

Appendix 2

EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

Last updated: 20 November 2023

Audit Year (Date Report Issued)	Rec Ref	Original Recommendation	Priority	Managers Original Response	Responsible Officer / Service Director	Original Imp Date	Revised Imp Date	Status Update from Management	Status
<p>Harlow Gilston Garden Town 2019/20</p> <p>Issued July 2020</p>	<p>1</p>	<p>To clarify the accountability and extent of any liability of each partner in the HGGT a signed overarching agreement between the councils should be prepared. This will include a data sharing agreement. Arrangements regarding the recovery of costs incurred by the councils should be agreed by all parties and included in the agreement.</p>	<p>Med</p>	<p>Work is now well underway on the next steps to establish Combined Delivery Service following Board decision on 10 Feb 2020. Legal work is underway to clarify arrangements and delegations for the CDS Link to HIG delivery and governance.</p>	<p>HGGT Director</p> <p>HGGT Project Manager</p> <p>HGGT Programme Manager</p>	<p>30/09/21</p>	<p>31/03/22</p> <p>31/12/22</p> <p>31/03/23</p> <p>31/03/24</p>	<p>May 21: HGGT Solicitors, Weightmans, are developing a partnership agreement between all the HGGT partners.</p> <p>Jul 21: Lead Members and Lead Officers of all five Partner authorities are meeting to progress this.</p> <p>Sep/Oct 21: An HGGT Governance Review Task and Finish Group has been established to take forward the formalisation of governance arrangements for HGGT. The Task and Finish Group agreed for further work to be undertaken towards the establishment of a Joint Committee.</p> <p>Jan 22: Work to put in place a Joint Committee continues to progress. Given the scale and complexity of the work, the timescales have been pushed back and we are now looking for formal approval in summer 2022 and for operation of the Joint Committee to commence in September 2022.</p>	<p>Overdue</p>

Appendix 2

EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

Last updated: 20 November 2023

								<p>Aug 22: A report setting out the legal Joint Delegations Framework will go to HGGT Board 13 Sept 2022. This will include a recommendation to return in Dec 22 with a Inter Authority Agreement formally addressing cost and risk sharing. Subject to approval by all five council partners, anticipate a go live to the Joint committee and IAA for start of municipal year 2023.</p> <p>Nov 22/Feb 23: The HGGT Board endorsed the legal Joint Delegations Framework in Sept 2022. The Inter Authority Agreement formally addressing cost and risk sharing will go to the Board in Feb/March 2023 subject to agreement by the 5 Council partners on which local authority will be the Accountable Body for the partnership in the future. Subject to approval by all five council partners, anticipate a go live to the Joint committee and IAA in the municipal year 2023.</p> <p>Jun 23: The HGGT Board endorsed the legal Joint Delegations Framework in Sept 2022. The Inter</p>	
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Appendix 2

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Last updated: 20 November 2023

								<p>Authority Agreement formally addressing cost and risk sharing will now go to the Board in June 2023.</p> <p>Nov 23: Board members endorsed the proposal to establish a Joint Committee, and the matter has now been referred to the governing bodies of the respective five partner authorities for ratification. It is intended, however, that the JC forms in shadow from December 2023 with the first formal meeting convening in March 2024.</p>	
<p>Key Financial Controls – Fixed Assets 2019/20 Issued November 2020</p>	3	<p>Detailed Fixed Asset financial procedures be drafted, and to include a section on year-end processes.</p>	Med	<p>Detailed financial procedures will be developed and documented alongside updated Financial Regulations.</p>	Chief Financial Officer	30/09/21	<p>31/08/22 31/12/22 31/03/23 20/09/23 31/03/24</p>	<p>Nov 21/Feb 22: A Senior Finance Business Partner has been appointed to cover HRA, Capital and Projects, which includes responsibility for the Fixed Asset Register. Processes, including year-end procedures, are being reviewed.</p> <p>Jun 22: Process notes will be compiled (including the roll forward of the FAR through to closedown). It will take time to do this and is dependent on how well the closedown goes.</p> <p>Aug/Nov 22/Feb 23: Due to the late running 2020/21 audit, officers did not have to</p>	Overdue

Appendix 2

EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

Last updated: 20 November 2023

								time to document the system and 'rough notes' were taken during the subsequent closedown process. Jun/Nov 23: Work has started on the procedure notes. This is included in 2023/24 Finance Service Plan.	
Active Directory Management 2020/21 Issued December 2020	9	All unsupported Windows Server 2008 servers should be promptly replaced or decommissioned with a target set to achieve this.	Med	Accepted. An external Project Manager will be appointed to manage the identification and replacement of all unsupported Windows servers.	Interim IT Service Manager	30/04/21	31/07/21 31/12/21 31/01/22 30/08/22 31/12/22 30/06/23 31/12/23	Jun 21: A project to assess the 2008 servers and produce a technical plan for migrating or rebuilding has been started. Sep 21: A project is in flight with the IT company EACS. An initial review has been completed and currently agreeing statement of work. Nov 21/Jan 22: Project agreed with supplier and ready to instigate. Still awaiting kick off date for work. Jun 22: EACS are working through servers, although the work is moving slower than expected. Aug 22: Work is progressing. The status of servers is as follows: <ul style="list-style-type: none"> • Ten complete • Six in flight • Eight being clarified Nov 22: EACS have assisted	Overdue

Appendix 2

EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

Last updated: 20 November 2023

								with the upgrade of servers which has proven to be time consuming for EFDC to implement. A group of servers remain that are dependent upon moving to the cloud (links to the Azure project which is undergoing an End Stage Assessment). The likely solution will be to firewall off the remaining 12 servers. The current deadline of December may be under threat depending upon the findings of the PSN audit. Feb 23: A further two servers have been replaced and progress is being made on the remaining ones. Jun 23: Work is continuing, and the remaining five servers should be decommissioned by 30 June 2023. Nov 23: MEDON has been decommissioned. DOFINE / TALLIS there are further delays to the Esri migration project.	
Accounts Payable 2020/21 Issued May 2021	1	Financial Regulations are formally reviewed, updated, and approved. Once approved the new Financial Regulations	Med	This will be actioned after the implementation of the new Corporate Finance function, which will impact on some of the details within Financial	Chief Financial Officer and Deputy S151 Officer.	31/03/22	31/03/23 31/03/24	Jun/Aug/Nov 22/Feb 23: The new Corporate Finance function has recently been Implemented, although a further – relatively short – pause has been introduced	Overdue

Appendix 2

EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

Last updated: 20 November 2023

		be made available to all staff electronically and staff notified of the key changes.		Regulations.				pending completion of the ongoing service structure review, to ensure that the updated Financial Regulations accurately reflect the Council's future financial governance needs in the light of any amendments to wider financial procedure (if applicable). Jun/Nov 23: This will be carried out during 2023/24.	
Procurement and Contract Issued January 2022	3	(a) Procurement Rules are revised to clarify that the Procurement team should be notified before officer's sign contracts on behalf of the Council.	Med	Amendments to the Rules can take some time to implement due to the Governance process.	Team Manager – Procurement and Contract Management	31/03/23	31/03/24	Jun 23: (a) This change has not yet been made. The Rules were only changed in January 2022 and therefore more time is needed to formally review and amend Procurement Rules. Nov 23: The process of updating Procurement Rules is still to be completed. Some additional amendments are required as part of a larger piece of work to align the Council with other authorities within the Shared Procurement Service which have not yet fully been determined, and these changes will be made at the same time as part of a single Governance process.	Overdue

Appendix 2

EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

Last updated: 20 November 2023

<p>Treasury Management Issued May 2022</p>	<p>1</p>	<p>Treasury Management risks and the associated control framework are detailed within the Finance Risk Register or a separate Treasury Management Risk Register. The risk and mitigating controls be linked to the CIPFA Treasury Management practice notes. Risks need to include the absence of adequate business continuity planning arrangements.</p>	<p>Med</p>	<p>The absence of a Service Risk Register reflects the Council's current Risk Management Framework and is consistent with other services. The recommendation is supported and, at the time of responding to this report, the Corporate Risk Management Working Group is considering a range of measures designed to strengthen current Risk Management arrangements; especially the management of operational risk and is likely to recommend the widespread introduction of Service Risk Registers.</p>	<p>Chief Financial Officer and Deputy S151 Officer & Principal Accountant.</p>	<p>31/12/22</p>	<p>30/06/23 31/03/24</p>	<p>Feb/Jun 23: Risk management training by Zurich is being rolled out corporately in February 2023 following which service risk registers will be developed. Treasury management risks will be included in the finance risk register. Nov 23: The service risk register is currently being developed.</p>	<p>Overdue</p>
<p>Treasury Management Issued May 2022</p>	<p>2</p>	<p>The Treasury Management procedure notes developed by the Senior Accountant are expanded to detail how operational arrangements address the CIPFA Code Treasury Management Practice notes at the operational level.</p>	<p>Low</p>	<p>Recognition of the recent progress made with systems documentation is welcomed. The full rollout of the 2021 Treasury Management Code (effective from 2023/24) will include bringing Treasury Management systems documentation more overtly into line with the updated Treasury Management Practice Notes.</p>	<p>Chief Financial Officer and Deputy S151 Officer & Principal Accountant.</p>	<p>31/12/22</p>	<p>31/03/23 31/03/24</p>	<p>Feb 23: Operational procedure notes will be developed to coincide with the full rollout of the 2021 Treasury Management Code. Jun/Nov 23: This task is included in 2023/24 Finance Service Plan.</p>	<p>Overdue</p>

Appendix 2

EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

Last updated: 20 November 2023

Cyber Security Issued November 2022	7	All unsupported WatchGuard firewall appliances should be promptly decommissioned and replaced.	Med	Accepted. A list has been created of all firewalls that needs replacing. These will be included in the replacement programme. IT is obtaining quotes for cost of replacement hardware.	ICT Infrastructure & Compliance Manager	31/03/23	30/06/23 31/12/23	Jun 23: Firewalls are being replaced. Evaluating at present due to Azure & decommissioning of servers. Nov 23: Gamma rolled out in October 2023. Plans are underway to remove Mitel, Firewall and SIP across all sites.	Overdue
Council House Building Issued June 2023	2	Controls be strengthened with the Head of Development developing: <ul style="list-style-type: none"> • a process flow diagram to detail the approval processes at each gateway (go / no go) stage of the development of a scheme; and • a log of the approval dates and references to the approval documents for each scheme when it is approved to progress to the next stage. 	Low	A process diagram by July 2023. Approval dates are saved on file for both cabinet and planning approvals, so this does present some duplication of work. However, the inclusion of these dates in an overall programme file will be completed during June 2023.	Service Manager Housing Development	31/07/23	31/12/23	Nov 23: A process flow diagram is being developed.	Overdue
Stolen Van investigation Issued June 2023	1	a) A corporate policy/ formal process should be put in place for ensuring all	Med	a) A draft policy will be prepared for approval that will include the requirement for all	Service Manager Technical/	30/06/23	31/01/24	Nov 23: A draft policy is being prepared which will cover all the arrangements concerning fleet vehicles and	Overdue

Appendix 2

EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

Last updated: 20 November 2023

	<p>appropriate Council owned fleet vehicles have a tracker installed and this is shared corporately including the fleet services team.</p> <p>b) A corporate asset register of all Council owned new and older fleet vehicles should be created, including tracking information, how and where vehicles are stored when not in use.</p> <p>c) A formal process should be put in place where a tracker is required to be removed and vehicle disposed of and that approval/ authorisation by a service manager or above must be sought and documentation retained explaining the business case why this is occurring.</p> <p>d) The fleet team</p>		<p>Council owned fleet to have a tracker installed.</p> <p>b) A corporate asset register already exists within finance, will ensure this will include tracker information. How and where vehicles are stored is the responsibility of the relevant services not Fleet.</p> <p>c) Formal process for approval or transfer and/or disposal including tracker information as required will be implemented.</p> <p>d) See points b and c above.</p> <p>Confirmation of responsibility for Council-owned Fleet will be sent to Service Managers.</p>	Insurance Specialist			<p>trackers. The policy will include the responsibilities of services around ensuring fleet vehicles taken home are used for work purposes only and mileage, fuel usage and insurance are monitored and checked on a 3 monthly basis to ensure vehicles are not used for personal use.</p>	
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Appendix 2

EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

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		<p>should follow a strict protocol that no tracker be removed unless they have a copy of the approval given and this is retained as evidence.</p> <p>e) Services/teams should take ownership of the fleet vehicles in their use/care and that a record of fleet vehicles with and without trackers are identified and recorded.</p>							
<p>Stolen Van investigation Issued June 2023</p>	4	<p>An email should go out to all appropriate staff who drive and have access to the Council's vehicles to inform them of the incident of the stolen vehicle and to ensure all staff remain vigilant and take the appropriate safety precautions including reporting any suspicious activity. (i.e. attempts to break in to vehicles).</p>	Low	<p>This is the responsibility of individual services, will ask that some comms are circulated around fleet responsibility.</p>	<p>Service Manager Technical/ Insurance Specialist</p>	31/07/23	31/01/24	<p>Nov 23: A reminder email will be issued along with the policy.</p>	Overdue

Appendix 2

EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

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<p>Qualis Property Solution- KPIs and Payment Mechanisms Issued June 2023</p>	<p>1</p>	<p>The Council and Qualis Property Solutions should agree on the annual benchmarking data to be reported to Members. Qualis Property Solutions annual performance reporting should be presented to Stronger Communities Select Committee and/or Overview and Scrutiny Committee prior to Cabinet to allow greater scrutiny and challenge, as it involves the management of public resources.</p>	<p>High</p>	<p>A comprehensive independent review of QPS performance and VFM was commissioned from Housemark; report received early June 2023. A report is going to Communities Select Committee 27 June 2023. Annual benchmarking via Housemark is to be agreed and arranged in due course with reporting annually to Communities Select Committee.</p>	<p>Interim Housing and Property Director/ Qualis Property Solutions (QPS) Managing Director</p>	<p>31/03/24</p>		<p>Nov 23: The review was reported to the Communities Select Committee in June 2023 at which it was agreed that further work would be undertaken to understand and resolve the issues and the results be reported back to the Committee. It was agreed that an annual benchmarking review of the Housing Repairs arrangements will be commissioned.</p>	<p>In progress</p>
<p>Qualis Property Solution- KPIs and Payment Mechanisms Issued June 2023</p>	<p>2</p>	<p>An independent review of Qualis Property Solutions should be commissioned, and the SLA revisited. The review should include determining the actual proportion of standard to non-standard charges for</p>	<p>High</p>	<p>The Housemark benchmarking report reviewed these areas, the findings from which require a further deep dive with a view to making amendments to form, function and process. An improvement action plan will arise from the Housemark report with items, including this, for</p>	<p>Interim Housing & Property Director/ Interim Head of Assets</p>	<p>31/03/24</p>		<p>Nov 23: Progress is being made on reviewing the Housemark report and drawing up an improvement action plan.</p>	<p>In progress</p>

Appendix 2
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		2021/2022 to check whether the basis of the costs in the SLA is fair.		action.					
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