

### Finalised 2017-18 Audits – Outcomes

#### Corporate: GDPR Gap Analysis – Substantial Assurance

1. The scope of this audit was examination of the City Corporation's GDPR project plan, review of project progress to date, and an evaluation of the appropriateness of plans for the project's completion in advance of May 2018. Internal Audit's overall assessment was that there was a medium degree of adequate safeguards for the implementation of policies with respect to corporate GDPR compliance, including a clear GDPR compliance programme plan with detailed reference to specific goals. Five amber priority recommendations were raised.

#### Corporate: Member and Officer Declarations of Interest – Limited Assurance

2. The purpose of the audit was to determine the controls in operation for ensuring that declarations of interest are made in accordance with the Member and Staff Codes of Conduct. High priority recommendations have been made in respect of:
  - Greater engagement with Members in respect of training where legal obligations, such as declarations of interest, exist, to ensure that all Members are aware of their duties and to enhance compliance.
  - Dissemination of clear guidance to Staff in respect of the submission of annual declarations of interest, use of annual reminders and improving the accessibility of forms.
  - Effective communication of the policy for Staff declarations of interest.
  - Establishment of central directives, guidance and monitoring arrangements in respect of Staff declarations of interest by Human Resources.
  - Formalisation of local (departmental) processes for recording, monitoring and safe-keeping of declarations information.
  - Maintenance and publishing of Member (elected and co-sponsored) interest information.
  - Maintenance of records of co-opted Members by Committee and Members Services.
  - Prompt publishing of declarations of interest on the CoL Website.
3. All high priority recommendations were accepted by management and are subject to formal Internal Audit follow-up to confirm the implementation status.

#### Corporate: Waivers – Moderate Assurance

4. Based on a review of the Procurement Code 2015 and subsequent sample testing, the audit confirmed that adequate controls are in place to ensure that waivers are appropriately authorised before they are processed. An opportunity was identified to revise current arrangements to ensure that Senior Management are fully consulted on waivers over £50k in value, as per established arrangements.
5. On the basis of discussions with the Procurement Operations Manager and the Procurement Policy and Compliance Officer, together with review of waiver logs, forms and relevant committee reports, there is scope to enhance existing controls to ensure that only valid waivers are processed through: addressing miscategorisation of waivers, identifying and managing waivers issued to make

use of preferred suppliers or as a result of poor operational planning; and recording waiver information.

6. Whilst arrangements were confirmed as being in place to manage the use of retrospective waivers, control improvements were proposed in the following areas: providing management information to senior management and Members, and taking disciplinary action, where appropriate, against staff who repeatedly request approval of retrospective waivers.
7. All high priority recommendations were accepted by management and are subject to formal Internal Audit follow-up to confirm the implementation status.

### Corporate: Procurement Consultation with Stakeholders – Moderate Assurance

8. Audit testing identified that City Procurement have issued policies and guidance in respect of procurement consultation with stakeholders where there are legislative requirements for the CoL, as Local Authority, to do so. Internal Audit confirmed that these are outlined in the Procurement Code and are accessible to internal and external stakeholders. Scope exists to include other aspects of consultation based on the Gunning Principles of Consultation and the Consultation Principles 2016, as issued by the Cabinet Office.
9. Audit testing established that the City of London's Procurement Code 2015 is reviewed on an annual basis in consultation with the Court of Common Council to ensure it remains relevant and up to date. Both, Parts, 1 (Rules) and 2 (Guidance) of the Code of Conduct are available to internal stakeholders through the Intranet (CoLNet) and to external stakeholders on the City of London Website. No recommendations have been made in respect of the accessibility of such information.
10. Audit testing established that City Procurement have designed a number of forms relevant to the scope of this audit and which are used by Procurement Officers in the Sourcing Team. It was noted that these forms guide the procurement process, include stakeholder consultation, and support open and transparent decision-making. No recommendation has been made in this area.
11. Discussions with relevant City Procurement staff and sample audit testing performed confirmed that there is a process in place to obtain, record and report feedback from internal and external stakeholders. Internal Audit did not receive evidence to demonstrate that feedback received is actioned and reflected in strategy and operations.
12. All high priority recommendations were accepted by management and are subject to formal Internal Audit follow-up to confirm the implementation status.