room has been upgrade to new hardware under the contract with ANS, the Council's new datacentre provider and plans have been developed to split the equipment between Moorfoot and the Town Hall to build in resilience for core network functionality such as Active Directory, Internet Service Provision, Domain Name Serviced and Proxy. Further work is required to set up some application resilience, but all apps moving to Azure have a level of resilience built in as they are replicated in two Microsoft Azure Data Centres.

12. Appointeeship Service (People) (issued to Audit and Standards Committee 22.7.16)

As at Jan 2017
This report was issued to management on the 11.7.16 with the latest agreed implementation date of 30.11.16.   Due to the timescales for completion of this report, an update on progress with recommendation implementation will be included in the next tracker report.

As at July 2017
A follow-up audit was undertaken in Feb 2017. Following this review, a number of recommendations were given revised implementation dates which have since passed and so the Head of Service has been contacted. The results reproduced below are a therefore a combination of the outcome of the follow-up review (where an audit opinion is given), and the managers update. Of 36 agreed recommendations, 28 have been completed, 7 are ongoing and 1 is outstanding.

As at Jan 2018
Internal Audit: An update of progress with the 8 recommendations ongoing in the last report was provided by the SCAS Service Manager, the results are reproduced below.   It should be noted that the SCAS service has moved to the People Portfolio and is now overseen by the Head of Business Planning, Strategy and Improvement, People Services rather than the Head of Neighbourhood Intervention and Tenant Support.   5 recommendations were stated to have been implemented with 3 remaining as ongoing.

As at July 2018
An update of progress with the 3 recommendations ongoing in the last report is provided below. All 3 recommendations remain ongoing – 2 recommendations are being addressed through the introduction of the new Whole Case Family Management system, and 1 item relates to the corporate roll-out of the Fraud e-learning package and so is beyond the control of the Service. This item is being actioned by Internal Audit in consultation with the Learning and Development Service.

As at Jan 2019
Internal Audit: An update of progress with the 3 recommendations ongoing in the last report is provided below.

As at Jul 2019
Internal Audit: An update on progress with 3 recommendations ongoing in the last report is provided below.

As at Jan 2020
Internal Audit: An update on progress with the final recommendation remaining is included below.

As at Sept 2020
Internal Audit: An update on progress with the final recommendation remaining is included below.

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Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position on 22.9.20
7.1	Fraud awareness training should be undertaken, for all staff, ideally to be completed before the start of the next financial year.	High	Maxine Stavrianakos - Head of Neighbourhood Intervention and Tenant Support, Communities Charles Crowe - SCAS Service Manager, People Services	31.8.16 **Revised Implementation Timescale** 31.1.21	**Action ongoing** This remains ongoing, awaiting corporate roll out of revised fraud training.

13. Council Processes for Management Investigations (Corporate) (issued to Audit and Standards Committee 21.11.16)

As at Jan 2017
This report was issued to management on the 20.9.16 with the latest agreed implementation date of 31.12.16.   Due to the timescales for completion of this report, an update on progress with recommendation implementation will be included in the next tracker report.

As at July 2017
An update on progress made with the recommendation implementation is included below. Of 16 recommendations agreed, 10 have been implemented and 6 are ongoing.

As at Jan 2018
Internal Audit: An update of progress with the 6 recommendations ongoing in the last report is provided below. 1 has been completed and 5 are ongoing – all of these relate to the same action to refresh and roll-out guidance and training.

As at July 2018
An update of progress with the 5 recommendations ongoing in the last report is provided below.

As at Jan 2019
Internal Audit: An update of progress with the 3 recommendations ongoing in the last report is provided below.

As at Jul 2019
Internal Audit: An update on progress with 2 recommendations ongoing in the last report is provided below.

As at Jan 2020
Internal Audit: An update on progress with the two remaining recommendations is included below.

As at Sept 2020
Internal Audit: An update on progress with the two remaining recommendations is included below.

Ref	Recommendation	Priority	Original Responsible Officer	Original Implementation Date	Updated position - provided Finance Manager, Internal Audit 9.9.20.
8.1	Internal Audit should review and update the counter fraud training course on line. There should be a corporate mandate for all employees to undertake this training by the end of the year.	High	Stephen Bower, Finance Manager, Internal Audit	31.12.16 **Revised Implementation Timescale 31.1.21**	**Action ongoing** Now that the policy and procedure documents have been updated, the e-learning package has been redrafted to tie in with the new/revised policies. Work is ongoing linking the e-learning package to the new e-learning standard template. It will then be submitted to the Learning and Development team to convert into an e-learning module.
8.2	The fraud e-learning should be updated and be mandatory for all service staff to complete. This will ensure that all staff have adequate training and knowledge to identify potential fraud at early stage and take the appropriate action, further aiding consistency across the Council.	High	Lynsey Linton, Head of Human Resources Stephen Bower, Finance Manager, Internal Audit	31.12.16 **Revised Implementation Timescale** 31.1.21	**Action ongoing** As above Progress has been delayed due to unplanned investigation work taking priority and the current long term absence of the Finance Manager.