

**Details on those recommendations outstanding
Status – all Amber (Ongoing with deadline missed)**

Former Customer and Shared Services

Main Accounting System 2009/10

<p>Recommendation R1 : The financial procedures for asset management, debt recovery, leasing, insurance and risk management should be documented if not already done so, published on the Intranet, and regularly reviewed and maintained on the Intranet thereafter.</p>
<p>Rationale for Recommendation: The Systems Documentation and Walkthrough Testing review 2009/10 identified that the financial procedures for asset management, debt recovery, leasing, insurance and risk management had not been documented and published on the intranet.</p>
<p>Target Dates: End August 2010. End July 2011 (revised) October 2011 (revised)</p>
<p>Current Position and Explanation for Slippage: There is an ongoing process to review all financial procedures. There has been a planned deferral of this work in order to focus on closure of accounts, which has been the key priority. Drafts of revised financial procedures have been prepared and are in the process of being reviewed.</p>

National Non Domestic Rates (NNDR) Managed Audit

<p>Recommendation R2 : The Head of Revenues should continue to liaise with the Head of Financial Management to ensure that the allocation of the outstanding internal NNDR debt is expedited by Finance and that the required journal vouchers are raised and actioned.</p>
<p>Rationale for Recommendation: The unrecovered NNDR to date may be overstated, and there may be a risk to budget monitoring using SAP for individual cost centres.</p>
<p>Target Dates: End April 2010 End of March 2011 (revised) End of July 2011(revised) End of December 2011</p>

Current Position and Explanation for Slippage:

There remains a total of £225,000 historical unallocated internal debt covering fewer than 50 properties and work is ongoing with colleagues in the Assets Section to address this.

Payroll 2009/10**Recommendation R3:**

It should be ensured that timesheets and travel claims are appropriately approved prior to payment.

Rationale for Recommendation:

The authorised signatory list of managers is incomplete, which hinders the ability to check the authorisations on expenses and travel claims thoroughly.

Target Dates:

August 2010.

September 2011.(revised)

March 2012.(revised)

Current Position and Explanation for Slippage:

A master data review is currently being undertaken, to ensure this remains up to date following organisational restructuring and changes. This forms part of the Finance Recovery Programme which includes SAP Optimisation and has an expected completion date of March 2012.

Once this exercise has been completed HR will enforce the process of checking signatures through SERCO contract management. Further SAP optimisation may reduce the reliance on manual checking of signatory lists.

SWIFT Financials 2009/10**Recommendation R4:**

Password controls should be enhanced to ensure that the SWIFT system enforces the selection of passwords. Passwords should comprise:

- A minimum password length
- Both numerical and alpha characters (additionally enforcing the use of special characters, upper and lower case would further enhance password controls).

Rationale for Recommendation:

Password controls in SWIFT were weak in that (a) they can be re-used, (b) do not have to conform to a standard, (c) do not expire after a set period and (d) as a result users are not denied access because their password is invalid.

Target Dates:

August 2010.

August 2011.(revised)

October 2011 (revised)

Current Position and Explanation for Slippage:

Progress has been dependent upon the third party supplier of the software package providing an upgraded release that contains the functionality that can be configured to meet the requirements set out in the recommendation. In addition, the development and testing of revised concealment of data requirements to improve system performance and upgrading to Version 26.1 (the system version pre-requisite) of SWIFT took priority in the work plan.

Compliance testing in respect of new SWIFT password functionality has been undertaken and the ability to enforce a minimum password length and require a numerical character as part of a password is now available. Further testing to enhance password security continues in consultation with the Council's third party partner.

Recommendation R5:

Password controls should be enhanced to ensure that the SWIFT system requires users to change their passwords regularly (e.g. every 30 days).

Rationale for Recommendation:

Password controls in SWIFT were weak in that (a) they can be re-used, (b) do not have to conform to a standard, (c) do not expire after a set period and (d) as a result users are not denied access because their password is invalid.

Target Dates:

August 2010.

August 2011.(revised)

October 2011.(revised)

Current Position and Explanation for Slippage:

Progress has been dependent upon the third party supplier of the software package providing an upgraded release that contains the functionality that can be configured to meet the requirements set out in the recommendation. In addition, the development and testing of revised concealment of data requirements to improve system performance and upgrading to Version 26.1 of SWIFT (which should strengthen password controls) took priority in the work plan.

Compliance testing in respect of new SWIFT password functionality has been undertaken and the ability to enforce password expiry is now available. Further testing to enhance password security continues in consultation with the Council's third party partner.

Recommendation R6:

The SWIFT IT team should provide reports of users who have not changed their passwords within the past 45 days to local management to confirm that access rights are still appropriate for the nominated users. Unused accounts should be disabled or removed.

Rationale for Recommendation:

The procedures for advising of leavers do not always take account of temporary staff. There were 1220 users on the SWIFT database but there is no assurance that they were all current and bona fide employees. The report of users who have not changed their passwords within the past 45 days is not used to establish whether access rights for those users are still appropriate.

Target Dates:

August 2010.
November 2011(revised)

Current Position and Explanation for Slippage:

A 'Request For Change' has been raised and a report will be developed. Team Leaders will be requested to review and provide responses. The implementation of this recommendation has been reviewed as part of the 2010/11 Managed Audit Phase 1 review. It has been delayed due to other key priorities taking precedence. This includes the development and testing of revised concealment of data requirements to improve system performance and upgrading to Version 26.1.

Recommendation R7:

When the SWIFT database has been disaggregated the option to allow the relevant budget holder to give workflow approval to help ensure that payments are correctly authorised against the correct cost centre should be enabled.

Rationale for Recommendation:

The functionality within SWIFT to enable budget holders to authorise the financial element of care packages on-line has not been enabled. A business process is being developed to replace the panel authorisation with a system in which the workflow will be sent to the budget manager of the cost code recorded on the provision for authorisation.

Target Dates:

September 2010.
October 2011(revised).

Current Position and Explanation for Slippage:

This has been delayed due to other key priorities taking precedence. This includes the development and testing of revised concealment of data requirements to improve system performance and upgrading to Version 26.1 of SWIFT.

The project implementing this recommendation for Adults is RP203: Integrated Finance & Business Processes. Despite the continuing challenges arising from the complexities of milestones, progress continues to be made, laying strong foundations for the future and is currently still on target for delivering this aspect in October 2011.

Children's Services are currently reviewing their system requirements so on-line authorisation for Children's Services is not being implemented at all at this point. The only financial data recorded on SWIFT at present is fostering allowances, residence order, special guardianship and adoption payments. Reports are run and managers sign their authorisation on these prior to the payments being uploaded to SAP.

Teachers' Pensions

Recommendation R8:

Monthly Return Summaries submitted by schools should be retained by HR and filed in date order with the TP2 and TP3 forms. Any non returns could then be identified and pursued with the schools.

Rationale for Recommendation:

The extent of non- returns and the ability to 'chase' these with schools has an impact on the completeness of LA records.

Target Dates:

31 March 2011

1 October 2011(revised)

Current Position and Explanation for Slippage:

This is on target to be completed by the revised date. Further mapping of processes and communication with schools has been undertaken.

SAP Access and Security (incl. IT DR) Managed Audit

Recommendation R9:

A Disaster Recovery Plan should be developed and approved. As a minimum, this should include;

- the identification and prioritisation of key IT systems
- the roles and responsibilities of relevant officers and third party suppliers
- a set of IT procedures which should be executed initially to react to crises/disaster
- escalation procedures
- salvage procedures that deal with retrieval of items from affected sites
- the recovery and reconfiguration of all IT and communication systems
- details of additional accounts where monies may be sourced to aid recovery efforts
- a schedule in respect of the testing of the plan

End August Position

7/09/2011

Rationale for Recommendation:

During 2009/10, there was no Disaster Recovery Plan. Recovery from the server failures in February 2010 gave highest priority to restoration of the IT infrastructure. Meetings and telephone conversations with Heads of Services and Directors were held to agree the recovery plan / priorities and time scales. No IT Disaster Recovery Strategy was found to be documented to describe the role and development of a Disaster Recovery Plan and to improve the recovery options of IT systems.

Target Dates:

December 2010.
December 2011 (revised).

Current Position and Explanation for Slippage:

Work has not yet commenced. The primary focus of the ICT Infrastructure work since Dec 10 has been the rectification of instabilities in the core technologies. The development of the DR Plan (outline and full) will be completed as part of the ICT Stability Project. The inclusion of this work within the ICT Stability Project reflects the dependency on a number of pre-requisites that will be deliverable by the project including standard operating procedures for design definition and implementation. The outline DR plan is due for completion during Dec 2011, with a full DR Plan due by September 2012.

Sustainable Communities

Leighton Buzzard Theatre

Recommendation R10:

A suite of clearly defined targets should be established and regularly monitored for the theatre that align with the Council's theatre policy, Council's strategic objectives, and budgetary control objectives.

Rationale for Recommendation:

No targets, both financial and non-financial, have been established for theatre activities.

Target Dates:

December 2010.

September 2011.(revised)

Current Position and Explanation for Slippage:

The Arts Review will be complete by the end of September. This will provide Policy context and direction.

The budget is now fully under control of the Arts Team Manager this enables target setting in relation to the income targets. Detailed analysis of sales & costs now takes place on a monthly basis. This analysis directs programme planning as it identifies which categories of events generate the best income.