

BABERGH AND MID SUFFOLK DISTRICT COUNCILS

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| TO: Joint Audit and Standards Committee | REPORT NUMBER: JAC/19/3 |
| OFFICER: Corporate Manager – Internal Audit | DATE OF MEETING: 29 July 2019 |

ANNUAL INTERNAL AUDIT REPORT 2018/19

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to inform Councillors of the work undertaken within the Internal Audit Service for the year, 2018/19 and provides Councillors with a review of the variety and scope of projects and corporate activities which are supported through the work of the team.

2. OPTIONS CONSIDERED

- 2.1 This is a regulatory report and there are no options to consider.

3. RECOMMENDATION

- 3.1 That the contents of this Internal Audit report, supported by Appendix A, be agreed.

REASON FOR DECISION

For the Committee to agree the Internal Auditors annual report for 2018/19.

4. KEY INFORMATION

- 4.1 Requirement of Internal Audit - Public Sector Internal Audit Standards (PSIAS)

The PSIAS require the Corporate Manager – Internal Audit to report periodically to senior management and this Committee on Internal Audit's performance relative to its Internal Audit Plan including significant risk exposures and control issues where relevant, fraud risks and governance issues.

- 4.2 As the Councils' Delivery Programme continues and re-shapes and transforms its services the demand on Internal Audit's services to provide assurance, support and guidance on a diverse range of activities continues. The Corporate Manager – Internal Audit monitored requests, with a risk-based approach, for the re-allocation of Internal Audit resources from the approved 2018/19 Internal Audit Plan.

This delivery plan was enhanced following the 20% increase in hours of a member of the Internal Audit Team and the transfer on 8th October 2018 of Business Continuity responsibility out of the team. The work has been assumed by a new Corporate Manager along with Health and Safety and Emergency Planning.

- 4.3 There was due consideration in conducting this year's audits to ensure that Internal Audit maintained its objectivity and independence. As further demonstration of organisational independence, the Corporate Manager – Internal Audit can confirm that there has been no inappropriate scope or resource limitations placed upon him.
- 4.4 In line with the Councils' Internal Audit Charter the work was conducted to ensure that it delivers against the PSIAS and the requirement to produce an annual Head of Internal Audit opinion. In doing this it can be confirmed that the work conducted covered the following activities:
- Governance processes
 - Monitoring
 - Ethics
 - Information and Information technology governance
 - Risk Management
 - Fraud management
- 4.5 Audits conducted (as opposed to Audit investigations) are also split into two types, 'Fundamental' and 'Risk' reviews. 'Fundamental' reviews are conducted in the latter half of the financial year to meet with External Audit testing requirements.
- 4.6 The Corporate Manager – Internal Audit is responsible for the delivery of an audit opinion and report that can be used by the Councils to inform its governance statement. The annual opinion concludes on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

In giving this opinion, assurance can never be absolute and therefore, only reasonable assurance can be provided that there are no significant weaknesses in the processes reviewed. In assessing the level of assurance to be given, the Corporate Manager – Internal Audit has based his opinion on:

- Written reports on all internal audits completed during the course of the year, both assurance and consultancy;
- Results of any follow up exercises undertaken in respect of previous years' internal audit work;
- The results of work of other review bodies where appropriate;
- The extent of resources available to deliver the internal audit work; and
- The quality and performance of the internal audit service and the extent of compliance with the Public Sector Internal Audit Standards (PSIAS).

Audit Opinion – the Corporate Manager – Internal Audit is satisfied that sufficient assurance work has been carried out to allow him to form a reasonable conclusion on the adequacy and effectiveness of each Council's internal control environment.

It is the Corporate Manager – Internal Audit's opinion that the Councils' framework of governance, risk management and internal control is '(Sufficient) – Reasonable Assurance' – the system, process or activity should achieve its objectives safely and effectively. However, whilst there are some control weaknesses most key controls are in place and operating effectively.

Where weaknesses have been identified through internal audit review, Internal Audit have worked with management to agree appropriate corrective actions and a timescale for improvement.

5. LINKS TO JOINT STRATEGIC PLAN

5.1 The delivery of a comprehensive Internal Audit service supports the Councils' objectives, in particular:

An enabled and efficient organisation – The right people are doing the right things, in the right way, at the right time, for the right reasons.

5.2 However, all Internal Audit work has been associated with the Councils' strategic themes and the attached report, Appendix A, provides a summary of the work undertaken by theme. This work will contribute to the 2018/19 overall Internal Audit opinion on the Councils' control environment provided by the Corporate Manager – Internal Audit, as required by the Accounts and Audit (England) Regulations 2015.

6. FINANCIAL IMPLICATIONS

6.1 There are no direct financial implications arising from this report. All Internal Audit recommendations must be considered in terms of their cost effectiveness.

7. LEGAL IMPLICATIONS

7.1 There are no direct legal implications arising from this report other than the statutory framework under which Internal Audit operates.

8. RISK MANAGEMENT

8.1 This report is not directly linked with any one of the Councils' Significant Risks. The key risk, however, is set out below:

| Risk Description | Likelihood | Impact | Mitigation Measures |
|---|------------|--------|--|
| Internal controls within each Council may not be efficient and effective. As a result, each Council may not identify any significant weakness that could impact on the achievement of their aims and/or lead to fraud, financial loss or inefficiency. | Unlikely 2 | Bad 3 | Councillors receive and approve the internal audit work programme and other reports on internal controls throughout the year. The work programme is based on an assessment of risk for each system or operational area. |

9. CONSULTATIONS

9.1 The 2018/19 Internal Audit Plan was agreed and noted by this Committee on 12th March 2018 (Paper JAC/17/20), having previously been endorsed by the S151 Officer and the Senior Leadership Team.

As part of the preparation for this Plan, auditors engaged with senior management to identify their view of the coming year's risks linked to the Joint Strategic Plan and Delivery Programme, and to gather and map management assurance across the Councils' functions.

9.2 The half year report on progress towards completion of this report was presented to this Committee in November 2018 (Paper JAC/18/9).

9.3 During preparation this report has been shared with both Chairs of the Joint Audit and Standards Committee; Cabinet Lead Members for Customers, Digital Transformation & Improvement; the Senior Leadership Team, including the Section 151 Officer.

10. EQUALITY ANALYSIS

10.1 An equality analysis has not been completed because the report content does not have any impact on the protected characteristics.

11. ENVIRONMENTAL IMPLICATIONS

11.1 There are no environmental implications arising from this report.

12. APPENDICES

| Title | Location |
|--|----------|
| (a) Appendix A - Overview of Internal Audit Work | Attached |

13. BACKGROUND DOCUMENTS

13.1 Internal Audit Plan 2018/19 – Paper JAC/17/20.

13.2 Half yearly Internal Audit progress report – Paper JAC/18/19

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Appendix A

Overview of Internal Audit Activity, 12 Months to 31st March 2019

1. Introduction

- 1.1 The work completed by Internal Audit for the Financial Year 2018/19 is reported here to the Joint Audit and Standards Committee.
- 1.2 Internal audit within the public sector in the United Kingdom is governed by the Public Sector Internal Audit Standards (PSIAS) which have been in place since 1 April 2013, were revised on 1 April 2016 and further revised on 1 April 2017.

The standards require periodic self-assessments and an independent assessment, by an external source, every five years.

An external review was carried out during February 2018 where the External Assessor identified **no areas of non-compliance** with the standards that would affect the overall scope or operation of the internal audit activity.

Furthermore, the team were commended for their structured and focussed approach. Auditees clearly value their input, requesting reviews, consultancy and their advice.

A few minor areas were identified where the standards have not been followed. The External Assessor made some practical and pragmatic recommendations to address these. Since this was last reported to the Committee the Corporate Manager – Internal Audit has materially completed these actions.

Further enhancements have been made to our reporting and recording in the period. The changes strengthen oversight; simplify communication; and clarify interpretation and understanding. These were discussed at the time with both Chairs of this Committee and are outlined in the following paragraphs (1.3 to 1.5 below).

- 1.3 Discussions with the recipients of audit reports, and outcomes from interviews conducted during the External Assessment, indicated that a clearer audit opinion should be provided in audit reports.

Research and analysis of the offerings of neighbouring local authorities audit teams ensured a solution that was clearer in narrative and appearance, was produced. The outcome now has a clear 'Red Amber Yellow Green' (RAYG) status applied with a narrative clearly indicating the condition of the control environment and potential consequence to the service area objectives. This has been implemented in recent audit reports and is attached in Annexe 1 below.

- 1.4 To comply with the audit standards the full audit report is naturally a comprehensive, and potentially lengthy document. Again, in line with client feedback, we have developed a single page executive summary as the frontispiece to all audit reports to provide 'results on a page'. Refer to Annex 2.
- 1.5 Following the Independent external review of Internal Audit compliance with PSIAS the Councils' Senior Leadership Team (SLT) determined that all Audit Reports should be sent to Assistant Directors (AD), who would file them on a dedicated folder on the SLT drive, and that the AD would copy the appropriate Cabinet Lead. The Audit Charter has been amended in Section 16 to reflect this.

2. Internal Audit reports with Adverse Opinions

- 2.1. Five audits with an Audit opinion of 'Limited' or 'No Assurance' (Formerly 'Poor' or 'Ineffective') have been issued this period (2018/19) and are detailed below. A summary of all Audits conducted this year are listed in Section 6 below.

The reviews that returned an audit opinion on the control environment of "Ineffective" in the last financial year (2017/18) where actions were outstanding have been kept under review by audit and, where appropriate, the management actions have been reassessed with the appropriate manager. These audits, with their present status are outlined below:

Issued 2017/18

1. General Ledger (Reconciliation processes) - (Closed 2018/19)
2. Receivables / Debtors (Debt Management) - (Closed 2018/19)
3. Payroll (IR 35 processing) - (Closed 2018/19)
4. GDPR – (Closed 2018/19)

Issued 2018/19

5. Land Charges (Fee reconciliations)
6. Sourcing contracts and tendering process and Contract management
7. Governance - Gifts and Hospitality and Declarations of Interest
8. Contract Spend
9. Housing Delivery

The nature of the control weaknesses that have given rise to these findings has led Internal Audit to introduce a classification for future audit reviews as 'Back to Basics' (150 days in plan), where the primary focus of the audit review will be to assess the efficiency and effectiveness of the key controls operating in a given process to provide management with comfort that the detective and preventative controls originally established continue as designed to combat the inherent risks identified within the function. (See the Audit Plan 2019/20 submitted to this Committee 11th March 2019, Paper JAC/18/20).

2.1.1 2017/18 General Ledger: Internal Audit Opinion: “Ineffective” (improved) to (Sufficient) Reasonable Assurance and closed

| Key Risk | Issue Raised | Management Response |
|--|---|---|
| Control accounts and reconciliations are mismanaged or ineffective and mis postings may go unnoticed. | Material arrears in key reconciliations undermine controls. | Staff resources are in place and being trained. These will address the backlog. |
| <p>Present status at this report date:</p> <p>Following our 2018/19 review it is pleasing to note that s151 reports are now produced monthly and there is evidence of minutes documenting decisions at TM meetings which has strengthened the control environment and decreased trading risk. Significant improvements have been made to online and phone payment channels, minimising error and subsequent resources to correct these through journal transfers. Whilst the cashflow module in Integra is still in the testing environment. Rollout is dependent on Suffolk County Council’s IT resource the current risk is being accepted by the Corporate Manager, Finance.</p> <p>Consequently, the present Internal Audit Opinion has changed (improved) from “Ineffective” to (Sufficient) Reasonable Assurance and will be closed.</p> | | |

2.1.2 2017/18 Receivables / Debtors: Internal Audit Opinion: “Ineffective” (improved) to (Sufficient) Reasonable Assurance and closed

| Key Risk | Issue Raised | Management Response |
|--|---|---|
| Poor, or lack of, management information on the application of the Debt Recovery policies result in customers with poor credit history ratings continuing to be serviced, and /or accounting report figures that are incorrect. | Debt management has not received as much attention from management and staff over the long term, as is necessary to maintain sound debt recovery and credit management support to Services. | A prolonged period of sickness absence has stalled progress on the planned debt recovery project, however work has now commenced on this project. The findings and recommendations from this audit report will help to inform this, along with support from the audit team and shared legal services. |
| <p>Present status at this report date:</p> <p>Internal Audit have supported the finance transaction team, as a ‘critical friend’, in developing procedures, resulting in:</p> <ol style="list-style-type: none"> 1. devolution of invoice raising into the service areas; 2. improved engagement of shared legal services; 3. major review of historic debt levels; | | |

4. enhanced reporting suite and system support;
5. more finance support and challenge to the service on income management; and
6. refinement of debt reporting and management within core transactions.

A subsequent review by another of the Internal Audit team determined that since the previous audit a staffing restructure within the Finance Team, took place. In August 2018 an Admin and Technical Officer – Income and Credit Control was appointed to a newly created role. This post is to address debt management and recovery and, in addition to the management of current debt, historical debt for both Councils. Management oversight of this role, the use of management information and communication to Corporate Managers are consequently improving.

Therefore, the present Internal Audit Opinion has changed (improved) from “Ineffective” to (Sufficient) Reasonable Assurance and will be closed.

2.1.3 2017/18 Payroll (IR 35 processing) Internal Audit Opinion: “Ineffective” – audit closed although will be revisited during 2019/20

| Key Risk | Issue Raised | Management Response |
|--|---|--|
| Penalty or censure arising from incorrect treatment for contractors and temporary employees assessed as inside IR35. | <p>A lack of awareness of the legislation by Corporate Managers.</p> <p>Procedures require clarity on roles and responsibilities.</p> | <p>A new officer (start Nov18) working on the recruitment toolkit.</p> <p>A brief including IR 35 roles and responsibilities stored on Connect and linked in Working Together.</p> <p>IR35 raised at the next ELT with a request to cascade down.</p> <p>Recruitment (IR35) added to Business Partner agenda with Corporate Managers.</p> <p>Monthly - list of contractors from Commissioning and Procurement verified against HR records.</p> |

Present status at this report date:

Although the audit has been closed there is an acknowledgement that these actions will need time to embed and Internal Audit will therefore follow up on the above early in 2019 (and time is incorporated into the 2019/20 plan).

2.1.4 2017/18 GDPR: Internal Audit Opinion: “Ineffective” (improved) to (Sufficient) Reasonable Assurance and closed

| Key Risk | Issue Raised | Management Response |
|---|--|--|
| Fine, Censure or regulatory intercession after errors or omission managing our data in the requirements of the Act. | Using the ICO’s ‘12 Steps to Compliance’ to gauge the Councils’ position it was concluded that more resources were required to ensure the implementation date was met. | Using the Internal Audit report the Corporate Manager – Information Management produced for SLT a business case setting out the resources required to ensure compliance by May 2018. |
| <p>Present status at this report date:</p> <p>Following our 2018/19 review it is pleasing to report that Management has taken prompt action in response to Internal Audit's Phase 1 testing to ensure GDPR was successfully implemented in May 2018. Therefore, the present Internal Audit Opinion has changed (improved) from “Ineffective” to (Sufficient) Reasonable Assurance and will be closed.</p> | | |

2.1.5 2018/19 Land Charges (Limited Assurance)

| Key Risk | Issue Raised | Management Response |
|---|--|--|
| Fee income is not recognised through inadequate process and controls. | Fee levels have not been reviewed recently; nor the two largest self-billing customers’ invoices reconciled to searches conducted. | <p>We need to annually review the land charges search fees to ensure that the income covers the cost of delivery of the service, (which is currently the case).</p> <p>Formal annual reviews to be established December 2018.</p> <p>Regular reconciliation of searches against income will be established, along with a retrospective reconciliation.</p> |
| <p>Present status at this report date:</p> <p>These actions will need time to embed and Internal Audit will therefore follow up appropriately, early in 2019 /20 work plan.</p> | | |

2.1.6 2018/19 Sourcing contracts and tendering process and Contract management (Limited Assurance)

| Key Risk | Issue Raised | Management Response |
|---|--|--|
| <p>The Councils vulnerable to reputational and financial risks as Contract may fail to meet performance expectations, exceed budget and/or breach compliance.</p> <p>Poor communication with contractor fails to correct performance.</p> | <p>Although no issues were identified during testing, due to a lack of meeting minutes, it was not clear for all contracts tested, what actions take place to address any service delivery issues should they arise.</p> <p>It could not be:</p> <ul style="list-style-type: none"> evidenced that contracts include expected performance measures and associated penalties for not meeting these; confirmed that appropriate contractor insurance is in place as no evidence was obtained by contract managers. | <p>Many of the recommendations made within this report could potentially be addressed through appropriate training provided to the Contract Managers which they would benefit from.</p> <p>It remains however, the responsibility of Managers to manage this process once equipped with the tools to do so.</p> <p>Furthermore, consideration could be given to escalating these issues to the Procurement Board which would strengthen this course of action.</p> |
| <p>Present status at this report date:</p> <p>Controls to be improved via workshops and further guidance on contract management due to be undertaken in late Summer/early Autumn. Internal Audit will arrange to follow up on recommendations during Quarter 3.</p> | | |

2.1.7 2018/19 Governance - Gifts and Hospitality and Declarations of Interest (Limited Assurance)

| Key Risk | Issue Raised | Management Response |
|---|---|--|
| <p>Undeclared gifts or interests may lead to challenges of independence; of inability to demonstrate fair and lawful actions; and a lack of transparency to our stakeholders.</p> | <p>Staff gifts, hospitality and 'declarations of interests' are not subject to review and would appear that staff are unaware of this log and procedures to report.</p> | <p>Online form generated. A user guide to go alongside this is being produced and a process for logging completed forms is to be agreed.</p> <p>All Senior staff are currently required to complete annual related party transaction declarations which covers part of the Declaration of Interests already.</p> |

Present status at this report date:

Internal Audit have planned to follow up the recommendations within the 2019/20 plan.

2.1.8 2018/19 Contract spend – (Limited Assurance)

| Key Risk | Issue Raised | Management Response |
|--|---|---|
| Loss of money through poor and/or inadequate contractual arrangements for supplier services. | Inconsistent operating model to describe relationship and service provision between Contract Manager and the Finance and Procurement Business Partners. | Whilst management have responded positively to the findings and recommendations in the report it is recognised that the Councils' operational services are embarking on a significant restructuring. Whilst the principles of the findings should not be lost it is likely that the detail of how and when they will be considered and enacted is presently open. |

Present status at this report date:

Internal Audit have planned to follow up the recommendations within the 2019/20 plan. Timing will be dependent on the outcome of the management review.

2.1.9 2018/19 Housing Delivery - (Limited Assurance)

| Key Risk | Issue Raised | Management Response |
|---|---|--|
| Failure to implement an agreed Compliancy Action Plan may lead to a lack of focus and critical deadlines for compliance improvements being missed | Without full confidence that all relevant Council owned properties are registered on the Open Housing system, no assurance can be given that the Councils are compliant in meeting the required housing servicing and maintenance checks. Close liaison between the Corporate Asset Register and the OH system should continue to ensure all known properties meet the required standards. | An Interim Corporate Asset Manager has recently been appointed to undertake this task. |

Present status at this report date:

Internal Audit have planned to follow up the recommendations within the 2019/20 plan.

2.2 As well as conducting audit reviews Internal Audit had significant involvement within the period in a variety of different Council activities/issues, which included:

Section Reference:

- 3 Council Governance**
- 4 Risk Management**
- 5 Probity**
- 6 Audits conducted**
- 7 Business support activities**

3 Council Governance

3.1 Annual Governance Statement (AGS)

Internal Audit has led on the production of the AGS which was completed again as at the end of the financial year 2018/19, presented to this Committee today, 29th July 2019, alongside an Assurance Mapping exercise across the Councils designed to identify gaps in good practice and aid the 2019/20 Internal Audit planning process. The outcome of the planning was reported to this Committee on 11th March 2019 (Paper JAC18/20).

3.2 Statutory Officers Working Group

The Corporate Manager – Internal Audit attends this meeting when required, should Governance matters arise that require appropriate professional determination. This Group has responsibility for managing Information Governance and compliance with the requirements of the Information Governance General Data Protection Regulation (GDPR) 2018.

3.3 Deputy Monitoring Officer

The Corporate Manager - Internal Audit undertakes the role of Deputy Monitoring Officer for the Councils with the specific duty to ensure that the Councils, their officers, and Elected Councillors, maintain the highest standards of conduct in all they do, pursuant to Section 5 of the Local Government and Housing Act 1989, as amended by Schedule 5 paragraph 24 of the Local Government Act 2000.

3.4 Developing our Values

The Councils have championed a development of values through a natural work team approach. The Corporate Manager - Internal Audit believes that a clear set of values and behaviours is a cornerstone to supporting good governance and has provided team resource to support the project.

4 Risk Management

4.1 Internal Audit continues to maintain and facilitate development of the Significant Risk Register with Senior Management and Councillors. As a living document Internal Audit regularly review the contents with management and half yearly to Cabinet (last presented June 2019).

The End of Year Significant Risk Register is being presented to this Committee as part of a separate report today, along with the annual review of the Risk Management Strategy.

- 4.2 Internal Audit continue to support Corporate Managers with the production and review of the Operational Risk Registers and also support report authors with sign off of the risk section of Committee reports.

5 Probity

- 5.1 Full details of the anti-fraud and corruption work undertaken during the year was reported to this Committee in a report entitled 'Managing the Risk of Fraud and Corruption'. The last report was for 2018/19 and presented on 11th March 2019 (Paper JAC18/19).
- 5.2 The data requirements and data specifications for the 2018/19 National Fraud Initiative (NFI) exercise commenced in October 2018 using the NFI's secure electronic upload facility. Elections and Single Discounts data were uploaded in December 2018. The release of matches and data investigations by Officers commenced in January 2019. Fair Processing Notices are complied with and follow GDPR guidelines.

The release of matches of information across all the contributor's data is managed on a risk-based approach by the system users, supported by Internal Audit. The system users access their data from the NFI and can investigate, in conjunction with the matched partner / contributor, to evaluate the potential fraud indicated by the match.

The exercise identified 968 Babergh matches, of which 127 are classified as High Risk and 1,046 Mid Suffolk matches, of which 123 are classified as High Risk. All High-Risk matches will be investigated.

6 Audits conducted

- 6.1 In line with the 2018/19 Internal Audit Plan reporting of outcomes is associated with all the Councils' strategic themes and are reported below, with their associated audit opinion on the control environment.

6.1.1 Assets and investments

| AUDIT | PURPOSE OF AUDIT | KEY RISK(S) | SUMMARY OF KEY FINDINGS | AUDIT OPINION |
|--|---|--|---|---|
| 1 Receivables (Focus on debt management, analysis and reporting) | Audit worked with Finance Staff to review and evaluate the revised working practices in the transaction team. | Monies due to the Councils are not recognised, accounted for or collected on a timely basis. | This was consultative and advisory work and does not result in a report with findings. This area was subject to a subsequent review by a second audit team member in early 2019. (1a Below) | No formal opinion is currently offered. |

| AUDIT | PURPOSE OF AUDIT | KEY RISK(S) | SUMMARY OF KEY FINDINGS | AUDIT OPINION |
|---|---|--|---|---|
| 1a Receivables (Focus on debt management, analysis and reporting) | A follow up from the previous Year's review and associated management actions. | Monies due to the Councils are not recognised, accounted for or collected on a timely basis. | A subsequent review has determined that, since the previous audit, a staffing restructure within the Finance Team, took place. In August 2018 an Admin and Technical Officer – Income and Credit Control was appointed to a newly created role. | (Sufficient) Reasonable Assurance |
| 2 Treasury Management | Following several years with little concern identified over the major controls operating in the area this review has been conducted as a 'light touch', following up on the previous year's minor finding, which is incorporated into the General Ledger report in 6.1.5 below. | | | (Sufficient) Reasonable Assurance |

6.1.2 Business Growth

| AUDIT | PURPOSE OF AUDIT | KEY RISK(S) | SUMMARY OF KEY FINDINGS | AUDIT OPINION |
|------------------------------|--|--|---|---|
| 3 BMS Invest | Internal audit provides services (charged) to BMS Invest. Contracts for service have been agreed. An initial audit has been undertaken to review the Governance framework of BMS Invest. | The actions of the Board, including the development of strategic objectives and legal frameworks, are taken without due consideration of the impact on the organisation. | The evolution of governance continues from the original company framework. The appointment of the Assistant Director Assets & Investments (Managing Director BMS Invest) has enabled further development and articulation of this growth with enhanced processes and control frameworks. | (Sufficient) Reasonable Assurance |
| 4 Procurement – Tendering | Audit requested by Assistant Director-Housing, and following up on the 2015/16 audit and subsequent findings Determine if the Councils' contract management activities assure compliance with its procurement requirements. | Loss of money through poor and/or inadequate contractual arrangements for supplier services. | Discrepancies were identified throughout the process and although none were of material impact, they highlighted weakness in the control environment. These supported the contents of the procurement update provided by the Corporate Manager – Commissioning and Procurement to SLT in June 2018. | Limited assurance (follow-up planned during 2019/20) |

| AUDIT | PURPOSE OF AUDIT | KEY RISK(S) | SUMMARY OF KEY FINDINGS | AUDIT OPINION |
|-------------------------------------|--|---|--|---|
| | | | <p>Following this update SLT created a Commissioning and Procurement Board, chaired by the Strategic Director supported by the Section 151 Officer, the Corporate Manager – Commissioning and Procurement and two additional Assistant Directors.</p> | |
| <p>5 Spend on Contracts</p> | <p>Audit requested by Assistant Director – Housing and following up on the 2015/16 audit and subsequent findings. Determine that appropriate contracts or services agreements are in place, relevant to the contract spend incurred.</p> | <p>Loss of money through poor and/or inadequate contractual arrangements for supplier services.</p> | <p>There is an inconsistent operating model to describe the relationship and service provision between the Service (Contract Manager) and the Finance Business Partner / Procurement Business Partner or staff within the service. Whilst this in itself may not undermine the financial control framework, custom and practice may result in suboptimal detective controls. Whilst management have responded positively to the findings and recommendations in the report it is recognised that the Councils' operational services are embarking on a significant restructuring. Whilst the principles of the findings should not be lost it is likely that the detail of how and when they will be considered and enacted is presently open.</p> | <p>Limited assurance (follow-up planned during 2019/20)</p> |

6.1.3 Community capacity building and engagement

| AUDIT | PURPOSE OF AUDIT | KEY RISK(S) | SUMMARY OF KEY FINDINGS | AUDIT OPINION |
|------------------------------------|--|--|---|--|
| 6 S106 | This audit has been requested by Assistant Director, Planning & Growth to review and assess the process for: capturing and recording S106 agreements information; monitoring of S106 triggers; the collection of monies; management and spending of monies received; and S106 reporting. | Funding (Income) is lost or misapplied, with ensuing adverse publicity or Regulatory Intercession. | In July 2017 a new Planning system (Uniform) was implemented which allows an improved, holistic case management approach. With the addition of the Infrastructure Team's Exacom system the audit trail of planning applications from receipt to community realisation of the infrastructure is fully transparent and managed. | (Sufficient) Reasonable assurance |
| 7 Community Infrastructure Levy | This audit has been requested by Assistant Director, Planning & Growth, and the CIL team requested Internal Audits involvement in ensuring that CIL has sound controls and processes. | Funding (Income) is lost or misapplied, with ensuing adverse publicity or Regulatory Intercession | There is clear accountability in fund allocation and the review process follows CIL policy and demonstrates collaborative working. | (Sufficient) Reasonable assurance |

6.1.4 Housing Delivery

| AUDIT | PURPOSE OF AUDIT | KEY RISK(S) | SUMMARY OF KEY FINDINGS | AUDIT OPINION |
|-----------------------|---|--|---|---|
| 8 Housing Delivery | Following the 4i Solutions review (Note: in May 2017, 4iSolutions were commissioned to carry out a Planned Investment Compliancy review), Property Services employed an interim Project Manager to ensure findings were addressed. However, as no project progress evidence was available, Internal Audit conducted an audit to ascertain progress against the BMSDC - Compliancy Action Plan. | Statutory and regulatory obligations are not complied with (e.g. servicing of boilers; fire alarms etc.) | Although initially new controls were promptly implemented following the 4i Solutions report, these actions were not captured in the Management Improvement Plan and it appears momentum has tailed off in maintaining policies and procedures to ensure they are fully embedded and up to date. | Limited Assurance (follow-up planned during 2019/20) |

| AUDIT | PURPOSE OF AUDIT | KEY RISK(S) | SUMMARY OF KEY FINDINGS | AUDIT OPINION |
|-----------------------------------|--|---|---|-------------------------------------|
| 9 BMBS (Not a formal Audit) | Following a request from Housing management Internal Audit were able to provide support as a critical friend to evaluate management proposals. | That decisions would be based on misleading or erroneous information. | A detailed critique was presented to staff engaged in the development and delivery of the document, with suggestions for enhancements and change to clarify the report | No opinion is offered for this work |
| 10 Disabled Facilities Grants | This audit focussed on the Disabled Facilities Grant (DFG), and the function to ensure grants are awarded in accordance with the Councils' criteria. The Councils DFG allocation for 17/18 was: BDC £469k, MSDC £431k. | Funding is not given to the correct people, meeting the correct criteria or reclaimed appropriately | The grant application process, and reporting and budgeting are rigorous, effective and transparent. However, internal controls around monitoring of repaid charges requires strengthening. | (Sufficient) Reasonable assurance |

6.1.5 An enabled and efficient organisation

| AUDIT | PURPOSE OF AUDIT | KEY RISK(S) | SUMMARY OF KEY FINDINGS | AUDIT OPINION |
|--|--|---|--|---|
| 11 Land charges (Public Access Land Charges (PALC) online system) | The Corporate Manager Information Management requested Audit to assess the effectiveness of the control environment, in the context of the project transitioning from two systems to one. | Fee income is not recognised through inadequate process and controls. | Whilst statistics on the data migration status and Land Charges performance are regularly reviewed: Fee levels have not been reviewed recently; nor The invoices for the two largest self-billing customers reconciled to searches conducted. | Limited Assurance (follow-up planned during 2019/20) |
| 12 General Data Protection Regulation compliance | This audit follows up findings from the Audit review undertaken in 2017/18 which received a Limited Assurance audit opinion, to assure the stakeholders that significant improvements have been completed in line with management's agreed action. | Fine, Censure or regulatory intercession after errors or omission managing our data in the requirements of the Act. | Management has taken prompt action in response to Internal Audit's Phase 1 testing and further illustrates the progress that has been made. | (Sufficient) Reasonable assurance |

| AUDIT | PURPOSE OF AUDIT | KEY RISK(S) | SUMMARY OF KEY FINDINGS | AUDIT OPINION |
|--|--|---|---|---|
| 13 (Ethical Behaviour) Governance of Gifts and Hospitality and Declarations of Interest | A review to include Declaration of Interests and Gifts and Hospitality. | Undeclared gifts or interests may lead to challenges of independence; of inability to demonstrate fair and lawful actions; and a lack of transparency to our stakeholders. | Gifts, hospitality and 'declarations of interests' disclosures for Members are subject to an annual review. However, staff gifts, hospitality and 'declarations of interests' not so. BMSDC does not currently have a consistent approach in managing Gifts and Hospitality. | Limited Assurance (follow-up planned during 2019/20) |
| 14 General Ledger | This year's audit has focussed on last year's recommendations and in response to another Council's fraud alert regarding fraudulent Direct Debits, included testing in principle to ensure appropriate controls for unallocated DDs are in place for our Councils to protect the public purse. | Control accounts and reconciliations are mismanaged or ineffective and mis-posting may go unnoticed. | Management information reporting is now effective, with Reconciliations appropriately signed off. Whilst the Integra system applies validation checks on data received the cash module is not implemented. The risk is being accepted by the Corporate Manager, Finance. Appropriate controls are in place to ensure unallocated DDs are identified and investigated. | (Sufficient) Reasonable assurance |
| 15 Health and Safety | Audit provided operational risk assessment support to the H&S Manager for numerous service areas. | 7 areas were looked at by the Auditor, identifying what Risk Assessments were in place, which format and where these are located. Generic Risk Assessments were identified and shared to ensure a consistent approach going forwards. No opinion is offered for this work | | |
| 16 Information Technology | The IT infrastructure and estate is provided to the Councils by SCC. Our own Audit opinion on the operation of the controls in this environment relies on our partner Internal Audit service who, in their 2018/19 Annual Internal Audit Report to SCC Audit Committee Meeting, 29/05/2019, reported Information Governance / ICT to have a Reasonable Level of Assurance. In addition, the SCC Head of ICT's Opinion in the SCC Annual Governance Statement concluded that "It is the opinion of the Chief Technology Officer that the IT Services and technology assets of the Council are run effectively, efficiently and economically" | | | (Sufficient) Reasonable assurance |
| 17 | Ipswich Borough Council undertake an annual review of SRP service provision on our behalf. | | | Adequate |

| AUDIT | PURPOSE OF AUDIT | KEY RISK(S) | SUMMARY OF KEY FINDINGS | AUDIT OPINION |
|---|--|-------------|-------------------------|---------------|
| Shared Revenues Partnership – Revenues and Benefits | An overall opinion of *adequate has been provided this year, 1 recommendation raised relating to exemptions and discounts. Another issue relating to the correct authorisation of NNDR refunds over £5,000 was identified for part of the year but the delegation limits were reviewed and amended mid-year. *Definition of Adequate - controls exist but there is some inconsistency in their application. This means that a few of the risks in the audit may need attention. | | | |

6.1.6 Environment

| Audit | PURPOSE OF AUDIT | KEY RISK(S) | SUMMARY OF KEY FINDINGS | AUDIT OPINION |
|---|---|--|--|-----------------------------------|
| 18 Waste – Brown Bin (Garden Waste) Service delivery | This audit was conducted to support the Corporate Manager Waste Services in identifying potential enhancements to service delivery. | Weak or ineffectual process mean that Brown bin income and customer service management is not optimised. | Whilst the audit identified some procedural issues, service income is effectively reconciled, and performance is reported regularly. | (Sufficient Reasonable Assurance) |

6.2 The Corporate Manager Internal Audit provided staff resource to the Health and Wellbeing Team 1 day per week (or its equivalent), from February 2019 initially until the end of June 2019, supporting delivery of outcomes around the wider determinants of health, contributing to the work of the team by ensuring appropriate governance that supports our commitment to the delivery of Suffolk Health and Wellbeing Board Outcomes, particularly Outcome 1: *Every Child in Suffolk to have the best start in life*. (Further detail of this role is provided in Annexe 3 below).

This has enabled the Health and Wellbeing team to benefit from an 'external perspective' and has provided Internal Audit with a valuable opportunity for staff development and an exposure to, and understanding of, delivery of service.

6.3 Work conducted during the year compared to the approved 2018/19 Audit Plan

The audit plan was approved by this Committee (Paper JAC/17/20) and initially Internal Audit work conducted is derived from this source. The Corporate Manager Internal Audit exercised discretion at the time of drafting the specific audit brief to ensure that the work was still appropriate and of a sufficient risk ranking to continue the review.

Of those audits proposed in the plan only 4 were not undertaken:

- 'Fixed and Flexible Tenancies', which was risk assessed as 'Low' at the time of review;
- 'Capital Accounting', which given the material focus provided each Year End by External Audit (due to the materiality in the Financial Accounts), was deemed within Risk Appetite by the Corporate Manager Finance;

- 'New Public Access Requirements' which, given the appointment of a new Corporate Manager Customer Access, was removed from immediate review; and
- 'Creditors' – audit deferred at the request of the Corporate Manager – Finance to focus on processes during 2019/20. The Corporate Manager – Internal Audit was agreed to this request given the audit opinion against key internal controls in this area for the past two years was deemed 'Effective'.

Internal Audit staff did, however, undertake other reviews and consultations for Management as agreed between the Corporate Manager Internal Audit and Service Managers and are included in the above summary of work undertaken.

The proposed review of Ethics was partially completed, and is reported above, but more time is placed within the 2019/20 Internal Audit Plan. The outcomes and consequences of our audit reviews has, of course influenced and been reflected in this forthcoming plan.

6.4 Outcome of opinion compared to prior years:

| | 2016/17 | 2017/18 | 2018/19 |
|--|--------------------------|--------------------------|-----------------------------------|
| 6.1 Assets and investment | | | |
| Receivables | Effective | Ineffective | Sufficient (Reasonable) Assurance |
| Treasury Management | Effective | Effective | Sufficient (Reasonable) Assurance |
| Payroll | Effective | No formal opinion issued | |
| 6.2 Business Growth | | | |
| Fees and Charges | | Ineffective | Actions implemented |
| BMS Invest - Governance | | | Sufficient (Reasonable) Assurance |
| Procurement - Tendering | | | Limited Assurance |
| Procurement - spend on contracts | Ineffective | | Limited Assurance |
| Creditors | Effective | Effective | |
| 6.3 Community capacity building and engagement | | | |
| Safeguarding | | Effective | |
| Building Control procedural review | High Standard | | |
| Building Control financial proposition analysis | No formal opinion issued | | |
| JOSIE Project delivery | Ineffective | | |
| Community Grants | Effective | | |
| s106 | | | Sufficient (Reasonable) Assurance |
| Community Infrastructure Levy (CIL) | High Standard | Effective | Sufficient (Reasonable) Assurance |
| 6.4 Housing Delivery | | | |
| Open Housing project. | | Effective | |
| Housing delivery | | | Limited Assurance |
| Housing Procurement | No formal opinion issued | | |
| Support and challenge to BMBS reporting | | | No formal opinion issued |
| Disabled Facilities Grants | | No formal opinion issued | Sufficient (Reasonable) Assurance |
| Housing Rents | Effective | Effective | |
| 6.5 An enabled and efficient organisation | | | |
| Land Charges (PALC) | | | Limited Assurance |
| Information Governance General Data Protection Regulation (GDPR) | | Ineffective | Sufficient (Reasonable) Assurance |
| Ethical Behaviour - gifts and hospitality | | | Limited Assurance |
| General Ledger | Effective | Ineffective | Sufficient (Reasonable) Assurance |
| Health and Safety | | | No formal opinion issued |
| Information Technology | SCC Sufficient | | SCC Sufficient |
| Shared Revenue Partnership internal processes | Good | Good | Adequate |
| Shared Revenue Partnership feeder systems and Finance controls | Effective | | |
| Budgetary control survey | No formal opinion issued | | |
| Capita Financial Systems Upgrade | | Effective | |
| Termination Letters | | No formal opinion issued | |
| EU Elections | No formal opinion issued | | |
| Electoral Expenses | | No formal opinion issued | |
| Scanning | | No formal opinion issued | |
| 6.1.6 Environment (Waste & Leisure) | | | |
| Trade Waste | | | Sufficient (Reasonable) Assurance |

6.5 In undertaking this work there was due consideration to ensure that Internal Audit maintained its objectivity and independence. The prioritisation of special work took account of the requirements of the approved audit plan.

Objectivity was maintained in that the auditors had no personal or professional involvement with or allegiance to the area audited. The determination of appropriate parties to which the details of an impairment to independence or objectivity is disclosed was dependent upon the expectations of the activity and was expressed during the planning of each audit.

Annual declarations of interest were signed by each auditor.

6.6 Performance review

6.6.1 In line with the findings on the external review Audit clients continue to express a high level of satisfaction with the service delivered. The latest figures are based on a 50% return (out of 14 issued) of the completed customer satisfaction surveys.

| Customer Satisfaction | 17/18 | 18/19 |
|--|--------------|---------|
| Before the Audit | | |
| Were you given adequate notification of the audit? | 100% | 100% |
| Were you informed of the audit objectives? | 100% | 100% |
| Were you able to discuss with the auditor the risks you felt should be addressed? | 100% | 100% |
| Carrying out the Audit | | |
| Did you feel that an environment of trust and confidence was achieved? | 100% | 100% |
| Was the audit carried out in an efficient and timely manner? | 100% | 100% |
| If not were you kept informed of the progress towards final report? | 100% | 100% |
| Did the auditors work in a professional and helpful manner, with appropriate integrity? | 100% | 100% |
| Reporting the Audit | | |
| Were you given the opportunity to discuss the findings with the auditor throughout the audit as well as at draft report stage? | 100% | 100% |
| Were the findings adequately supported by evidence? | 100% | 100% |
| Were the recommendations in the final report practical? | 100% | 100% |
| Was the report issued in a timely manner following testing? | 100% | 100% |
| Will the audit improve internal controls? | 100% | 80% |
| Will the audit enable you to improve your service | 100% | 80% |
| Overall, how would rate the audit? | | |
| | Excellent | 80% 80% |
| | Good | 10% |
| | Satisfactory | 20% 10% |

6.6.2 Internal Audit continue to perform well against the agreed Key Performance Indicators. The reduction in time between draft and Final reports has been influenced by the discussions on management actions arising from audits.

Although the percentage of the audit plan delivered has improved from last year the small percentage reduction against the plan target is as a result of adhoc management requests received during the year to undertake specific reviews and the Corporate Manager Internal Audit providing a staff resource to the Health and Wellbeing Team 1 day per week (refer to paragraph 6.2).

| # | Performance Indicator | Target | 17/18 | 18/19 |
|---|---|--------|-------|-------|
| 1 | 100% audit recommendations accepted by management. | 90% | 100% | 100% |
| 2 | % high priority recommendations being implemented. | 100% | 100% | 100% |
| 3 | 100% of audit reviews completed in target or prior approved extension by Corporate Manger – IA. | 100% | 100% | 100% |
| 4 | Number of days between the issue of brief and start of fieldwork. | 10 | 7 | 6 |
| 5 | Number of days between the completion of audit fieldwork and issue of draft report. | 10 | 6 | 6 |
| 6 | Number of days between the issue of the draft and final report. | 15 | 16 | 15 |
| 7 | Completed to the satisfaction of the auditee. | 80% | 100% | 100% |
| 8 | Percentage of the audit plan delivered. | 90% | 71% | 86% |

7 Business support activities

7.1 Internal Audit aim to retain close working relationships with colleagues and have provided support and advice on proposed system and control developments, enhancements and changes. The material of which have been described above.

In addition, Internal Audit will undertake specific investigations and reviews at the request of management. These are often not in the original audit plan and, if not appropriate to an existing piece of work, are conducted at the discretion of the Corporate Manager, Internal Audit.

7.2 Business Continuity

Internal Audit commenced a series of exercises to test individual services' Business Continuity Plans in practise. The Plans are "corporate" documents which give guidance to senior managers tasked with leading recovery activities and prioritising resources in the event of an incident/ emergency. The first exercise, 25 July 2018, tested Customer Services, Stowmarket. Several scenarios were acted out and learning points were noted. The exercise was positively received, and learning points are being actively actioned.

Thereafter the responsibility for Business Continuity passed from Internal Audit into the control of the Corporate Manager - Health & Safety, Business Continuity and Emergency Planning.

8. Resources

As reported to this Committee in 'Key Information' above (pp4.2) one part-time member of staff has increased hours and the section passed oversight of the Business Continuity activity from 8th October 2018.

Subsequent to the Year End a member of the Team, the Current Specialist Lead for Internal Audit, has resigned, again leaving a resource shortfall in the team. A current recruitment campaign proved unsuccessful and the Corporate Manager – Internal Audit is currently looking at other options.

At this point there is no immediate impact foreseen on the 2019/20 plan delivery but, depending on our ability to appoint and install, the situation is being carefully monitored by the Corporate Manager – Internal Audit to ensure that coverage and the consequent annual audit opinion are not compromised.

9 Professional Practice

9.1 Membership of audit bodies

It is important to keep abreast of best professional practice. Internal Audit has strong links with audit colleagues both within Suffolk and nationally and are members of the Suffolk Working Audit Partnership (SWAPs) and the Midland Audit Group.

9.2 Public Sector Internal Audit Standards (PSIAS)

The team have fully reviewed their working practices to ensure that our Internal Audit documents and processes comply with, and can be evidenced to, the PSIAS. This has resulted in a refining of the Internal Audit Charter Strategy; Internal Audit Services Manual; Internal Audit Risk Log; Quality Assurance and Improvement Programme; procedure notes; and working papers. These documents are published on the Councils' intranet, 'Connect', and remain subject to regular review. Subsequent to this exercise the actions arising from the review are materially implemented.

9.3 Independence

Internal Audit will remain sufficiently independent of the activities that it audits to enable auditors to perform their duties in a manner, which facilitates impartial and effective professional judgements and recommendations.

The Corporate Manager – Internal Audit was also responsible for overseeing the Risk Management and Business Continuity* arrangements across both Councils.

Separate Leads are assigned to these two disciplines which allows a degree of independence to be monitored through the Corporate Manager – Internal Audit. Each of these roles has an independent sponsor to champion reports and proposals. These are vested in the Assistant Director, Law & Governance and Monitoring Officer, for Risk; and in the Strategic Director, for Business Continuity*.

* As mentioned in paragraph 4.2 of the 'Key Information', of the covering report above Business Continuity has moved from the remit of the Corporate Manager – Internal Audit from 8th October 2018.

10 Audit opinion

The Corporate Manager – Internal Audit is responsible for the delivery of an audit opinion and report that can be used by the Councils to inform its governance statement. The annual opinion concludes on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

In giving this opinion, assurance can never be absolute and therefore, only reasonable assurance can be provided that there are no significant weaknesses in the processes reviewed. In assessing the level of assurance to be given, the Corporate Manager – Internal Audit has based his opinion on:

- Written reports on all internal audit completed during the course of the year, both assurance and consultancy;
- Results of any follow up exercises undertaken in respect of previous years' internal audit work;
- The results of work of other review bodies where appropriate;
- The extent of resources available to deliver the internal audit work; and
- The quality and performance of the internal audit service and the extent of compliance with the Public Sector Internal Audit Standards (PSIAS).

Audit Opinion – the Corporate Manager – Internal Audit is satisfied the sufficient assurance work has been carried out to allow him to form a reasonable conclusion on the adequacy and effectiveness of each Council's internal control environment.

It is the Corporate Manager – Internal Audit's opinion that the Councils' framework of governance, risk management and internal control is '(Sufficient) – Reasonable Assurance' – the system, process or activity should achieve its objectives safely and effectively. However, whilst there are some control weaknesses most key controls are in place and operating effectively. Where weaknesses have been identified through internal audit review, Internal Audit have worked with management to agree appropriate corrective actions and a timescale for improvement.

11 Conclusions

The Corporate Manager – Internal Audit considers that there are no additional audit related issues that currently need to be brought to the attention of this committee.

Annexe 1

Changes to the Audit Assurance terminology

| Current Wording: | Proposed Wording: | Unchanged: |
|---|--|---|
| <p style="text-align: center;">High standard</p> <p>Systems described offer all necessary controls. Audit tests showed controls examined operating very effectively and where appropriate, in line with best practice.</p> | <p style="text-align: center;">Substantial assurance</p> <p>The system, process or activity should achieve its objectives safely and effectively and key controls are in place and operating satisfactorily.</p> | <p style="text-align: center;">Action required</p> <p>Further improvement may not be cost effective.</p> |
| <p style="text-align: center;">Effective</p> <p>Systems described offer most necessary controls. Audit tests showed controls examined operating effectively, with some improvements required.</p> | <p style="text-align: center;">(Sufficient) Reasonable assurance</p> <p>The system, process or activity should achieve its objectives safely and effectively. However, whilst there are some control weaknesses most key controls are in place and operating effectively.</p> | <p>Implementation of recommendations will further improve systems in line with best practice.</p> |
| <p style="text-align: center;">Ineffective</p> <p>Systems described do not offer necessary controls. Audit tests showed key controls examined were operating ineffectively, with a number of improvements required.</p> | <p style="text-align: center;">Limited assurance</p> <p>The system, process or activity is at risk to achieving its objectives safely and effectively as key controls are in place but operating poorly, or are inadequate.</p> | <p>Remedial action is required immediately to implement the recommendations made.</p> |
| <p style="text-align: center;">Poor</p> <p>Systems described are largely uncontrolled, with complete absence of important controls. Most controls examined operate ineffectively with a large number of non-compliances and key improvements required.</p> | <p style="text-align: center;">No assurance</p> <p>No assurance can be given that the system, process or activity will achieve its objectives safely and effectively as key controls are not in place or are failing</p> | <p>A total review is urgently required.</p> |



Executive Summary

June 2018

Progress towards General Data Protection Regulation (GDPR) compliance

| Overall Assurance Assessment | Overall Conclusion | | | | | | |
|---|--|--------|--------|--------|---|---|---|
| | <p>Comprehensive training provided to all designated champions and members, and online training for all staff. Site established on Connect to retain all documents and records. Training records for all staff not complete at time of report.</p> <p>Shared Legal Services are working closely with the Transformation Project Manager GDPR and the Service champions to identify and review contracts. Key documents have been reviewed / created and approved by SLT.</p> <p>The data cleanse is incomplete and will continue. This is especially true with some systems that require field corrections to securely manage auto cleansing. Audit identified lack of ownership in Housing, which was referred to the AD Housing.</p> <p>Legal team continue to determine contracts, and 3rd party communications are linked to GDPR champions for ownership.</p> | | | | | | |
| Rationale and Scope | Action Points | | | | | | |
| <p>This audit follows from the Audit review undertaken in January 2018 to evaluate the Council's readiness for the start of the GDPR regulatory framework in May 2018. The GDPR came into force in the UK on 25 May 2018 and replaced the Data Protection Act 1988. The new regulations are an evolution of existing UK data protection law and aim to harmonise data protection laws across the European Union and put individuals in control of their data. They will remain in force until the UK leaves the European Union and amends or repeals the legislation.</p> <p>It is planned that a subsequent post implementation review will occur after the 25th May launch.</p> | <table border="1"> <thead> <tr> <th data-bbox="1160 1066 1384 1107">High</th> <th data-bbox="1384 1066 1615 1107">Medium</th> <th data-bbox="1615 1066 1868 1107">Verbal</th> </tr> </thead> <tbody> <tr> <td data-bbox="1160 1107 1384 1149">4</td> <td data-bbox="1384 1107 1615 1149">0</td> <td data-bbox="1615 1107 1868 1149">0</td> </tr> </tbody> </table> | High | Medium | Verbal | 4 | 0 | 0 |
| High | Medium | Verbal | | | | | |
| 4 | 0 | 0 | | | | | |

Annexe 3

Summary of Internal Audit role Description within the 'Active Schools Project'

Purpose of the role

To be embedded within the Health and Wellbeing Team 1 day per week (or its equivalent), from February 2019 initially until the end of June 2019, supporting delivery of outcomes around the wider determinants of health, contributing to the work of the team by ensuring appropriate governance that supports our commitment to the delivery of Suffolk Health and Wellbeing Board Outcomes, particularly Outcome 1: *Every Child in Suffolk to have the best start in life.*

Specific deliverables (to be reviewed at 6 months)

- To provide project governance for the Active Schools programme, acting as the liaison officer with Active Sport (the provider) and the wider partnership group
- To produce a position statement on how the Councils contribute to improved social mobility in the districts, to research best practice and propose options
- To examine the district council contribution to system-wide efforts to support those experiencing Adverse Childhood Experiences (ACEs) and propose options

Expected outcomes

- Active Schools programme, which seeks to reduce levels of childhood obesity/excess weight, is managed effectively with appropriate project governance established
- Ensure the Project Action Plan is SMART, progresses in line with agreed milestones and any remedial action is undertaken as required
- Options for future partnership working to improve social mobility outcomes are fully reviewed and set out in a report for management

Draft Circulation:

Dave Muller Chair of the Joint Audit and Standards Committee – Mid Suffolk

Bryn Hurren Chair of the Joint Audit and Standards Committee – Babergh

Lee Parker (Cabinet lead for Customers, Digital Transformation & Improvement – Babergh)

Suzie Morley (Cabinet lead for Customers, Digital Transformation & Improvement – Mid Suffolk)

Senior Leadership Team, which include Katherine Steel Assistant Director, Corporate Resources (S151 Officer)