

APPENDIX 3 – FOLLOW UP UPDATE

Internal Audit Annual Report – 2022-23

Audit and Corporate Governance Committee 15 June 2023

Introduction: This appendix gives details of the results of follow up of recommendations. It provides an indication of the level of implementation of audit recommendations.

Summary of Follow-up Update

Follow up implementation rate key*

Fully implemented - 100% of high and medium priority recommendations have been closed;

Good - Progress has been made on 70% or more of high and medium priority recommendations and at least 50% are fully implemented;

Moderate - Progress has been made on 70% or more of high and medium priority recommendations but less than 50% have been fully implemented or progress has been made on fewer than 70% of high and medium priority recommendations but more than 50% have been fully implemented;

Limited - Progress has been made on fewer than 70% of high and medium priority recommendations.

*the rate key was revised in May 2023 to:

- i) Focus on the level of implementation of high and medium priority recommendations; and
- ii) Distinguish more effectively between audits where actions have been partially implemented and those where actions have been fully implemented by limiting the *good* rating to those audits where more than 50% of recommendations have been fully implemented and there is a good level of partial implementation for the remaining recommendations.

Original Audit Review			Follow up Activity	
Ref	Audit title	Original Assurance rating	Follow-up implementation rate	Status at 31 st May 2023
CC20-2	Keeping Young People Safe	Moderate Assurance	Fully Implemented	Completed.
CS20-2	Continuous Audit Monitoring – Accounts Payable	Moderate Assurance	This will be presented to Committee upon completion of follow-up	The follow-up remains in progress and is aligned with the implementation dates for the KFS Accounts Payable review. Anticipated completion July 2023.
CS20-4	Payroll Post Oracle Cloud Implementation	Limited Assurance	Good progress	The follow-up was completed in May 2023 and noted good progress towards implementation of recommendations. The original review reported one high priority recommendation and 12 medium priority recommendations. The follow up review found that 12 recommendations (one high and 11 medium priority) have been fully implemented, and one recommendation has been partially implemented and this will be implemented in Q1 2023/24.
CS20-6	Data Quality and Integrity	Moderate Assurance	This will be presented to Committee upon completion of follow-up	Based on the agreed implementation dates, the follow-up is due Q1 2023-24 and is currently in progress. Anticipated completion July 2023.
SC20-4	Tenancy Management Organisations (TMO) – Chalk Farm Housing Group	No Assurance	This will be presented to Committee upon completion of follow-up	The follow-up began in July 2022. However it was postponed to until November 2022 owing to resource constraints at the TMO. The draft follow up memorandum is currently with the

				<p>auditee and will be finalised once the action plan has been agreed. The TMO is experiencing on-going resourcing issues, initially engaging with an external consultant to support. The consultant has now left and the acting manager has agreed to meet Internal Audit in June 2023 to finalise the action plan.</p> <p>Anticipated completion July 2023.</p>
SC20-08	Climate Change Programme – Governance, Risk Management and Reporting	Moderate Assurance	This will be presented to Committee upon completion of follow-up	Based on the agreed implementation dates, the follow-up was not due until Q1 2023-24 and is currently in progress. Anticipated completion July 2023.
CC21-1	Equalities, Diversity and Inclusion	Moderate Assurance	Moderate progress	The follow up was completed in May 2023 and noted moderate progress towards implementation of recommendations. All five medium priority recommendations have been partially implemented, with revised implementation dates of January 2024.
CC21-2	Valuations - Property, Plant and Equipment	Limited Assurance	Moderate progress	The follow up was completed in November 2022 and noted moderate progress towards the implementation of recommendations. A further follow up of three partially implemented recommendations is currently in progress. Anticipated completion July 2023.
CS21-4	IT Review - Cyber/Network Security	Limited Assurance	This will be presented to Committee upon completion of follow-up	Based on the agreed implementation dates, the follow-up was not due until Q1 2023-24 and is currently in progress. Anticipated completion July 2023.

SC21 -2	Community Infrastructure Levy (CIL) Funding	Limited Assurance	Moderate progress	The follow up was completed in May 2023 and noted moderate progress towards the implementation of recommendations. Revised implementation dates have been agreed with management.
SC21 -3	Fire Safety (Private Landlord)	Moderate Assurance	This will be presented to Committee upon completion of follow-up	An initial follow up meeting was undertaken and noted that two of the four recommendations were implemented. The implementation dates for the two remaining recommendations mean that the follow up will be completed in Q2 23-24.
SP21 -7	Camden Accessible Travel Solutions (CATS)	Limited Assurance	Good progress	The follow up was completed in Q1 22-23. One recommendation has an implementation date of September 2023 and will be followed up in Q3 2023-24 as part of the 23-24 review of CATS – Council journeys. Anticipated completion November 2023.
CS22 -6b	Contract Management	Limited Assurance	Good progress	The follow up was completed in May 2023 and noted moderate progress towards implementation of recommendations. The previous report raised two high priority findings and nine medium priority findings. Based on the evidence presented, our follow up audit confirmed that: - One high priority and six medium priority recommendations have been implemented; and

				- One high priority and three medium priority recommendations have been partially implemented.
CS20-6	Housing Revenue Account	Limited Assurance	Good progress	An interim follow up review was completed in February 2022 with outcomes shared with management. The draft memorandum for the subsequent follow up is currently with management and will be finalised once the action plan has been agreed. Anticipated completion June 2023.
SC18-3	Community Cohesion	Moderate Assurance	Moderate progress	The follow up was completed in May 2023 and noted moderate progress towards implementation of recommendations. All five medium priority recommendations have been partially implemented, with revised implementation dates of January 2024.
SC19-4	Commercial Property	n/a – Management Letter	Moderate progress	The follow up was completed in May 2023 and noted moderate progress towards implementation of recommendations.
FWU 19-11	Follow-up Review - Unaccompanied Asylum Seeking Children	n/a – Management Letter	This will be presented to Committee upon completion of follow-up	This follow up is currently in progress. Anticipated completion July 2023

Follow up completion PI

As part of the Council's performance management framework, Internal Audit reports performance indicators in relation to the timeliness of follow up reviews on a quarterly basis. Internal Audit aims to follow up of audit reports within 12 months of issue of

final report. For the 2022/23 financial year, PI achievement averaged 83%. While the Internal Audit team had undertaken follow ups as they became due, the trend fluctuated in-year based on auditee responsiveness.

APPENDIX ENDS