DRAFT
Colchester Borough Council
Annual Governance Statement – Action Plan for 2017/18

Significant Internal Control Issues – Relating to 2016/17 Financial Year

No.	Issue	Action	Due Date	Responsible Officer	How this Issue was Identified
1.	**Payroll** The internal audit review of the payroll function identified two key areas for improvement: • The payroll contractor should be requested to provide an ISAE 3402 statement around the outsourced finance processes • All employee information relating to spinal column points and hours of work should be verified by budget holders in each service area and checked by the Payroll Manager.	The Payroll Manager has been in discussion with the contractor and at present the ISAE 3402 statement cannot be provided. However the contractor's auditors are providing the relevant assurance. The employee information is now complete, and ownership of data by operational teams is one of the key drivers for the move to self-serve. As part of the role out of self-serve the importance of managers reassuring themselves that their data is correct will be highlighted.	31 July 2017	Payroll & Operational HR Manager	Internal Audit Process
2.	**Contracting with Third Parties** The internal audit review of contracting with third parties highlighted the need to develop and implement a tender submission checklist, covering the required documentation / evidence received as part of the tender submission process. It should be enforced that the contract is not signed until the checklist has been completed and be subject to independent authorisation.	The contract procedure rules and guidance are being reviewed and the checklist will form the basis of the instructions.	31 October 2017	Procurement Business Partner	Internal Audit Process

No.	Issue	Action	Due Date	Responsible Officer	How this Issue was Identified
3.	**Civica Application** The internal audit review of the Civica application system identified several areas for improvement, however the most significant recommendation related to the reintroduction of the ability to recover data backups and the alignment of the disaster recovery plan to the business continuity plan.	The system itself is due to be replaced however It was agreed that this functionality will be reintroduced. This functionality is dependent on the successful introduction of the new HDS platform, which is a large corporate ICT project underway at Colchester.	31 October 2017	ICT Manager	Internal Audit Process