AUDIT COMMITTEE - Table of Outstanding Issues (April 2021) - GENERAL

Governance Principle and Issue	Recommendation / Issue	Lead / Service	Progress /Comments	Status – Target Date
Developing the entity's capacity, including the capacity of its leadership and the individuals within it.	Following the consideration of the Anti-Fraud and Corruption Strategy in last year, it was resolved that: The Head of Democratic Services & Elections be requested to consider including training for Members on anti-fraud and corruption measures as part of the Councillor Development Scheme.	Assistant Director Governance	It is currently planned to include this item within the Member's Training plan that is currently being developed.	**Review in July 2021**
Managing risks and performance through robust internal control and strong public financial management	Following an update from the Assistant Director Housing and Environment on a number of Housing related matters at the Committee's meeting in March, it was agreed to keep under review the on-going issue relating to Council House void periods. This is especially timely given the review / changes to the governance arrangements proposed by the relevant Service in response to this issue.	Assistant Director Housing and Environment	At the present time, the Service continues to take forward a number of ideas / activities in response to the current voids position. It is proposed to fully implement a number of changes during 2021/22 and an update will be presented to the July meeting of the Committee.	**Review in July 2021**

AUDIT COMMITTEE - Table of Outstanding Issues (April 2021) – EXTERNAL AUDIT RECOMMENDATIONS

Area	Recommendation and Agreed Action	Lead / Service	Progress /Comments	Status – Target Date
Logical access controls – number of super users	The Council's IT systems identified that there are a large number of super users (users with privileged access rights) on a number of IT systems. There were 28 super users for the Capita system, 10 super users for the Northgate system and 6 super users for the Agresso system. It was considered that 2-3 super users per system would provide a robust level of IT security, and having a large number of super users could jeopardise system security. **AGREED ACTION - Assess the number of super user access rights granted in each of the IT systems and take necessary actions to reduce the number of super users to an acceptable low level.**		Work remains in progress in consultation with System Sponsors / Administrators to seek the right balance in terms of super user numbers with issues such as system responsibilities / process area coverage and absence cover. In terms of more general password security, it is worth highlighting that as part of on-going cyber security work, the Council undertook a full cybersecurity review of all of its user and administrator passwords in February to ensure full compliance with its highly complex password regime.	**End of May 2021**
Use of Resources	As set out on page 28, we identified some significant amount of carry forward each year from the planned projects of revenue and capital items, which indicates an issue of deliverability of planned projects. As set out on page 28-29, there is a risk that reserves are not being held at the optimum level, given that number of them have not moved notably in recent years.		1. Work is underway to review a range of projects and initiatives along with implementing additional capacity to resource a review into accelerating the delivery of projects during 2021/22. The first element of providing this additional capacity will be	**Resource Capacity by end of April 2021** **Delivery Capacity - Update by**

		AGREED ACTIONS: **1. Assess the ongoing viability of planned projects and take actions such that they can be delivered within a reasonable time and minimise the carry forward.** **2. Assess, at least once every two years, the appropriateness of the levels of individual reserves and their continued validity based on factors such as historic utilisation rates, associated risk / sensitivity analysis and their underlying purpose and release any excess reserves.**		finalised during the second half of April when the required resources input is in place. 2. This action will be incorporated into the budget setting cycle from 2022/23 onwards.	**end of July 2021** **By November 2021**

AUDIT COMMITTEE - Table of Outstanding Issues (April 2021) – **ANNUAL GOVERNANCE STATEMENT ACTIONS 2020/21**

Governance Principle & Issue	Required Action(s)	Update / Additional Comments
Carried Forward and Updated from 19/20		
Implementing good practices in transparency, reporting, and audit to deliver effective accountability Ensuring compliance of the Council's governance arrangements through project board reviews. Utilising the Council's systems to implement best practice for drafting, reporting and decision making	• Review of project outcomes being undertaken by the Project Board to support future decision making and delivery • Commence the roll out of the functionality of Modern.gov over a phased approach in 2020/21.	Both of these actions will be considered as part of the respective Service's key priorities and actions in 2021/22 with a further formal update planned for July.
Developing the entity's capacity, including the capacity of its leadership and the individuals within it. Ensuring the Council has the appropriate structures in place to support delivery of the Corporate Plan following the Senior Management restructure.	• Finalise the operational capacity review and implement any recommended and approved staffing restructures.	This action is included as a standing agenda item on the regular Assistant Director meetings with actions underway in collaboration with HR, to deliver a prioritised / phased approach to this key activity during 2021/22.

New and Updated for 20/21		
Determining the interventions necessary to optimise the achievement of the intended outcomes **Managing risks and performance through robust internal control and strong public financial management** By strengthening the linkages between the Corporate Plan priorities and the Council's investment plans along with review of the longer term impact of COVID-19	As part of the Back to Business and Recovery Plan: • Undertake a corporate review of the Council's operational assets to prioritise spending from an associated reserve over the next few years; • to develop an investment plan during 2020/21 which will be directly linked to the Council's budget and evolving financial position and supported by the reprioritisation of budgets / existing funding and/or as part of the long term forecast; and • conduct an audit review in relation to the effectiveness of the Council's response to the COVID-19 including *a review of the lessons learnt from the Council's response and* longer term consequences.	The Back to Business action plan was agreed by Cabinet at its 19 February meeting. A review into existing projects and initiatives remains in progress, which is linked to the implementation of additional capacity to support delivery as highlighted above. The on-going workload associated with the Council's response to the COVID 19 pandemic has unfortunately continued to have an impact, but given the update within Appendix B, the additional capacity that will shortly be in place will enable the necessary progress to be made over the coming weeks / months. Updates against this action will be included in the regular reports of the Internal Audit Manager – Actions remain in progress and outcomes are planned to be presented to the Committee in July.
Defining outcomes in terms of sustainable economic, social and environmental benefits **Determining the interventions necessary to optimise the achievement of the intended outcomes**	• Prepare an Action Plan for approval by both the Cabinet and Council to form part of the Council's Policy Framework	A Climate Change Action Plan was agreed by Full Council on 24 November 2020.

To set out the Council's vision following the Council's Climate Emergency declaration of the Council's activities being 'carbon neutral' by 2030.		
Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law Ensure the Local Code of Corporate Governance and key policies and procedures are up to date.	• Review of the Council's Equality and Diversity strategy, policies and procedures	Both of these actions will be considered as part of the respective Service's key priorities and actions during 2021/22.
Ensuring openness and comprehensive stakeholder engagement Establishing a corporate framework to support community engagement	• Developing the Council's approach and adopting principles for community engagement.	