

Internal Audit Follow up Review (i4B) – Governance RM and FM Action Plan

Ref	Recommendation	Priority*	Owner and Due Date	Status
1	<p><u>Policies – completeness and maintenance</u> In order to ensure that I4B policies are relevant, complete and up -to -date, management should:</p> <p>a. Consider the need for the policies listed in the Shareholder's Agreement, and either produce policies in these areas or amend the shareholders' agreement as required.</p> <p>b. Introduce a consistent approach to the review of policy documentation including the frequency of review, responsibility for review, and approach to ensuring version control.</p> <p>c. Undertake a review of all policies in order to ensure that the content remains applicable now that i4B is operational.</p>	Medium	Sadie East, Head of Transformation May 2018	<p><u>Implemented</u></p> <p>a. Company policies have been reviewed and a number of minor alterations made. Policies will be resubmitted to a representative from the Board for approval and then distributed to Service Areas Leads and i4B commissioned services.</p> <p>b. Complete. All company policies will be reviewed annually; the next scheduled review is March 2019.</p> <p>c. All company policies will be reviewed annually; the next scheduled review is March 2019.</p>
2	<p><u>Ongoing review of the SLA</u> A procedure for ongoing review of the effectiveness of the SLA should be introduced whereby the SLA is reviewed by a specified individual on at least an annual basis. This review should include:</p> <ul style="list-style-type: none"> • Whether the council is providing services to i4B in the most effective and efficient way possible, including performance against a series of KPIs; • Whether the council remains the most effective service provider for the listed services; and • Whether, given changes in the nature of i4B's business, any services should be added to the SLA 	Medium	Sadie East, Head of Transformation October 2018	<p><u>Implemented</u></p> <p>The SLA is monitored at monthly meetings between service leads and i4B. A monthly report from these meetings is provided to the board.</p> <p>The board receive monthly performance updates on performance against the SLA.</p> <p>The SLA is reviewed and updated on an annual basis.</p>
3	<p><u>Risk Management</u> a. I4B should create a risk management framework that clearly depicts; - organisations approach to risk management - organisations risk appetite - approach to documenting and recording risk on the risk register - responsibilities in relation to the management and identification of risk - mechanism for scoring risks - responsibilities for maintaining and updating the register - mechanism for gaining assurance over the operating effectiveness of the mitigations - involvement of the board in risk management and review of the risk register b. As part of the approach to monitoring and managing risk, the risk register should become a standalone document that is treated as live c. The risk register should be reviewed to ensure that operational risks are incorporated to the extent that they are applicable d. Mitigation strategies should be reviewed to ensure they are reflective of controls that have been put in place to prevent the risk from occurring, where no such controls exist</p>	Medium	Chris Brown, Programme Manager-PRS Portfolio Acquisitions November 2018 May 2019	<p><u>Partially Implemented</u></p> <p>a. Officers will consider a proposal to create a risk framework.</p> <p>b - f A standalone risk register has been created. The risk register is a live document and reviewed by the Board every quarter.</p>

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	<p>management should consider implementing new mitigations.</p> <p>e. All risks should be given individual responsible owners who are responsible for monitoring and managing the risk.</p> <p>f. Risk should be quarterly board agenda item, as part of which the board should review key risks, be provided with an update in relation to notable movements on the register and be provided with assurances that key mitigations are operating. This may be in the form of an update report rather than review of the full register.</p>			
4	<p><u>Code of conduct</u></p> <p>I4B should introduce a Director's Code of Conduct that is signed by all directors and includes but is not limited to:</p> <ul style="list-style-type: none"> - the obligations, key roles and duties of board membership and how these relate to i4B's mission - the ethical values and expectations of the organisations; and - the approach to maintaining and ensuring adherence with the code of conduct. 	Low	<p>Sadie East, Head of Transformation</p> <p>June 2018</p>	<p><u>Implemented</u></p> <p>A Code of Conduct was agreed and signed by all directors in July 2018.</p>
5	<p><u>Escalation policy</u></p> <p>I4B should introduce a formal escalation policy that clearly defines reporting lines, the process for escalation and indicative thresholds and examples for escalation so as to ensure that reporting is consistent and appropriate.</p>	Low	<p>Sadie East, Head of Transformation</p> <p>June 2018</p>	<p><u>Implemented</u></p> <p>An escalation policy was agreed by the board in July 2018.</p>
6	<p><u>Scheme of delegation</u></p> <p>The scheme of delegations should become a standalone document that is maintained for necessary staff changes and periodically reviewed to ensure it remains appropriate and up to date.</p>	Low	<p>Sadie East, Head of Transformation</p> <p>May 2018</p>	<p><u>Implemented</u></p> <p>A Scheme of Delegation was approved at the June 2018 Board meeting and will be reviewed annually.</p>
7	<p><u>Financial procedures</u></p> <p>Financial procedures should be clearly mapped depicting the process for recognising the activities of i4B and in particular the approach for recognition of expenditure under the SLA with the Council.</p>	Low	<p>James Cook</p> <p>June 2018</p> <p>Revised target date: 19/20 Financial Year</p>	<p><u>Partially Implemented</u></p> <p>There has been a delay in the completion of the financial policies following the departure of the commercial head of finance. There is a new head of finance in post and a stock taking exercise is currently underway.</p> <p>Policies such as a bad debt policy are currently being drafted.</p>