



central midlands audit partnership

Derby City Council – Audit Progress Report

Audit & Accounts Committee: 27th January 2021



Derby City Council



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Our Vision

To bring about improvements in the control, governance and risk management arrangements of our Partners by providing cost effective, high quality internal audit services.

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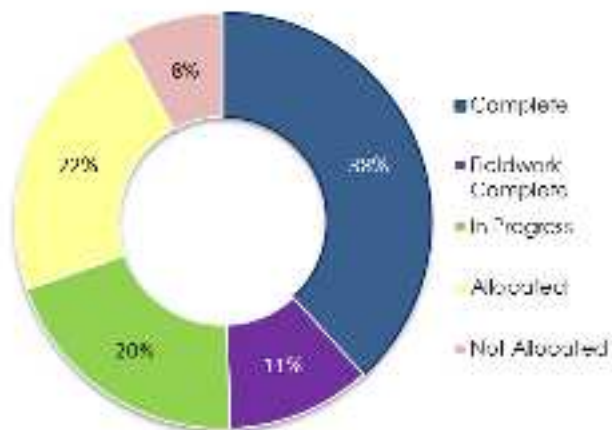
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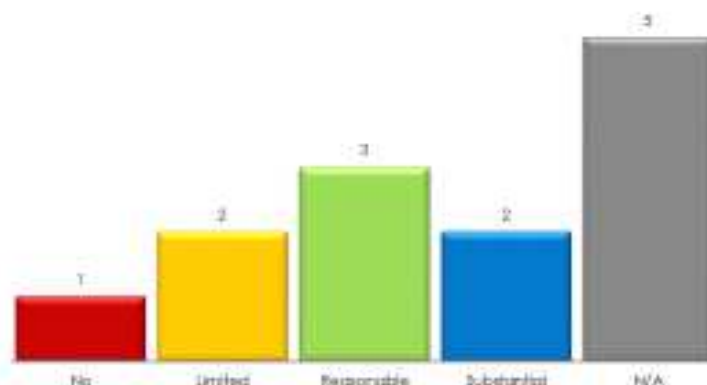
AUDIT DASHBOARD

Plan Progress



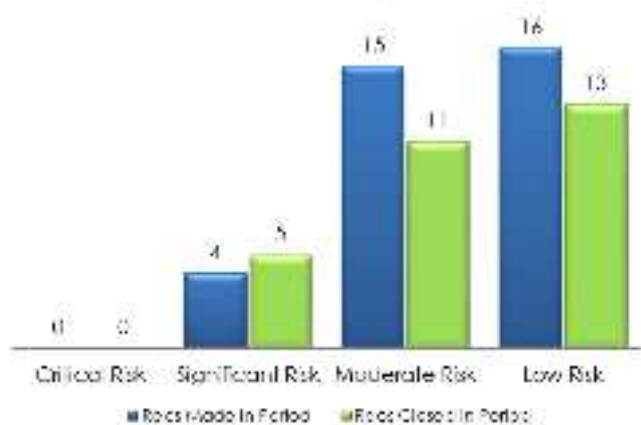
Jobs Completed in Period

Control Assurance Ratings During Period



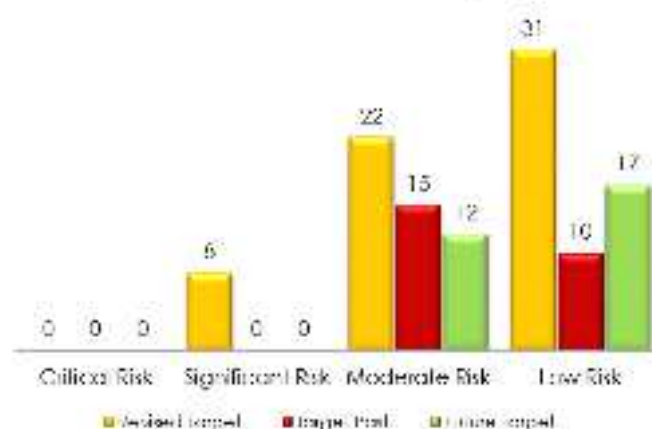
Recommendations

Movement During Period



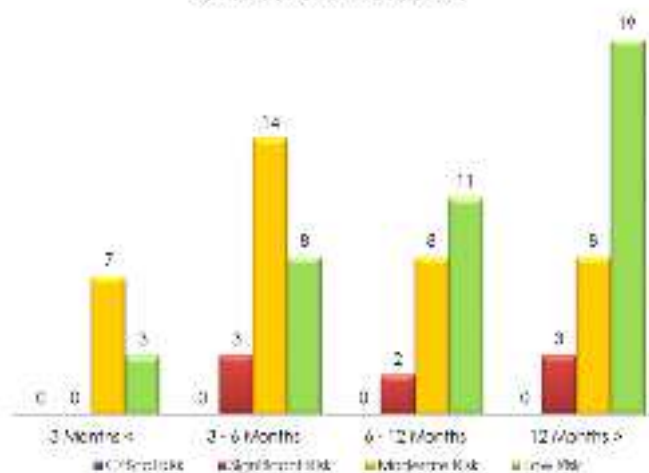
Recommendations

Recommendations Currently Open



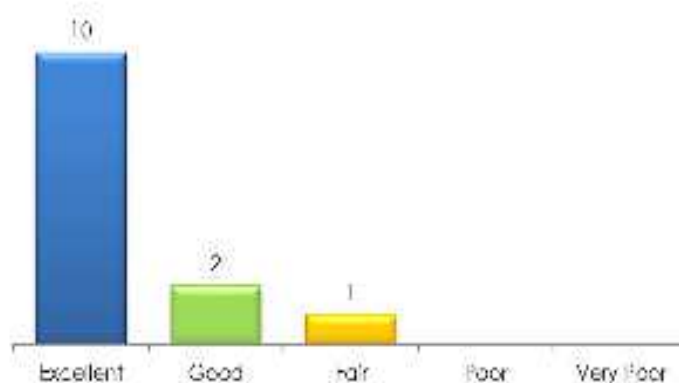
Recommendations

Overdue Recommendations



Customer Satisfaction

Customer Satisfaction Scores Oct 19 to Sep 20



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AUDIT PLAN

Progress on 2020/21 Audit Assignments

The following table provide Audit and Accounts Committee with information on how ongoing audit assignments were progressing as at 31st December 2020.

2020-21 Jobs	Status	% Complete	Assurance Rating
People Services			
Carelink Service	Allocated	0%	
Direct Payments	Not Allocated	0%	
Pre-Paid Cards	In Progress	55%	
School Admissions	Final Report	100%	Substantial
Demand Management	Allocated	0%	
Independent Review for Chief Executive	In Progress	90%	
Corporate Resources			
Data Quality & Performance Management	Not Allocated	0%	
Project Delivery - Fact Finding	Allocated	5%	
Grant Certification Work 2020/21	In Progress	35%	
Main Accounting - Budget Management	Not Allocated	0%	
Payment Systems - In Light of Covid 19	Allocated	10%	
Procurement Cards 2020/21	Allocated	15%	
Covid19 Business Support Grants	Complete	100%	N/A
Financial Reporting - Impact of Covid19	In Progress	25%	
People Management	Fieldwork Complete	90%	
Democratic Services - Impact of Covid 19	Allocated	0%	
Asbestos Removal Contract Management	In Progress	75%	
Microsoft 365 Security	In Progress	75%	
File Server Security Risk	Final Report	100%	N/A
Boundary Defence	In Progress	15%	
Controlled Use of Administrative Privileges	In Progress	75%	
Back Up Files – Follow Up	Final Report	100%	N/A
Folder Access Control Settings	Final Report	100%	N/A
Domain Password Security	In Progress	25%	
Test & Trace Support Payments	Complete	100%	N/A
Business Continuity - In Light of Covid 19	Allocated	10%	
Communities & Place			
Sinfin Waste Plant	In Progress	20%	
Neighbourhood Boards	In Progress	75%	
Section 106 Agreements 2020-21	In Progress	55%	
RAM Energy	Draft Report	95%	
Parking Permits	Allocated	5%	
Strategic Housing	Allocated	0%	
Strategic Housing - Disabled Facilities Grants	Final Report	100%	Reasonable
Covid 19 Discretionary Support Grants	Complete	100%	N/A
Covid - Community Hub	Allocated	0%	
Leisure & Business Development	In Progress	95%	
Fact Finding Investigation - Grant Payment	Complete	100%	N/A
Schools			
Schools SFVS	In Progress	30%	

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B/Fwd Jobs	Status	% Complete	Assurance Rating
People Services			
Billing for Home Care	Final Report	100%	Reasonable
Adult Learning Service - Cultural Change	Final Report	100%	Reasonable
Special Educational Needs - Action Plan	Final Report	100%	Limited
Translation Services - Follow Up	Final Report	100%	Reasonable
NHS - IT Toolkit	Final Report	100%	Reasonable
Peoples - Risk Management	In Progress	75%	
Corporate Resources			
Main Accounting 2019-20	Final Report	100%	Substantial
Taxation	Final Report	100%	Substantial
Debt Recovery	Draft Report	95%	
Creditors - Follow Up	Final Report	100%	Substantial
HR Strategy - Project	Final Report	100%	N/A
Attendance Management - First Care	Final Report	100%	Substantial
CMIS – Information Security	Final Report	100%	N/A
SIRO / Caldicott Guardian	Final Report	100%	Reasonable
Legal Case Management System Security - Follow Up	Final Report	100%	Limited
Home Drive Security	Final Report	100%	Limited
Backups	Final Report	100%	Reasonable
Parking Permit System	Final Report	100%	Limited
Corporate Resources - Scheme of Delegation	Draft Report	95%	
Corporate Resources - Risk Management	In Progress	75%	
Fixed Assets 2018-19	Draft Report	95%	
Risk Management Strategy & Process	In Progress	75%	
A52 Corporate - Follow Up	Final Report	100%	Reasonable
Communities & Place			
New Swimming Pool Complex - Contract Management	Final Report	100%	Substantial
s38 Agreements/s278 works - 1980 Highways Act	Final Report	100%	N/A
Bus Station – Processes & Procedures	Final Report	100%	Limited
A52 Scheme - Follow Up	Draft Report	95%	
Planning Application Process	Final Report	100%	Substantial
Home to School Transport	Final Report	100%	Limited
Market Hall Refurbishment	Final Report	100%	No
Our City Our River - Contract Management	Final Report	100%	Reasonable
Communities & Place - Scheme of Delegation	Draft Report	95%	
Communities & Place - Risk Management	In Progress	75%	
Derby Arena Car Parks	Draft Report	95%	
Schools			
Schools SFVS Self Assessment 2019-20	Final Report	100%	Substantial

Audit Programme of Work

- There are several contingencies within the programme of work for 2020/21. These are for work on:
 - Fraud risk
 - Governance issues
 - Information Governance & Cyber Security

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- The Council's Covid-19 Recovery Plan
- Major Projects / Contracts

The resources set aside within these contingencies are then allocated to specific tasks, individual audit assignments etc.

- The audit review of Carelink has been postponed as the service is being relocated and is also implementing a new IT system. Carelink is categorised as a Priority 1 service in the Council's Business Continuity Plan. It is expected that this work will be re-scheduled for the 2021/22 audit year.
- At the request of the Strategic Director of People Services, the Demand Management audit has also been postponed. The key individuals who Audit would need to involve in the review – Service Directors as SROs for each of the themes – are all currently heavily involved in dealing with the pandemic. On that basis, it has been agreed to defer starting the work until March/April 2021.

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AUDIT COVERAGE

Completed Audit Assignments

Between 1st October 2020 and 31st December 2020, the following audit assignments have been finalised since the last Progress Report was presented to this Committee.

Audit Assignments Completed in Period	Assurance Rating	Recommendations Made				% Recs Closed
		Critical Risk	Significant Risk	Moderate Risk	Low Risk	
Market Hall Refurbishment	No		3	6	4	100%
Communities & Place - Scheme of Delegation	Limited					n/a
Corporate Resources - Scheme of Delegation	Limited					n/a
Back Ups	Reasonable			2	6	13%
A52 Corporate - Follow Up	Reasonable		1			100%
Our City Our River - Contract Management	Reasonable			6	1	0%
Schools Admissions	Substantial				2	100%
Attendance Management - First Care	Substantial				3	0%
Test & Trace Support Payments	N/A					n/a
Fact Finding Investigation - Grant Payment	N/A					n/a
Covid 19 Discretionary Support Grants	N/A					n/a
Covid19 Business Support Grants	N/A					n/a
Folder Access Control Settings	N/A			1		100%

The opinions provided within the audits detailed below have been derived from risk-based audit work and as such, can only provide assurance relating to the specific areas within each objective inspected. These opinions do not imply that Internal Audit have reviewed all risks, controls and governance arrangements relating to this area. Likewise, full implementation of all agreed actions is essential if the benefits of the control improvements detailed in this audit report are to be realised. No system of control can provide absolute assurance against material misstatement or loss, nor can Internal Audit give absolute assurance.

Market Hall Refurbishment					
Control Objectives Examined		Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Robust governance arrangements are in place in relation to the Market Hall Transformation project to ensure that a regime of rigorous monitoring on project progress and delivery is being performed throughout its entirety.		41	27	9	5
TOTALS		41	27	9	5
Summary of Weakness		Risk Rating		Agreed Action Date	
Project Board meetings had not always been held in accordance with the timeframe stipulated by the Terms of Reference, Board minutes had been misplaced and minutes did not always specify the key roles held by those in attendance.		Low Risk		Implemented	
Transformation works at the Market Hall were being proposed without appropriate funding being in place due to maintenance works later evolving into a full-blown project.		Moderate Risk		Implemented	


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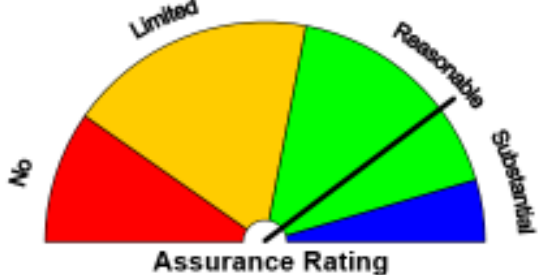
It could not be evidenced from the meeting minutes that the Project Delivery Team were receiving regular updates on progress made against the associated work packages.	Low Risk	30/11/2020 Implemented
There was limited evidence, from the minutes of the Project Delivery Team and Project Delivery Board meetings, to demonstrate that the Market Hall project risk register was being suitably discussed and scrutinised.	Moderate Risk	30/11/2020 Implemented
There was limited evidence to demonstrate that the issues register was being suitably discussed and scrutinised at the Project Delivery Team and Project Delivery Board meetings.	Low Risk	30/11/2020 Implemented
The Highlight reports being produced did not correspond to the work package titles identified in the Terms of Reference and did not provide a visual RAG rating as to progress made. Furthermore, it was unclear whether their content had been fully discussed by the Project Board, as the minutes did not clearly identify and confirm the Highlight reports as having been presented to them.	Moderate Risk	30/11/2020 Implemented
There was limited directorial oversight of the project being undertaken at the Project Delivery Team and Project Delivery Board meetings..	Moderate Risk	Implemented
The Council's Procurement and Contracting Team had not been involved in the appointment of the Principal Contractor, contravening section 14.10 of the Contract Procedure Rules.	Moderate Risk	Implemented
The Project Team discussed and decided, at a key turning point for the programme, on the way forward without reference to the Strategic Director or Members and without proper delegated authority having been afforded.	Significant Risk	Implemented
There were no specific performance indicators in place which facilitated the ongoing monitoring of the Market Hall Transformation project progression.	Moderate Risk	Implemented
Declarations of interest were not being declared by Council Officers, Members or Contractors when attending meetings and there was not a register of Declarations of Interest for this project.	Low Risk	Implemented
No delegated approvals and/or appropriate governance arrangements had been put in place and formally authorised by Members, in respect to project progression and/or financial matters concerning the Market Hall refurbishment project.	Significant Risk	Implemented
The Council had not obtained legal advice in respect to the contract entered into with the Principal Contractor and evidence suggests that the best contractual arrangements may not have been entered into.	Significant Risk	Implemented

Communities & Place and Corporate Resources - Schemes of Delegation (Assurance Rating: Limited)

In the progress report to the Committee meeting on 5th February 2020, the Head of Internal Audit stated that he was working with key officers to introduce a corporate approach for schemes of delegation. This has resulted in the amalgamation of the individual directorate recommendations into a corporate document which has now been considered by management. The Strategic Director – Corporate Resources has asked the Head of Internal Audit to lead a working group to look at all aspect of Delegations, from the Constitution through to Directorate Schemes of Delegation, Financial Procedure Rules and Contract Procedure Rules. All of the recommendations made previously will be incorporated into the Working Group's work programme.


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Back Ups				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
To ensure that the system and its supporting architecture (databases, servers, etc.) is configured and managed in line with best practice to support the availability and integrity of the back up application.	3	3	0	0
To ensure that the Council has a formal backup policy which is being adhered to within the technical implementation of backup operations.	18	10	0	8
TOTALS	21	13	0	8
Summary of Weakness		Risk Rating	Agreed Action Date	
The Council had not finalised a Backup Policy and had not made the Policy available to all employees.		Low Risk	31/05/2021 Future Action	
There was no defined Recovery Time Objective within the Backup Policy and the service only retained six weeks' worth of backups which may leave the Council at risk of data loss in the case of a delayed ransomware/malware payload.		Moderate Risk	31/05/2021 Future Action	
Guidance documentation had not been created detailing the backup operations.		Low Risk	30/04/2021 Future Action	
A formal test schedule had not been documented.		Low Risk	31/03/2021 Future Action	
Backup requirements for information assets had not been determined and agreed in each service area by the system administrator.		Low Risk	31/05/2021 Future Action	
Seven servers were not part of the backup job lists.		Moderate Risk	31/03/2021 Future Action	
The disaster recovery process was lacking features compared to other solutions.		Low Risk	Implemented	
Up to 80 assets were unnecessarily backed up, totalling 22GB.		Low Risk	31/05/2021 Future Action	


A52 Corporate - Follow Up				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Previous recommendations from the Systems Weaknesses Report concerning the A52 Corporate issues, dated June 2019, have been acted upon and are becoming embedded.	32	27	5	0
The Council's Programme Management Office was sufficiently resourced to facilitate effective oversight of capital projects.	1	0	0	1


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TOTALS	33	27	5	1
Summary of Weakness		Risk Rating	Agreed Action Date	
Notes from the Programme Management Office Board meetings were brief in their content and format and did not demonstrate effective discussion, challenge and scrutiny of Council projects had taken place.		Moderate Risk	Implemented	
The Programme Management Office had been resourced by just one Project Manager, who has since left the PMO.		Significant Risk	Implemented	

Our City Our River - Contract Management				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Robust governance arrangements are in place in relation to the Our City Our River project to ensure a regime of rigorous monitoring on project progress and delivery is being performed throughout its entirety.	39	32	4	3
TOTALS	39	32	4	3
Summary of Weakness		Risk Rating	Agreed Action Date	
The Terms of Reference (TOR) had not been reviewed and amended to reflect ongoing changes to the project's governance structure.		Moderate Risk	03/02/2021 Future Action	
Information recorded in risk registers was incomplete and some information had been omitted altogether.		Moderate Risk	30/06/2021 Future Action	
There was limited evidence available to demonstrate that the OCOR and Project Munio project risk registers were being suitably scrutinised and discussed at both the Corporate Board and Project Board meetings.		Moderate Risk	30/06/2021 Future Action	
The project's Issues Registers were incomplete, and the Project Board were not receiving regular updates on events that had been raised and recorded in the projects Issues Register.		Moderate Risk	30/06/2021 Future Action	
Members were not in receipt of the Project Risk Registers to aid their awareness of risks and mitigating actions concerning the project.		Low Risk	30/06/2021 Future Action	
There was no register of Declarations of Interest for Council Officers or Contractors and declarations of interest were not being made in either the Corporate Board or Project Board meetings.		Moderate Risk	30/06/2021 Future Action	
The Financial Scheme of Delegation did not cover the approval of compensation events and did not reflect the projects true governance structure.		Moderate Risk	03/02/2021 Future Action	

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Schools Admissions				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
The admissions process was documented, communicated and adhered to.	12	9	3	0
In year admissions are documented and decisions made in a timely manner.	5	4	1	0
There is an adequate appeals process in place that adheres to documented procedures.	11	10	1	0
TOTALS	28	23	5	0
Summary of Weakness		Risk Rating	Agreed Action Date	
The document retention schedule was not easily accessible or recently communicated to staff.		Low Risk	04/11/2020 Implemented	
There was no process map detailing the roles and responsibilities for the School Admissions Team and Democratic Services for the appeals process.		Low Risk	06/11/2020 Implemented	

Attendance Management - First Care				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Adequate procedures are in place to manage attendance in line with agreed policies.	4	3	1	0
Line managers know their responsibilities and are meeting them.	4	3	1	0
TOTALS	8	6	2	0
Summary of Weakness		Risk Rating	Agreed Action Date	
The Attendance Management Policy review was not undertaken in line with the version control in the document, causing the policy to be out of date.		Low Risk	31/05/2021 Future Action	
There was a lack of clarity concerning the reviewing and updating of support documents for attendance management on iDerby.		Low Risk	31/05/2021 Future Action	
There is a lack of guidance for managers around the monitoring and reporting of absence levels and on the actions to take if absence levels increase. This could lead to an inconsistent approach being taken corporately.		Low Risk	31/05/2021 Future Action	

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Covid19 Business Support Grants, Covid 19 Discretionary Support Grants and Test & Trace Support Payments (All Assurance Rating: N/A)

The Head of Internal Audit has been closely involved from the outset with the Council's processes for paying Business Support grants on behalf of the government. This has been primarily providing real time advice on the controls being put in place and on managing fraud risks. No formal report has been produced, but regular feedback has been provided to the lead officers and the Council's s151 Officer that the grants have been processed appropriately in line with government guidance and that there has been adequate consideration of the risk of fraud. Internal Audit has also undertaken data matching both within and between the grant schemes to ensure that there are no duplicate payments, no duplicate bank accounts between businesses etc. We have also matched to known fraudulent bank accounts and "fraudulent" applicants. This has involved Internal Audit working closely with the Council's Corporate Fraud team, staff in Revenues and Benefits and in IT.

Fact Finding Investigation - Grant Payment (Assurance Rating: N/A)

Internal Audit has concluded its fact finding and the results have been forwarded to the Monitoring Officer for consideration.

Folder Access Control Settings (Assurance Rating: N/A)

Sensitive financial data in an external payments' directory had not been appropriately restricted in line with data protection principles. Management have already implemented controls to address this weakness.

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RECOMMENDATION TRACKING (as at 8th January 2021)

Final Report Date	Audit Assignments with Open Recommendations	Assurance Rating	Recommendations Open		
			Action Due	Being Implemented	Future Action
Peoples					
14-Jul-20	Special Educational Needs - Action Plan	Limited	7		1
25-Oct-19	People Services - Scheme of Delegation	Limited	3		
27-Nov-19	Deprivation of Liberty	Limited		2	
20-Dec-18	Shared Lives	Limited		3	
14-May-20	Billing for Home Care	Reasonable	2	1	1
31-Jul-20	Adult Learning Service - cultural change	Reasonable			1
26-May-20	NHS - IT Toolkit	Reasonable	1		
02-Jul-18	Leaving Care Payments	Reasonable		1	
30-May-17	Business Intelligence	Reasonable		1	
Corporate Resources					
04-Aug-20	Parking Permit System	Limited	1	1	1
30-Apr-20	Home Drive Security	Limited		3	
22-Aug-19	Coroner's Service	Limited		3	
15-Apr-19	Public Utilities Management	Limited	3	1	
12-Jul-17	Health & Safety	Limited		1	
27-Mar-20	Agency Spend and Contract Monitoring	Reasonable	2	1	
20-Feb-20	Domain Accounts	Reasonable		1	1
21-Nov-19	Digital Channels - CRM	Reasonable		2	
07-May-20	SIRO/Caldicott Guardian	Reasonable			1
15-Apr-19	Server side components Follow-up	Reasonable		1	
22-Mar-19	Land Charges Income	Reasonable		1	
20-Dec-18	Delivering differently Project Management	Reasonable		2	
24-Apr-19	Document Management & Network Printing	Reasonable		2	
25-Mar-19	Insurance Valuation	Reasonable	1		
30-Jul-18	File Share Management	Reasonable		4	
18-Jan-19	MTFP(Agile)	Reasonable		1	
12-Feb-19	Fixed Assets- S24 Capital Controls	Reasonable		1	
09-Mar-20	Welfare Reform Reserve	Substantial	2		
22-Sep-20	Creditors - Follow Up	Substantial			1
09-Apr-20	Taxation	Substantial	1		1
07-Apr-20	Main Accounting 2019-20	Substantial		1	
11-Aug-20	Controlled Use of Administrative Privileges	N/A		2	
23-Jun-20	File Server Security Risk	N/A	1		
29-Nov-19	Records Management Policy	N/A			4
Communities & Place					
28-Apr-20	Home to School Transport	Limited		1	6
13-Jul-20	Bus Station - Processes & Procedures	Limited	6		
16-Jan-20	Bereavement Services	Limited		4	
24-Sep-19	Catering 2019-20	Limited		3	
29-May-18	Markets	Limited		1	
30-Sep-20	Strategic Housing - Disabled Facilities Grants	Reasonable			5
13-Feb-19	Bus Station Recharges	Reasonable		4	
10-Oct-19	CCTV - Access Control - Parking	N/A		4	
10-Oct-19	CCTV - Access Control - Public Protection	N/A		3	
		Totals	30	56	23

Action Due = The agreed actions are due, but Internal Audit has been unable to ascertain any progress information from the responsible officer.

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Being Implemented = The original action date has now passed, and the agreed actions have yet to be completed. Internal Audit has obtained status update comments from the responsible officer and a revised action date.

Future Action = The agreed actions are not yet due, so Internal Audit have not followed the matter up.

Audit Assignments with Recommendations Due	Action Due			Being Implemented		
	Significant Risk	Moderate Risk	Low Risk	Significant Risk	Moderate Risk	Low Risk
Peoples						
Special Educational Needs - Action Plan		5	1			1
Deprivation of Liberty					2	
Billing for Home Care		2	1			1
Adult Learning Service - cultural change		1				
NHS - IT Toolkit					1	
Leaving Care Payments						1
Business Intelligence						1
Corporate Resources						
Home Drive Security					3	
Coroner's Service				3		
Public Utilities Management		1	2			1
Health & Safety					1	
Agency Spend and Contract Monitoring		2			1	
Domain Accounts						2
Digital Channels - CRM						2
SIRO/Caldicott Guardian					1	
Server side components - Follow-up					1	
Land Charges Income						1
Delivering differently Project Management						2
Document Management & Network Printing					1	1
Insurance Valuation			1			
File Share Management						4
MTFP(Agile)					1	
Fixed Assets- S24 Capital Controls						1
Welfare Reform Reserve			2			
Creditors - Follow Up			1			
Taxation			2			
Controlled Use of Administrative Privileges					1	
File Server Security Risk						1
Communities & Place						
Home to School Transport		3		1		
Bus Station - Processes & Procedures				2	2	2
Bereavement Services				2		1
Catering 2019-20					3	
Markets						1
Strategic Housing - Disabled Facilities Grants		1				
Bus Station Recharges						4
CCTV - Access Control - Parking						4
CCTV - Access Control - Public Protection					4	
		15	10	8	22	31

It is the responsibility of the Head of Internal Audit to bring to this Committee's attention any recommendations where management actions have not been effectively implemented within a reasonable timeframe. It is suggested that the following timescales are introduced.

- Critical Risk and Significant Risk recommendations – where management's original action date is exceeded by over 3 months.
- Moderate Risk recommendations – where management's original action date is exceeded by over 6 months.

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- Low Risk recommendations – where management's original action date is exceeded by over 12 months.

Recommendations To Highlight to Committee	Moderate Risk				Significant Risk			
	3 Months <	3 - 6 Months	6 - 12 Months	12 Months >	3 Months <	3 - 6 Months	6 - 12 Months	12 Months >
Peoples								
Special Educational Needs - Action Plan	5							
Deprivation of Liberty	1	1						
Billing for Home Care	1	1						
Adult Learning Service - cultural change	1							
NHS - IT Toolkit	1							
Corporate Resources								
Home Drive Security	3							
Coroner's Service								3
Public Utilities Management		1						
Health & Safety			1					
Agency Spend and Contract Monitoring		3						
SIRO/Caldicott Guardian	1							
Server side components Follow-up			1					
Document Management & Network Printing			1					
MTFP(Agile)			1					
Controlled Use of Administrative Privileges	1							
Community & Place								
Home to School Transport	3				1			
Bus Station - Processes & Procedures	2				2			
Bereavement Services							2	
Catering 2019-20		3						
Strategic Housing - Disabled Facilities Grants	1							
CCTV - Access Control - Public Protection			4					
	7	14	8	8	3	2	3	

Highlighted Recommendations

The implementation of audit recommendations has been impacted by the Covid19 pandemic. The following update is provided for the Committee's information.

Significant Risk Recommendations (> 3 Months Overdue)

There are currently eight significant risk recommendations that are overdue for implementation; all eight of these currently exceed three months.

- Three relate to the audit review of the Coroner's Service. This Committee received an update on progress at a previous Committee meeting on 30th September 2020 from the Acting Head of Democracy. Committee was informed that an "in principle" agreement has been reached to maintain existing split of costs based on population and an information sharing agreement has been drafted. The agreement is due to be formalised at the first meeting of a newly established Coroners Governance Board. Updates are also being provided to this Committee via the Committee resolutions report.
- One relates to the audit review of Home To School Transport and concerns there being no structured processes to ensure all drivers and passenger assistants were subject to ongoing monitoring and review. It was originally intended to implement the agreed action by 30th August 2020, but this was revised to 31st October 2020 as although progress had been made, completion of the action has been impeded by the Covid pandemic. Confirmation that the agreed action has been implemented is still awaited.
- Two relate to the Bus Station – Processes & Procedures audit. One concerns an issue that the toilet turnstiles did not record either the cash inserted or the number of users, therefore a reconciliation of the cash counted to amount that should have been collected could not be performed. The second concerns the control process designed around the daily cashing up and paying in process being

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poorly conceived and key control processes were not being performed in an appropriate manner. In both cases, a revised action date of 31st March 2021 has been agreed.

- Two relate to the Bereavement Services audit. A temporary standalone cremator has been purchased, installed and commissioned in May 2020 and is fully operational. This will provide the service with some resilience until a decision is made to either replace the current cremators or to build a new crematorium. The temporary cremator comes with a one-year maintenance contract. The procurement/tender process for an adequate contract to be established for the provision of maintenance services to the cremators at Markeaton Crematorium did begin but was put on hold due to COVID-19. There is no replacement programme in place for the cremators at this current time and the business case which was submitted to Property Services (November 2019) has been put on hold pending a 'market evaluation' assessment. APSE has carried out a draft 'Market Analysis' report which is being finalised. APSE is to conduct an options appraisal and produce a 'Business Case' on behalf of Bereavement Services.

Moderate Risk Recommendations (> 6 Months Overdue)

There are currently 37 moderate risk recommendations that are overdue for implementation. Sixteen of these exceed the original action date by 6 months. The table below outlines the current state on these 16 recommendations. The Chair and the Head of Internal Audit will advise the Committee at the meeting on any actions that need to be taken in respect of these recommendations.

	No of Recs overdue	Original Action Date	Revised Date	Reason for Delay
Document Management & Network Printing	1	31/7/2019	31/10/2020	The transfer and full implementation of the actions has been paused due to COVID-19.
Health & Safety	1	31/10/2017	30/11/2020	A new system was planned, and a further two quotes needed to be obtained in line with the Council's Contract Procedure Rules. This process was delayed by the Covid19 pandemic. In August 2020, a Business Request form was being submitted to IT to see if a bespoke Health & Safety system could be purchased and installed for use.
Server side components (Social Care and Children's Management) applications - Follow-up	1	24/05/2019	31/12/2020	Work is still ongoing but has turned out to be more complex than first thought. Alternative controls are being reviewed.
Agency Spend and Contract Monitoring	3	30/04/2020	30/06/2020	The issues have been partly addressed, but further evidence is needed in support of the actions as it is not clear as to whether the issues have been fully addressed.
MTFP	1	30/06/2019	30/06/2021	The Head of Internal Audit is currently liaising with the Director of Policy, Insight and Communications on the current relevance of this recommendation on Commercialisation.

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CCTV - Access Control - Public Protection	4	31/10/2019	31/12/2020	A Corporate Project Board has been established to focus on all the issues raised in this audit. The Board has undertaken an audit of current DCC assets and is now working on a brief with an external provider to develop a co-ordinated DCC Strategy and Plan
Deprivation of Liberty	1	01/07/2020	30/04/2021	The progress in implementing the required actions has been slower than anticipated due to staff shortages, COVID pandemic responses and delays in implementation of a new electronic document management system.
Public Utilities Management	1	31/03/2020		A response has not been forthcoming from management despite frequent requests/chasing.
Catering 2019-20	3	31/03/2020	01/12/2020	This area is subject to current audit work (Leisure and Business Development).

Low Risk Recommendations

There are currently 41 low risk recommendations that are overdue for implementation. Of these 41, 19 of these exceed 12 months, and in 16 of these cases Internal Audit has agreed a revised implementation date. Of the remaining three, two relate to Public Utilities Management where we have been unable to get a response from management and one relates to the Insurance Valuation of Heritage assets and Museum collections, again we are waiting on an update. None of these low risk recommendations are currently considered worthy of Committee's attention.