

Appendix 2: Full Detail of Overdue Audit
Actions September 2022

| Action Name | Priority Level | Action Detail | Fixed Target | Last Update | Update Summary | Update Detail | Service Area |
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| Data Protection and Information Management 15.16 | Amber | The Senior Information Risk Officer (SIRO) shall decide how long information and emails etc shall be kept within Anite, and the process for purging or archiving. | 30/09/16 | 12/09/2022 | Update on progress | <p>SIRO advised:</p> <p>Having engaged on the topic, I am convinced that no simple option to the issue exists. The experience of others with the automated archiving and deletion module within I@W raises so many compliance, and operational concerns as to not be credible proposition at the current stage.</p> <p>Combined with this the large number of different business uses we make of the system mean there is unlikely to be a single answer to the question below.</p> <p>I therefore believe we need to tolerate the risk in the short term. What I am working with Kirsty to do is to invest some resource within IG to support services to work through their IG compliance, including data retention periods, and purging processes. I foresee this generating a series of resource asks that will flow into future budget rounds. I am more than happy to be accountable for the resourcing and delivery of this IG compliance programme. The actual compliance in each service area will sit with the appropriate service manager.</p> | Corporate Team |

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| PCI DSS 18.19 / 3 | Amber | A training needs assessment should be performed for all members of staff that have responsibility for PCI DSS compliance activities so as to determine their training needs. | 01/04/20 | 20/06/2022 | We continue to work with our partner councils, outside specialist and 3CICT to achieve compliance. | <p>HDC's approach has been to mitigate our noncompliance by taking training actions, and stopping call recordings. However, these are mitigations while we work towards full compliance, they do not make us PCI compliant.</p> <p>Any staff member who takes payments are trained as part of being given access to Capita. However, for HDC to be PCI complaint we either have to:</p> <ul style="list-style-type: none"> •Stop customer card details entering our network (including being spoken to advisors even when calls are not recorded) via technical solutions and integrations •Create a separate accredited network where staff can take card details (thought to be undesirable) •Allow card details to enter our network but make the whole 3C network PCI compliant (considered impractical \ staff resource heavy and costly) <p>HDC is operating some payment systems like Gladstone (for Leisure) which require the customer to speak their card details to a Leisure agent while they are input into a chip and pin machine run in a 'card holder not present mode'. Integrating Gladstone into an IMS would be one option.</p> | Chief Operating Officer |
| PCI DSS 18.19 / 4 | Amber | Compliance should be monitored and action taken when members of staff are found to have not completed the PCI DSS training or have not read the policy and procedures. | 01/04/20 | 20/06/2022 | We continue to work with our partner councils, outside specialists and 3CICT to achieve compliance. | <p>So HDC's current position is we are working with outside specialists from the NCC Group alongside City and SCDC</p> <p>HDC's approach has been to mitigate our noncompliance by taking training actions, and stopping call recordings. However, these are mitigations while we work towards full compliance, they do not make us PCI compliant.</p> <p>Any staff member who takes payments are trained as part of being given access to Capita. However, for HDC to be PCI complaint we either have to:</p> <ul style="list-style-type: none"> •Stop customer card details entering our network (including being spoken to advisors even when calls are not recorded) via technical solutions and integrations •Create a separate accredited network where staff can take card details (thought to be undesirable) •Allow card details to enter our network but make the whole 3C network PCI compliant (considered impractical \ staff resource heavy and costly) <p>HDC is operating some payment systems like Gladstone (for Leisure) which require the customer to speak their card details to a Leisure agent while they are input into a chip and pin machine run in a 'card holder not present mode'. Integrating Gladstone into an IMS would be one option.</p> <p>So HDC's current position is we are working with outside specialists from the NCC Group alongside City and SCDC</p> | Chief Operating Officer |

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| PCI DSS 18.19 / 5 | Amber | <p>Actions need to be drawn together in a policy which sets out how the council will manage PCA DSS compliance activities and the policy should be reviewed on a regular basis. this should include but not be limited to:</p> <ul style="list-style-type: none"> - Assignment of roles and responsibilities for ensuring that the Council is PCS DSS compliant - Procures for staff that are responsible for taking card payments - The Council's security strategy in relation to the storage, processing and transmission of credit card data - A set of instructions for detecting, responding to the storage, processing and transmission of credit card data. | 01/04/20 | 20/06/2022 | we continue to work with our partner councils, outside specialists and 3CICT to achieve compliance. | <p>HDC's approach has been to mitigate our noncompliance by taking training actions, and stopping call recordings. However, these are mitigations while we work towards full compliance, they do not make us PCI compliant.</p> <p>Any staff member who takes payments are trained as part of being given access to Capita. However, for HDC to be PCI complaint we either have to:</p> <ul style="list-style-type: none"> • Stop customer card details entering our network (including being spoken to advisors even when calls are not recorded) via technical solutions and integrations • Create a separate accredited network where staff can take card details (thought to be undesirable) • Allow card details to enter our network but make the whole 3C network PCI compliant (considered impractical \ staff resource heavy and costly) <p>HDC is operating some payment systems like Gladstone (for Leisure) which require the customer to speak their card details to a Leisure agent while they are input into a chip and pin machine run in a 'card holder not present mode'. Integrating Gladstone into an IMS would be one option.</p> | Chief Operating Officer |
| Purchase Order Compliance 2019.20 / 1 | Amber | <p>Investigation into what can be done within the system to place a lockdown on budget codes so only budget manager and their delegated officers can use their cost centre and approve expenditure on their code. This investigation will also find out what HDC can amend alone and what can be done with Tech1 assistance (and the cost of this). Investigation should also look at whether the system can be set so that the PO originator defaults to sending the PO to the budget holder i.e. link a user to a default approver.</p> | 30/06/21 | 31/07/2022 | Added to T1 development list | <p>Will discuss with T1 how much work is required to implement major change</p> | Corporate Resources |
| Purchase Order Compliance 2019.20 / 2 | Amber | <p>Further investigation will be taken to find out whether the system can be improved by showing the approver the remaining budget at the time of approving a requisition. This will enforce informed commitment making and remove existing blind approvals.</p> | 30/06/21 | 05/09/2022 | Initial testing started w/c 5/9/22 | <p>Query in background around set up of coding</p> | Corporate Resources |
| Purchase Order Compliance 2019.20 / 4 | Amber | <p>Self -authorised requisitions will be monitored. The process by which this will be done is yet to be decided: it is likely to be a 6 monthly report of activity and volume, and check and re-education.</p> | 31/10/21 | 10/06/2022 | Report has been written and will be sent out quarterly initially for Accountants to discuss with Managers during budget monitoring, starting with Q1 | <p>Looking to develop report so that it can be produced automatically and send to Managers on a monthly basis</p> | Corporate Resources |

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| Purchase Order Compliance 2019.20 / 5 | Amber | <p>Written procedures on the PO process will be written and issued to users. Users will be educated and refreshed on certain areas not being performed correctly and causing delays or inefficiencies in the process e.g. current issue of failure to receipt, inappropriate use of retrospective ordering.</p> <p>Guidance will give specific reference to use of retrospective ordering; correct VAT codes; use of the delegation functionality to avoid delays; etc. Guidance should be posted to the 'Popular' section of the Intranet for quick access for users.</p> | 30/09/21 | 05/09/2022 | Guidance has been drafted and circulated later this week with the issue of retrospective orders being addressed also. | Corporate Resources |
| Purchase Order Compliance 2019.20 / 6 | Amber | <p>The above user guidance will include specific guidance on the use of retrospective ordering (when it is appropriate/efficient to use).</p> <p>Consideration will also be given to introducing a Performance Indicator for retrospective ordering to measure its ineffective usage and inform where further education is needed.</p> | 30/09/21 | 13/07/2022 | <p>Meeting with Sharon and Karen booked for 19th July to discuss this. I thought I had offered to have some training (and the team) to gain knowledge of the process for purchase ordering to offer some advice to the services where necessary in order to prevent delays in payment of invoices not to take on the entire job. It is my opinion that this should not fall within my remit.</p> | Corporate Resources |
| Purchase Order Compliance 2019.20 / 7 | Amber | <p>Guidance will also include the use of 'bulk orders' which can be used for contracts requiring repeated invoices over the year introducing draw-down from the total commitment.</p> <p>This will be set-up and users provided with education and a demo on its use and application within Services.</p> | 30/09/21 | 13/07/2022 | <p>Meeting with Sharon and Karen booked for 19th July to discuss this. I thought I had offered to have some training (and the team) to gain knowledge of the process for purchase ordering to offer some advice to the services where necessary in order to prevent delays in payment of invoices not to take on the entire job. It is my opinion that this should not fall within my remit.</p> | Corporate Resources |

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| Land Charges 18.19 / 3 | Amber | Written procedures should be in place to support how the costs and calculation process is carried out. | 30/06/21 | 10/06/2022 | Update | The current process for justifying land charge fees is cumbersome, and in my opinion, unnecessarily complicated. This opinion is shared by the current land charges service manager. The current spreadsheet used was created several years ago, and has been refined by subsequent finance staff, but there is still a lot of information which is not finance based which has to be provided by the service. I have asked the current land charges manager to make enquiries of other local authorities as to the method they use, but I am unsure whether this has happened yet. As such, I am unwilling to expend resources writing process notes for something which may change imminently | Corporate Resources |
| Budget Monitoring and Forecasting 2020.21 / 1 | Amber | <p>Management should perform a training needs analysis to identify and assess the level and type of training required by members of staff with regards to budget monitoring and forecasting and the use of the forecasting module, which should include, but not be limited to, salaries and project budgets.</p> <p>A mandatory training programme should be put in place that is based upon the requirements of the training needs analysis.</p> <p>Training completion should be recorded and monitored and training should be maintained for audit purposes.</p> | 31/12/21 | 03/03/2022 | Service update | This is currently low on the list of priorities, with the 2020/21 audit currently underway, and 2021/22 year fast approaching. Upcoming staffing changes in line management and lack of clarity around roles and responsibilities mean that this has fallen behind schedule. | Corporate Resources |
| Budgets and MTFs 2020.21 / 1 | Amber | <p>Management should perform a training needs analysis to identify and assess the level and type of training required by members of staff and Members with regards to the MTFs and the use of the budget module, which should also identify any training needs for Members.</p> <p>A mandatory training programme should be put in place that is based upon the requirements of the training needs analysis.</p> <p>Training completion should be recorded and monitored and training records should be maintained for audit purposes.</p> | 31/12/21 | 03/03/2022 | Service update | This is currently low on the list of priorities, with the 2020/21 audit currently underway, and 2021/22 year fast approaching. Upcoming staffing changes in line management and lack of clarity around roles and responsibilities mean that this has fallen behind schedule. | Corporate Resources |

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| Budgets and MTFS 2020.21 / 2 | Amber | Management should document the Council's MTFS methodology, which should include, but not limited to: - The documentation required and used during the process - Interviews with key personnel undertaken - Risk assessments - Information gathered and used, including the basis for assumptions | 31/03/22 | 30/03/2022 | Update | With the lack of s151 officer, department re-organisation, 2020/21 audit and now 2021/22 year end upon this will not be completed by the target date. I cannot give a revised date at this time. | Corporate Resources |
| Treasury Management 2020.21 / 1 | Amber | Management should put arrangements in place for ensuring that investment opportunities outside the Council's Treasury Management are identified and proactively monitored. Furthermore, the Council should put in place detailed and defined guidance with regards to any such investment opportunities with clear linkages to the Council's Treasury Management Strategy and framework. | 10/06/21 | 06/09/2022 | Treasury Management-1 Documented procedures and guidance, 2. Evidence of such opportunities being identified | 1.The TCMG terms of reference have been updated to include an additional "purpose" of reviewing supporting and guiding new treasury management opportunities. Terms of reference to be reviewed and approved and next TCMG meeting (tba). 2.The opportunities will be documented in the TCMG meeting summaries (both those rejected and progressed) as part of business as usual. | Corporate Resources |
| Treasury Management 2020.21 / 2 | Amber | Management should finalise the Terms of Reference for the Council's Treasury and Capital Management Group, which should ensure that the Group provides sufficient oversight and monitoring of the Council's treasury management activities. Furthermore, the Terms of Reference should define the frequency with which the Group should meet and there should be a requirement for action plans to be put in place and followed up to resolution. | 31/10/21 | 06/09/2022 | Treasury Management. 1.Finalised TCMG Terms of Reference, 2. Minutes from TCMG meetings that show sufficient coverage of treasury management activities 3. Meeting summaries identify actions and decisions from the text of the meeting (see summary in item 2). This allows actions to be followed up more easily at the next meeting | 1. The revised terms of reference to be reviewed and approved at the next TCMG meeting (tba). Copy of draft terms of reference attached. 2.Summary will show examination of treasury management activities through standing items and review of new opportunities. Meeting summary of last meeting attached. 3.Meeting summaries identify actions and decisions from the text of the meeting (see summary in item 2). This allows actions to be followed up more easily at the next meeting | Corporate Resources |
| Main Accounting System 2020.21 / 1 | Amber | The Disaster Recovery Plan will be reviewed and updated to reflect the move to Tech1 and any revised arrangements to ensure continuity of service across the wider Finance area. | 30/09/21 | 08/09/2022 | Progress Update | First draft has been agreed with Module Leaders and sent to Finance Manager and Director of Finance & Corporate Resources for discussion | Corporate Resources |
| Main Accounting System 2020.21 / 3 | Amber | The Payroll reconciliation will be remapped / worked up for the new HR / Payroll system. Instructions will be documented and the routine task handed over to the Payroll team for actioning. | 30/09/21 | 15/06/2022 | Progress Update | Action has now been handed over to the Payroll Manager who is in the process of confirming and documenting reconciliation processes and will then be completing them each month - copies will be passed to the Interim Finance Manager (or a member of her team) for review. | Corporate Resources |
| Main Accounting System 2020.21 / 4 | Amber | Debtors reconciliation issues will be investigated and resolved. The process for the reconciliation going forward will be documented and responsibility handed over to the Exchequer Officer. | 31/03/22 | 15/06/2022 | Progress Update | Advised by SRS that reconciliation will be undertaken by her each month | Corporate Resources |

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| Debtors 2020.21 / 1 | Amber | Systems, processes and resource needs will be reviewed across the whole Debtors function. An action plan will be established, in conjunction with the team, to support delivery of improvements and address the control failings identified during the quarterly reviews (see Appendix, attached to the action). | 31/03/22 | 10/06/2022 | Update | The review of AP and AR is currently underway. Following yet another change in line management, this now falls within my remit. The income manager has been temporarily removed from BAU and tasked with ensuring that the Estates income is up-to-date and processes are documented with agreed responsibilities both in the service and Finance. To my knowledge this has been done, and we are now entering a period of embedding the new processes, which should result in more accurate and timely invoices. | Corporate Resources |
| Creditors 2020.21 / 2 | Amber | Written procedure notes will be reviewed and updated to ensure that they are reflective of current practices and cover all elements of the creditors system | 31/03/22 | 05/09/2022 | Team meeting on 5th Sept to finalise details | | Corporate Resources |
| Creditors 2020.21 / 3 | Amber | The Supplier Amendment Form (SAF) will be updated to include the requirement for Tech1 to be checked for existing suppliers prior to the new supplier being requested. In addition, AP staff will be reminded of the need to check the system before a new supplier is created. | 31/07/21 | 17/08/2022 | Done and added to the intranet for both SAF1 and SAF2. Email to Purchase Ledger users requesting that they use these forms from now on | | Corporate Resources |
| Creditors 2020.21 / 4 | Amber | Options for monitoring and addressing duplicate payments will be investigated and staff (AP team and wider services) will be reminded of the checks required when processing invoices for payment. | 30/09/21 | 17/08/2022 | Unable to provide this type of information from basic system reports. It may be that an xclone report will be able to pull through this type of information. I will need xclone report training in the first instance and even then it may only be something that Tech One can (or may not be able to) supply. | | Corporate Resources |
| Small Works Contract 21.22 / 1 | Amber | A dedicated small works contract or framework agreement will be tendered and formalised for use across the authority. | 30/04/22 | | | | Corporate Resources |
| Small Works Contract 21.22 / 2 | Amber | Staff responsible for procurement will be made aware of the contract, its use mandated, and details of pricing / rates and staff responsibility will be communicated. | 31/05/22 | 05/09/2022 | Still on action list | I will move this up to a priority, as this has slipped due to other current work | Corporate Resources |
| Small Works Contract 21.22 / 3 | Amber | Formal contract management monitoring arrangements will be established, including review of spend, spot checking procurements and routine liaison meetings with service users and the supplier. | 30/11/22 | | | | Corporate Resources |
| Small Works Contract 21.22 / 4 | Amber | Spend outside of the contract will continue to be monitored. | 30/11/22 | | | | Corporate Resources |

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| Inventory of IT Assets 2021.22 / 4 | Amber | Update the Asset Tagging Process to include: | 31/05/22 | 09/09/2022 | Procedure document being finalised | Step by step procedure document is being finalised now that the process is being implemented. (SM) | 3C ICT |
| | | An independent officer to run a monthly report to ensure the number of assets ordered via Tech1 reconciles with the number of assets uploaded into the inventory for the same month. Any discrepancies need to be reported. [An independent officer should be someone separate from the officers who received the order at Pathfinder House and uploaded the assets into the inventory]. | | | | | |
| | | A process to create an entry in the inventory to record asset tag 'errors' and gaps and provide an explanation as to why an asset number is not assigned to an asset. | | | | | |
| | | This should be followed with retraining staff of the new asset tagging process. | | | | | |
| Inventory of IT Assets 2021.22 / 5 | Amber | Review the inventory to locate gaps in the asset number sequence and create entries to explain the reasons for these gaps. | 29/07/22 | 09/09/2022 | Procedure now in place for gaps in sticker sequencing | New process is in place to create skeleton record for gaps in stickers sequence which have been happening due to manufacturing faults, damaged stickers that need replacing and gaps by the sticker printers.when they change the sequence themselves. Next steps is to complete the historic report going back to a fixed point (SM to confirm) | 3C ICT |
| Inventory of IT Assets 2021.22 / 8 | Amber | Create policy regarding the donation of ICT assets to communities. This needs to outline what assets can be donated, the criteria for who may receive donated assets and who can authorise the donation. A process also needs to be produced alongside this to confirm how applications for assets can be made and how approval is given. | 31/08/22 | | | | 3C ICT |

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| Overtime 21.22 Action 1 | Amber | The published policy for Expenses and Allowances (including Overtime) will be reviewed and updated to ensure that it is fit for purpose, and accessible to staff and managers. This will support working arrangements prior to a longer term, fundamental review of our policy. | 31/03/25 | 12/09/2022 | Attach copy of report | Copy of revised report attached for information | Corporate Resources |
| Overtime 21.22 Action 2 | Amber | At least six-monthly reports will be generated by Payroll, and HR will review and identify any overtime "anomalies" and liaise with Service Managers to better understand / address issues or concerns. | 31/07/22 | | | | Corporate Resources |
| Overtime 21.22 Action 3 | Amber | Six-monthly headline Overtime information will be shared with SLT for information. | 31/03/25 | 12/09/2022 | Action assigned and target date confirmed | Following departure of Aileen Whatmore, action has been assigned to KH and date for implementation agreed. | Corporate Resources |
| Compliance with the Code of Transparency 2021.22 / 1 | Amber | Review the formal process document which outlines responsibilities for each data set including who is responsible for updating the data, what information needs to be included and the frequency of upload. If this document no longer exist/cannot be located, a new document should be created to capture this information. [This was originally created under Action 1054 during the 2015/16 audit of the Transparency Code.] | 30/07/22 | | | | Corporate Director - People |
| Compliance with the Code of Transparency 2021.22 / 2 | Amber | Appoint an 'owner' of the Transparency Code, so that they can be a point of contact, held accountable for the information uploaded and ensure HDC remain compliant with the code. This owner should ensure that the process outlined is adhered too by other services who hold the data. | 30/07/22 | | | | Corporate Director - People |
| Compliance with the Code of Transparency 2021.22 / 3 | Amber | Review the information that is currently held on HDC's website in relation to the Transparency Code. Any data which is out of date should be removed and any links mentioned relevant. | 30/07/22 | | | | Corporate Director - People |

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| Main Accounting System 21.22 Action 1 | Amber | The Interim Finance Manager will review reconciliations performed by the Financial and Treasury Accountant. Reconciliations performed for Payroll and Debtors will be reviewed by a member of the Finance team. | 30/09/22 | 19/07/2022 | Report Upload | Attaching a copy of the report | Corporate Resources |
| Main Accounting System 21.22 Action 2 | Amber | Larger value items in the Cashiers Suspense Account will be reviewed, evidenced as such, and corrected where possible. | 31/07/22 | 06/09/2022 | Unidentified income items received being held on cashiers suspense account | There are 5 entries being traced. £7,679 which has been traced to DLUHC and coded to Transparency Code new burdens. £4,777.20, from Riverport and coded to a rent account and a rent deposit account. £8,010.09, traced to tenant in Oak Drive possible rent payment to be investigated. £3,617.08, relates to Restaurant Group remittance now received from payee to be used to trace coding. £11,614.68, traced to Bright House now in administration which has hampered getting information, business rates accounts are clear. | Corporate Resources |
| Debtors 21.22 Action 1 | Amber | The Credit Control Manager will develop a timetable for key debtor tasks and debt recovery actions, this will be shared with the team and used to direct duties and activity. | 30/09/22 | 07/09/2022 | Delayed meeting for a week as one of the team now has covid | | Corporate Resources |
| Debtors 21.22 Action 2 | Amber | The Credit Control Manager will establish a programme of routine meetings with Service Managers to review debt lists. | 30/09/22 | | | | Corporate Resources |
| Debtors 21.22 Action 3 | Amber | Monthly management information and debt collection performance data will be prepared and reviewed to support the ongoing monitoring of activity and workload. | 30/09/22 | 05/09/2022 | Training has been arranged for T1 reporting required for this information. In the meantime, timetable has been arranged for each of the 2 AR officers to have one day per week solely on debt recovery. This can be monitored using an arrears report from T1. | | Corporate Resources |
| Creditors 2021.22 / 1 | Amber | Once procedure notes have been completed and finalised, thoroughly review these with the team so they are following the same process and procedure. Ensure that the outcome from transformation has been considered when writing the procedure notes. Please also communicate the procedure across the organisation with the aim that all officers are following the same process and procedure. | 29/07/22 | 05/09/2022 | Team meeting on Thurs 5th Sept to finalise. With comms across the organisation to be provided on PO's as under a separate Action, the AP notes will only apply to the AP team | | Corporate Resources |