<table>
<thead>
<tr>
<th>Code</th>
<th>Title</th>
<th>Description</th>
<th>Progress</th>
<th>Original Due Date</th>
<th>Due Date</th>
<th>Assigned To</th>
<th>Latest Note Date</th>
<th>Latest Note</th>
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| AR.BCM 04 | Business Continuity Management agreed action 4 | Medium priority
The benefits of establishing a business continuity management project for the development of Solway House as the Council's recovery site, establishing realistic recovery timescales, revising continuity plans accordingly and their testing to be managed by the Programme Office should be evaluated.  
Associated Risks
Inappropriate prioritisation of resources within IT Services to develop the selected alternate site. Business continuity plans fail to support recovery as they are not based on realistic information.  
Response
Asset Management have been asked to produce a floor plan of Solway House showing the number of workstations that can be accommodated. This will be shared with IT Services so they can identify any additional infrastructure requirements. Based on this, the lead time for any further installation work and the priority assigned to business continuity arrangements determined by senior management, a due date for this action will be agreed enabling IT Services to prioritise their resources accordingly.  
| Q2 25% | Q3 80% | 31/08/2014 | 31/12/2014 | 30-Sep-15 | Catherine Nicholson | 20-Jan-15 | Physical logistics are in place or coming together, e.g. floor layouts and furniture requirements.  
The ICT internet link has been installed. Programme Office has now established as a project and will link with 'smarter ways of working project'.  
All In Of S are updating their continuity plans to ensure recovery priorities are consistent with corporate objectives.  
An external resource (via Insurance Brokers) will be undertaking a review of our arrangements in place, once these actions are completed. |
| AR.BCM 07 | Business Continuity Management agreed action 7 | Medium priority
The ICT and Asset Management Business Recovery and Continuity Plans should be developed based on the capacity of Solway House to house the designated Corporate Functions and Priority Services. This should identify realistic timescales for recovery of telephony and include a schedule for the reinstatement of IT applications to be shared with services enabling them to evaluate the need for and prepare interim manual processes as required.  
Associated Risks
Interim manual systems are not developed in advance due to unrealistic recovery expectations. Priority services are interrupted due to lack of appropriate continuity planning.  
Response
See the response for action 4 above.  
| Q2 5%  | Q3 80% | 31/08/2014 | 31/12/2014 | 30-Sep-15 | Catherine Nicholson | 20-Jan-15 | SMT agreed to the proposal to manage via the Programme Office.  
A resource was allocated on 15 January 2015 and the officer has extensive knowledge and experience over many years and departments. |
| AR.CAR 01 | Car Parks Agreed Action 01 2013/14 | 1 – Medium priority  
In order to improve the efficiency of the income recording and reconciliation process, enhance budget forecasting and ensure consistency between operational management and financial information, the recording of car park income should be streamlined to eliminate unnecessary data held outside the departmental system and duplication of data entry.  
**Associated Risks**  
Duplication of data entry prevents other work from being performed. Extensive detail increases the risk of input error thereby complicating the reconciliation process. | Q2 10%  
Q3 10% | 31/03/2014  
31/10/2014 | Mike Rolfe  
31-Mar-15  
26-Jan-15 | Steve,  
We are currently looking out the cash collection service which was agreed at the Commercial Board meeting on Wednesday, and will be looking at the cash recording process in association with this. The admin process is being restructured following the new accounting procedure and the duplication is being looked at by Claire Shepard and the project team.  
The new process was promised for December but it now looks like this will be March which may fall with the tender of cash collection services.  
I would like therefore to put the Action back until 31 March 2015 and will be linked with the tender of cash collection services.  
Cheers  
Mike R  
Steve, |

| AR.FIN.ACC 01 | Main Accounting Audit Agreed Action 1 2013/14 | Medium priority  
In order to provide consistent application and ensure appropriate authorisation is obtained for budgetary alterations the detailed guidance relating to the Scheme of Virement referred to the Council’s Financial Regulations should be made available and officers make aware of it. The opportunity should be taken to ensure it is up to date and meets the needs of the business whilst supporting a key budgetary control.  
**Associated Risks**  
Financial Regulations are not followed. Budget virements are not appropriately authorised.  
**Response**  
Virements are often processed directly by Finance Officers, if savings have been offered from Service areas or funding from contingency already approved. Current Virement template will be updated to include the current Virement authorisation levels for ease of reference for all budget holders when completing and will be included in updated Finance training being developed for Budget Holders and Heads of Service. | Q2 90%  
Q3 90% | 31/08/2014  
31/12/2014 | Wayne Johnston  
31-Jan-15  
20-Jan-15 | Virements forms have been updated to include the current approval as stated in the Council’s Finance Regulations. A review of the current limits for virements is being considered by Finance Officers and will be included in the next Quarterly Finance update report to Executive in January 2015. |
Main Accounting Audit Agreed Action 5
2013/14
Medium priority
The forced password change functionality in the Total finance system should be activated at an appropriate frequency at the earliest opportunity following the release of the next version of Total when testing is completed.

Associated Risks
Assurances expected from password controls are reduced
Passwords for Total only users are shared with the system administrator
Information Security best practice for password security is not in place in all cases

Response
Currently most users in the Authority access the finance system via TOTAL Live and have changed or re-set their password on various occasions.
The system administrator frequently re-sets passwords, as many TOTAL users may only access the system a few times a month for budget forecasting approval. The updated TOTAL release, will be tested by Finance Officers to ensure that the linkages between the web based solution TOTAL Live and TOTAL enables the forced password to be switched on.

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<td>Alison Parker; Claire Shepherd</td>
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AR.FIN.CRE 01
Creditors Recommendation 01
1- Medium priority
In order to identify and monitor the effectiveness of the auto clear functionality of the Total finance system reporting should be developed recording instances where electronic purchase orders have not been delivered prior to invoicing and the differences between the purchase order and invoice values where the Invoice Clearing option is used by the budget holder. This reporting should be used to determine a suitable tolerance by which invoices may differ from the purchase order ‘delivery’ record.

Associated Risks
Automated messaging continues to be ignored impairing system efficiencies.
Unnecessary level of manual intervention required by budget holders and the Invoice Payment section.
Quality of purchase order data to support decision making may be impaired.

Response
Consilium are being asked to provide a suitable report and implementation will depend upon when their development timescale consequently the due date may need extending.

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AR.FIN.ACC 05
Main Accounting Audit Agreed Action 5
2013/14
Medium priority
The forced password change functionality in the Total finance system should be activated at an appropriate frequency at the earliest opportunity following the release of the next version of Total when testing is completed.

Associated Risks
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Passwords for Total only users are shared with the system administrator
Information Security best practice for password security is not in place in all cases

Response
Currently most users in the Authority access the finance system via TOTAL Live and have changed or re-set their password on various occasions.
The system administrator frequently re-sets passwords, as many TOTAL users may only access the system a few times a month for budget forecasting approval. The updated TOTAL release, will be tested by Finance Officers to ensure that the linkages between the web based solution TOTAL Live and TOTAL enables the forced password to be switched on.

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This is still outstanding, as the main focus of development and system enhancements within Financial Services during 2014 has been on the Bank Automation project. ICT resources have also been limited and the TOTAL software update is planned for March 2015 which will apply the patch for the password fix to be implemented.
<p>| AR.FIN.DEB 01 Debtors Audit Agreed Action 1 2013/14 | Medium priority | Options for streamlining the processing of periodical and other regular invoices should be examined. This should include looking at the potential for a file upload as well as using the direct debit functionality to reduce the number of invoices issued. This may be a long-term strategy requiring other services to adjust their working practices and documentation to take account of the efficiencies made possible by the Total finance system. | Q2 0% Q3 25% | 30-Nov-14 28-Feb-15 Alison Parker 20-Jan-15 | The priority project and focus in Financial Services during 2014, has been the development and implementation of the Bank Automation project. The enhancements recommended to Debtors are being reviewed and these will be discussed with TOTAL consultant at the end of January 2015. Joint working with Copeland and Eden Council’s who both have TOTAL have identified some quick wins which will be implemented before the end of the 2014/15 financial year. |
| AR.FIN.DEB 02 Debtors Audit Agreed Action 2 2013/14 | Medium priority | In order to minimise the manual intervention required in the debt recovery process managed by the Debtors Clerk, the notes recorded in the Total finance system against specific invoices should be incorporated into the Recovery Pre-List report. This should also include cases on instalments until such time as the instalments functionality in Total has been implemented and identify transaction types where standard debtor recovery procedures do not apply. | Q2 20% Q3 25% | 30/09/14 31/12/14 31-Mar-15 Alison Parker 20-Jan-15 | A recent visit by Finance Officers to Eden District Council, who also have TOTAL as a debt management solution, has identified some improved processing. Further joint working between the two Authorities will enable this to be implemented at minimal cost to the Authority. However, the existing Civica Legal arms system is currently being upgraded in Legal Dept and will result in automatic interfaces which will restrict the manual intervention significantly. This project is due to be fully implemented by 31st March 2015. |
| AR.FIN.DEB 04 Debtors Audit Agreed Action 4 2013/14 | Medium priority | An alternative method of producing copy invoices to attach to reminder letters should be explored that avoids individual transaction access and setting print properties for each. | Q2 0% Q3 25% | 30-Nov-14 28-Feb-15 Alison Parker 20-Jan-15 | It is envisaged that the upgrading of Civica Legal arms will ensure that this process and associated documents for reminder letters are fully integrated. Work continues with this as a separate project which Legal and ICT are leading the implementation. |</p>
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<tr>
<td>AR.FIN.DEB 05 Debtors Audit Agreed Action 5 2013/14</td>
<td>Low Priority</td>
<td>To ensure unpaid licenses are suspended promptly in line with legislation, the potential to provide timely reporting information from Total to assist the Licensing team manage their debtors efficiently should be explored. <strong>Associated Risks</strong> Licensing team are unable to suspend unpaid licences promptly and efficiently. Manual case by case systems continue when automated reporting could replace this. Opportunities for efficiencies are not realised. Unpaid licenses continue against legislative requirements. <strong>Response</strong> Current legislation requires the Licensing Team to suspend and no duty or reminders sent from Finance team. Finance Officers meet on regular basis with Licensing Officer to discuss any issues. Licensing Team also have access to TOTAL to view customers and outstanding debts on TOTAL. Finance Officers will review available reports in TOTAL to determine if Licensing Dept can receive bespoke reports to assist / support their notification process. Service Review is currently underway within the Licensing team and outputs might help to outline if TOTAL reporting enhancements would improve service deliverables.</td>
<td>Q2 70%</td>
<td>Q3 80%</td>
<td>30/06/2014</td>
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| AR.FIN.GLS 04 GL Suspense Account recommendation 04 | 4 – Medium priority | A protocol should be established between the Carnegie Theatre staff and Financial Services regarding the timescales for the preparation and communication of daily card sales income so that it can be recorded in the Council’s financial systems at the earliest possible opportunity. This should include agreement that if the agreed timescales cannot be met Financial Services are advised of the reason for any delay and when the information will be provided. An escalation process should be initiated if the procedures are not followed. **Response** Consideration is being given to separating the Carnegie Theatre income including allocating a specific suspense account to assist in establishing suitable procedures to manage these transactions incorporating escalation to management if appropriate. | Q2 0% | Q3 80% | 31/05/2014 | 31/12/2014 | Claire Shepherd 20-Jan-15 | Separate GL suspense account for Carnegie income has been set-up and process for reconciling has been reviewed. Further improvements have been discussed based on the recent upgrade of Civica Icon to the Hosted solution, which could offer simple and quicker cash receipting and banking directly by Carnegie staff into ABC cash receipting system. It is worth noting that the transfer of Carnegie to a trust is currently being reviewed and will impact any future reconciliation process. Finance have put into place interim arrangements to ensure that the process for Carnegie banking is clearly identifiable. |
| AR.FIN.TRIM 04 | Treasury Management Agreed Action 04 | Agreed Action 4 - Medium | Q2 0% Q3 70% | 31/07/2014 30/11/2014 | 28-Feb-15 Diane Carter | 20-Jan-15 | The risks associated with not recording treasury management transactions, segregation of duties and failure to complete independent reconciliations should be assessed and management should agree to either take actions to improve this or accept the risks.  
Associated Risks  
Not all treasury transactions are recorded  
Reconciliations do not follow accounting controls recommended best practice  
Errors or omissions are missed  
Response  
The risks associated with adequate segregation of duties are being addressed immediately by removing the authorisation from the officer who can also deal and authorising this to the Interim Accountant. The SAA Treasury will consult with the Cumbria wide group to address the need for a consistent, robust solution for treasury transaction recording. When tasks are allocated as part of the new Finance team job roles the need for independent reconciliation will be addressed |
|---|---|---|---|---|---|---|
| AR.RIS.MAN 08 | Risk Management Audit Recommendation 08 2012/13 | Grade 2 | Q2 50% Q3 50% | 31/03/2013 31/12/2014 | 31-Mar-15 Catherine Nicholson, Claire Shepherd | 20-Jan-15 | In order to avoid duplication and minimise inconsistency in operational risk management the business continuity risk assessment from the Business Impact Analysis should be incorporated into the risk management framework. The process for this should embed the connection between corporate and service business continuity planning as vital risk mitigation strategies. This should enable Heads of Service to identify any residual service continuity risks for evaluation and management through their own operational risk registers.  
Implications  
Services fail to identify and manage residual risks that are not catered for by corporate recovery solutions.  
Inaccurate assumptions of corporate recovery capability made by services.  
Operational risk registers are inconsistent with regard to service continuity issues.  
Duplication of risk recording at operational level.  
Response  
The implementation date has been revised to in line with the Finance integrated assurance approach to be embedded and for services to be able to review their BCR once Solway House is up and running. Finance assurance mapping process was carried out during late November & December 2014 and Financial Services are awaiting the next stage of the process to be driven by Internal Audit. Regular review of existing operational risk register is undertaken at monthly Finance team meetings and discussed at weekly “catch-up” meetings with HOS and Finance team leaders. CS |