

central midlands audit partnership

# Derby City Council – Audit Progress Report

Audit & Governance Committee: 22<sup>nd</sup> March 2023



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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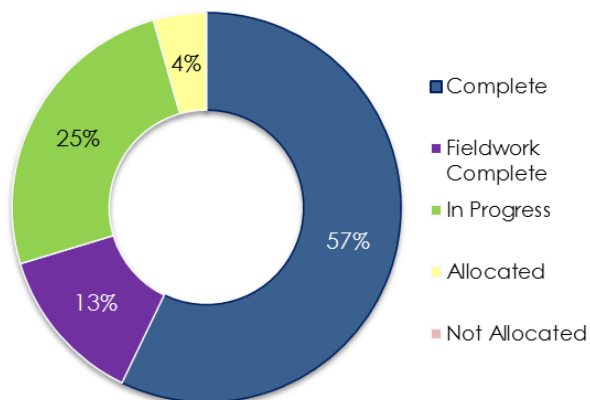
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# Derby City Council – Audit Progress Report

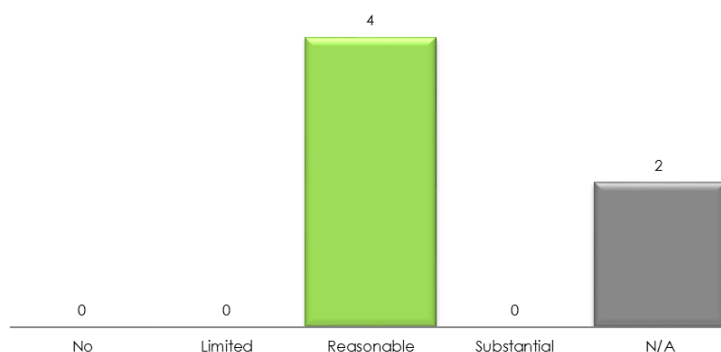
## AUDIT DASHBOARD

### Plan Progress



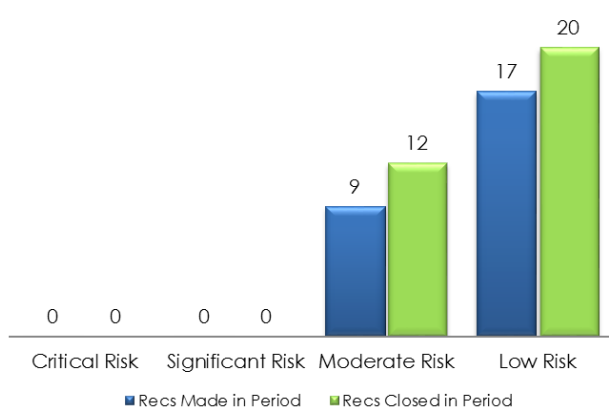
### Jobs Completed in Period

Control Assurance Ratings During Period



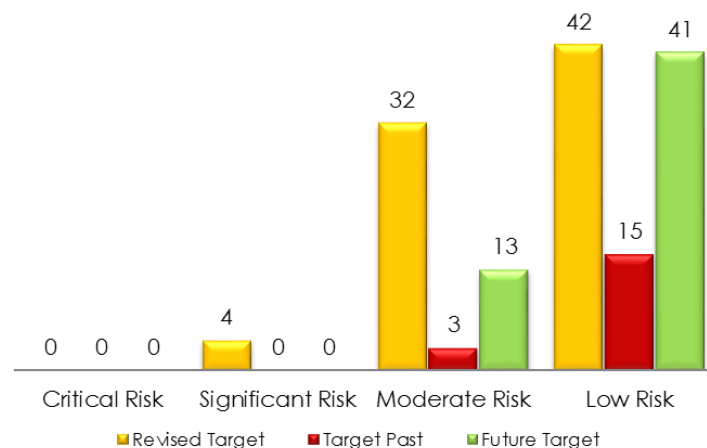
### Recommendations

Movement During Period



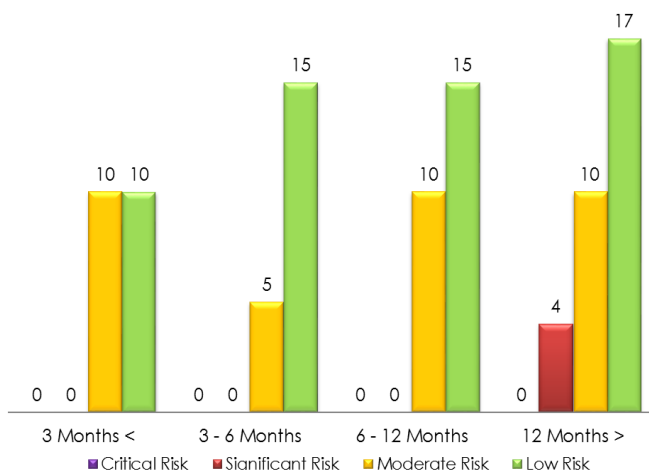
### Recommendations

Recommendations Currently Open



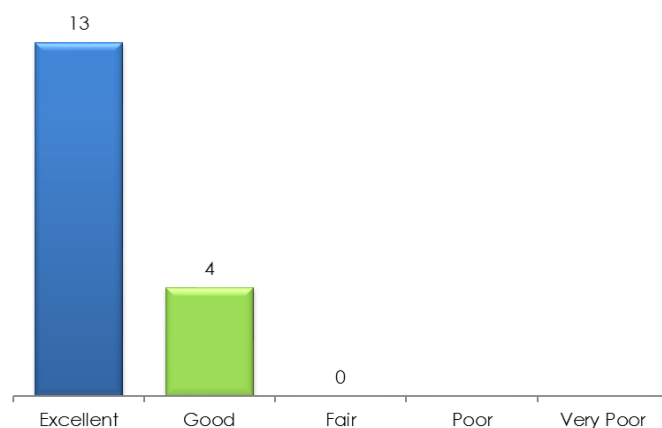
### Recommendations

Overdue Recommendations



### Customer Satisfaction

Customer Satisfaction Scores Feb 22 to Feb 23



## Derby City Council – Audit Progress Report

## AUDIT PLAN

## Progress on 2022/23 Audit Assignments

The following table provide Audit and Governance Committee with information on how ongoing audit assignments were progressing as at 8<sup>th</sup> March 2023.

2022-23 Jobs	Status	% Complete	Assurance Rating
<b>Chief Executive - Policy, Insight &amp; Communications</b>			
Organisational Performance Management 2022-23	Draft Report	95%	
Strategic Communications	Final Report	100%	Reasonable
Transparency Code	Draft Report	95%	
<b>People Services</b>			
Shared Lives 2022-23	Final Report	100%	Reasonable
Home Care 2022-23	Final Report	100%	Reasonable
Hospital to Home - Protection of Property	Final Report	100%	N/A
Whistleblowing - Learning, Inclusion and Skills	In Progress	70%	
Element 3 Funding	Allocated	0%	
Fostering Services	Final Report	100%	Reasonable
Youth Offending Services	In Progress	30%	
D2N2 Children's Homes Contract	Draft Report	95%	
National Drugs Strategy	Draft Report	95%	
Individuals & Families in Need	Final Report	100%	N/A
Adult Social Care Reforms	In Progress	50%	
iPad Investigation	Final Report	100%	N/A
<b>Corporate Resources</b>			
Grant Certifications 2022-23	In Progress	70%	
Revenue Collection Contract Management (inc Lot 1)	Final Report	100%	Reasonable
FMS Data Migration 2022-23	In Progress	20%	
Revenue Collection Contract (Lot 3 - Sundry Debts)	Allocated	10%	
Procurement Cards 2022-23	In Progress	60%	
Cash Handling 2022-23	Allocated	10%	
Key Financial Controls 2022-23	In Progress	25%	
Pre-Employment Checks	Final Report	100%	Limited
Payroll Fraud - Advice on Processes	Complete	100%	N/A
Contract Management Project	In Progress	90%	
Declarations of Interest - Staff and Members	Final Report	100%	Reasonable
Contract Management - Data Analytics Follow-Up	Complete	100%	N/A
Procurement - Off-Contract Spend	Allocated	5%	
Property Design & Maintenance	Final Report	100%	Substantial
IT Key Controls 2022-23	Final Report	100%	N/A
Management of Information in a Remote Environment	In Progress	65%	
Records Management 2022-23	Cancelled	N/A	
Project Management Office - Development Group	In Progress	80%	
PCI Compliance 2022-23	In Progress	60%	
Governance Weaknesses - Fact Finding	Complete	100%	N/A
Unitary & Single Tier Authorities Risk - Fact Finding	Complete	100%	N/A
<b>Communities &amp; Place</b>			
Catering - Stocks & Stores	Draft Report	95%	
Derby's Cultural Offer	Final Report	100%	N/A
Building Consultancy	Fieldwork Complete	90%	

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Cash Seizure - POCA	Final Report	100%	N/A
Streetpride HGV Driver Resources	Final Report	100%	Reasonable
Trading Standards Complaint	In Progress	40%	
Trading Standards Complaint - Review of Statements	In Progress	75%	
Climate Change 2022-23	In Progress	40%	
Grounds Maintenance 2022-23	In Progress	60%	
General Licensing 2022-23	In Progress	50%	
Street Cleansing 2022-23	In Progress	15%	
Revenue Collection Contract (Lot 2 - Parking)	Fieldwork Complete	90%	
Street Lighting PFI 2022-23	In Progress	70%	
Ascend Programme	Final Report	100%	Reasonable
Right to Buy 2022-23	Draft Report	95%	
Long Term Waste Management Project	In Progress	95%	
<b>Anti-Fraud &amp; Corruption</b>			
Counter Fraud and Corruption Framework	In Progress	65%	
Management of Fraud and Corruption Risks	Complete	100%	N/A
<b>Schools</b>			
Schools SFVS (25 Schools self-assessment)	In Progress	45%	
Schools SFVS (15 School visits planned) (1 Substantial, 7 Reasonable, 4 Limited)	In Progress	80%	

B/Fwd Jobs	Status	% Complete	Assurance Rating
<b>People Services</b>			
Care Act 2014	Final Report	100%	Reasonable
Safeguarding & Domestic Abuse	Final Report	100%	Substantial
Housing Framework for 16 & 17 Year Olds	Final Report	100%	N/A
Special Educational Needs and/or Disabilities	Final Report	100%	Limited
<b>Corporate Resources</b>			
Financial Management System Project	Final Report	100%	Substantial
CIPFA Financial Management Code	Complete	100%	N/A
Key Financial Controls 2021-22	Final Report	100%	N/A
Health & Safety 2021-22	In Progress	50%	
SIRO/Information Governance	Final Report	100%	Substantial
Digital By Default Project - Household Support Fund	Final Report	100%	Limited
<b>Communities &amp; Place</b>			
Leisure Centres	Final Report	100%	Reasonable
Darley Fields - Building Security	Final Report	100%	N/A
Food Safety	Draft Report	95%	
Community Safety	Final Report	100%	Reasonable
Land Drainage & Flood Control	Final Report	100%	Reasonable
Climate Change - Roadside Air Quality	Draft Report	95%	
Transforming Cities /Mobility Programme	Final Report	100%	Reasonable
Parking Permits 2021-22	Final Report	100%	Reasonable
Economic Recovery 2021-22	Final Report	100%	Substantial
Planning Complaint - Pastures Hill	Final Report	100%	N/A
Business Continuity - In Light of Covid 19	Final Report	100%	Reasonable
<b>Schools</b>			
Schools SFVS Self Assessment 2021-22	Final Report	100%	Reasonable

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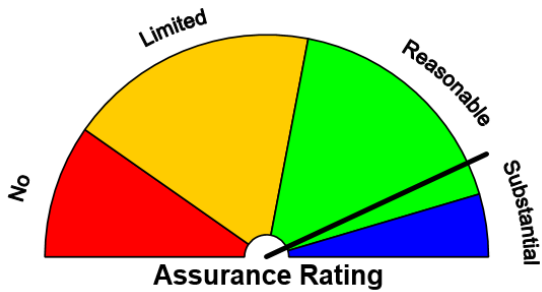
## AUDIT COVERAGE

## Completed Audit Assignments

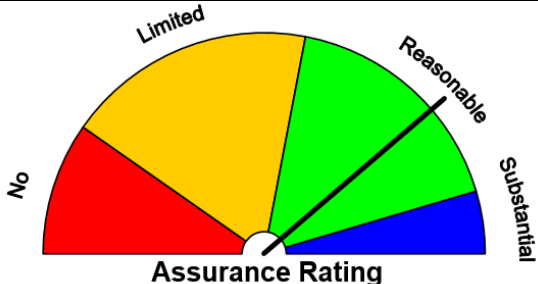
Between 12<sup>th</sup> January 2023 and 8<sup>th</sup> March 2023, the following audit assignments have been finalised since the last Progress Report was presented to this Committee (25<sup>th</sup> January 2023).

Audit Assignments Completed in Period	Assurance Rating	Recommendations Made				% Recs Closed
		Critical Risk	Significant Risk	Moderate Risk	Low Risk	
Strategic Communications	Reasonable			1	2	33%
Shared Lives 2022-23	Reasonable			2	2	
IT Key Controls 2022-23	N/A			5	4	67%
Ascend Programme	Reasonable				6	
Streetpride HGV Driver Resources	Reasonable			1	3	
Derby's Cultural Offer	N/A					n/a

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.

Strategic Communications					
Control Objectives Examined		Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Robust controls and processes are in place to support the Councils channels of communication, both internal and external.		17	13	3	1
TOTALS		17	13	3	1
Summary of Weakness			Risk Rating	Agreed Action Date	
The Council had not finalised and had not published its Communications and Marketing Strategy 2020/21 to 2022/23.			Low Risk	30/06/2023	
The LGA Peer Review recommendation relating to responding to resident's enquiries on social media had not been progressed.			Low Risk	27/03/2023	
Significant spend has been identified with a supplier with no formal contract in place.			Moderate Risk	Risk Accepted	

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Shared Lives 2022-23	 <p>Assurance Rating</p>			
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Information held relating to Carers is complete and accurate to enable appropriate matching to customer needs.	10	7	3	0
Contributions from customers towards funding their care package are properly accounted for and carer performance is monitored, with training and development needs being identified.	7	6	1	0
<b>TOTALS</b>	<b>17</b>	<b>13</b>	<b>4</b>	<b>0</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
Required Health and Safety checks and Insurance documents were not fully up to date for all carers with approximately 54% of carers at the time of audit having an outstanding document.		Low Risk	28/02/2023	
At least one training course required by the Council had not been completed or recently refreshed by 92% of Shared Lives carers at the time of audit.		Moderate Risk	28/02/2023	
Access to the Shared Lives folder on the S: drive had not been adequately restricted, resulting in personal and sensitive information being accessible to unauthorised officers.		Moderate Risk	Implemented	
Customer debt for care payments was not being actively pursued.		Low Risk	31/03/2023	

IT Key Controls 2022-23	Assurance Rating: N/A		
We performed a high-level IT key controls review of the derbyad.net domain, to coincide with the bi-annual password vulnerability testing of all administrative accounts, as agreed with the Council's IT department.			
Summary of Weakness		Risk Rating	Agreed Action Date
An April 2022 password audit of administrative accounts in the derbyad.net domain found 17 accounts had weak passwords, of which 9 were enabled accounts.		Moderate Risk	31/07/2022 Implemented
A number of servers in the derbyad.net domain were operating unsupported, end-of-life versions of Windows, and were therefore not receiving monthly cumulative updates to address newly discovered vulnerabilities.		Moderate Risk	31/12/2022 Being Implemented 31/03/2023
Personal and sensitive information had been stored on all user accessible file shares on a number of application servers in the derbyad.net domain.		Moderate Risk	30/06/2022 Implemented
There was significant variation in the versions of applications installed on the Council's server population, possibly indicating examples of 'Shadow IT', or at least gaps in centrally managed patching policies.		Moderate Risk	30/06/2022 Implemented
The Control Up Agent was not installed on all production servers, which may impact effective infrastructure monitoring processes.		Low Risk	31/07/2022 Implemented
The LAPS solution (Local Administrator Password Solution) was not protecting 78 servers in the derbyad.net domain.		Low Risk	31/07/2022 Implemented
Not all access to the domain remote desktop users group could be justified, exposing the domain controllers to unauthorised access risks.		Low Risk	30/06/2022 Implemented
Personal and sensitive data was being stored on all user accessible shared/public file shares, breaching data protection principles.		Moderate Risk	31/12/2022 Being Implemented



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		31/05/2023
The naming conventions of groups added to the access control lists for sensitive file shares did not align with best practice.	Low Risk	31/03/2024 Future Action

Ascend Programme				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Appropriate arrangements are in place to administer and monitor the ASCEND (business growth) programme	9	5	4	0
Robust checks and procedures have been established and are being undertaken as part of the application approval process	13	10	3	0
<b>TOTALS</b>	<b>22</b>	<b>15</b>	<b>7</b>	<b>0</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
The ToR for the Ascend Programme Selection Panel was not dated and did not include a timeframe for review.		Low Risk	31/03/2023	
Declarations of Interest had not been made at the commencement of Selection Panel meetings and a register of declarations had not been established, as required in the Terms of Reference (ToR).		Low Risk	31/03/2023	
A claim submitted by a Business Advisor had not been recorded in the Ascend Project Contract Monitoring tracker, used to ensure agreed amounts are not exceeded.		Low Risk	31/03/2023	
The initial assessment of applications to the Ascend Programme, to check they met the eligibility criteria, was not being formally recorded.		Low Risk	31/03/2023	
A grant funding agreement had not been signed and dated by both parties.		Low Risk	31/03/2023	
Grant awards for Business Advisor Support had not been approved, following the Selection Panel meeting.		Low Risk	31/03/2023	

Streetpride HGV Driver Resources				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Appropriate actions are being taken and controls are in place to recruit and retain HGV drivers.	10	5	3	2
<b>TOTALS</b>	<b>10</b>	<b>5</b>	<b>3</b>	<b>2</b>



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Summary of Weakness	Risk Rating	Agreed Action Date
A Service Prioritisation Plan, as recorded in the risk register, could not be provided to Internal Audit. In its place a Priority Services Breakdown list was supplied.	Moderate Risk	01/04/2023
Social media was not always used to advertise and promote the jobs which involved HGV driving responsibilities.	Low Risk	06/08/2023
The use of positive reviews from long standing employees was not being used to promote job opportunities at the depot.	Low Risk	01/06/2023
Job adverts did not always present the benefits of working at the Council in a visually friendly way or include key benefits that may prove attractive to potential candidates.	Low Risk	06/08/2023

Derby's Cultural Offer	Assurance Rating: N/A
We worked in consultation with the Deputy Bid Director Derby City of Culture and conducted a review of the governance framework in place for the Culture Derby Partnership.	
Potential Risk	Mitigating Action
If the governance arrangements for Culture Derby are not properly developed there is a risk to managing and achieving the aims and ambitions of the partnership. We have therefore suggested the working tool is formally accepted and progress in its use is also followed up.	We would suggest that the document designed as a working tool is endorsed by the Partnership Board to help ensure all partners accept and work in collaboration to implement a robust governance framework.

## Derby City Council – Audit Progress Report

RECOMMENDATION TRACKING (as at 8<sup>th</sup> March 2023)

Final Report Date	Audit Assignments with Open Recommendations	Assurance Rating	Recommendations Open		
			Action Due	Being Implemented	Future Action
Chief Exeecutives					
27-Jan-23	Strategic Communications	Reasonable			2
Peoples					
07-Jul-22	Special Educational Needs and/or Disabilities	Limited	1	4	3
20-Oct-21	Carelink	Limited		3	
27-Nov-19	Deprivation of Liberty	Limited		1	
07-Dec-22	Home Care 2022-23	Reasonable			6
09-Feb-23	Shared Lives 2022-23	Reasonable	3		1
16-Aug-22	Fostering Services	Reasonable		1	1
18-Jan-22	Payments for Children's Social Care 2021-22	Reasonable		5	
07-Jul-22	Care Act 2014	Reasonable			12
11-Jan-23	Hospital to Home - Protection of Property	N/A			1
11-Oct-22	Individuals & Families in Need	N/A			1
Corporate Resources					
19-Oct-22	Pre-Employment Checks	Limited		12	
16-Aug-22	Digital By Default Project - Household Support Fund	Limited		3	2
15-Apr-19	Public Utilities Management	Limited		1	
23-Nov-22	Revenue Collection Contract Management	Reasonable		2	
11-Jan-23	Declarations of Interest - Staff and Members	Reasonable			4
17-Jan-22	Digital Workforce - Windows 10 Build	Reasonable		2	
30-Mar-21	Controlled Use of Administrative Privileges	Reasonable		5	
31-Mar-22	Boundary Defence	Reasonable	1	6	
22-Apr-21	Microsoft 365 Security	Reasonable		1	
31-Mar-21	People Management	Reasonable		1	
20-Feb-20	Domain Accounts	Reasonable		1	
04-Oct-21	Corporate Resources - Risk Management	Reasonable	4	2	
24-Apr-19	Document Management & Network Printing	Reasonable		1	
09-Mar-20	Welfare Reform Reserve	Substantial	2		
05-Dec-22	Property Design & Maintenance	Substantial		1	2
05-Apr-22	SIRO/Information Governance	Substantial	1		
04-Nov-21	Insurance 2020-21	Substantial		1	
07-Feb-22	Payment Systems - In Light of Covid 19	Substantial			1
22-Sep-20	Creditors - Follow Up	Substantial		1	
09-Apr-20	Taxation	Substantial		1	
16-Aug-22	IT Key Controls 2022-23	N/A		2	1
16-Aug-21	Domain Password Security 2021-22	N/A		1	
29-Oct-21	Leaver Data Matching	N/A		1	
30-Mar-21	Domain Password Security	N/A		1	
Communities & Place					
13-Jul-20	Bus Station - Processes & Procedures	Limited		3	
16-Jan-20	Bereavement Services	Limited		1	
14-Jun-21	Derby Arena Car Parks	Limited		4	
26-Jan-23	Ascend Programme	Reasonable			6
13-Feb-23	Streetpride HGV Driver Resources	Reasonable			4
06-May-22	Parking Permits 2021-22	Reasonable		2	
08-Sep-22	Land Drainage & Flood Control	Reasonable	2		1
05-Jan-23	Community Safety	Reasonable			5
13-Jul-22	Business Continuity - In Light of Covid 19	Reasonable	4		
19-Apr-21	Neighbourhood Boards	Reasonable		2	
30-Sep-20	Strategic Housing - Disabled Facilities Grants	Reasonable		2	
13-Feb-19	Bus Station Recharges	Reasonable		1	
13-Jan-23	Economic Recovery 21-22	Substantial			1

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Final Report Date	Audit Assignments with Open Recommendations	Assurance Rating	Recommendations Open		
			Action Due	Being Implemented	Future Action
29-Nov-21	Strategic Housing	Substantial		1	
10-Oct-19	CCTV - Access Control - Public Protection	N/A		1	
		<b>Totals</b>	<b>18</b>	<b>77</b>	<b>54</b>

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

**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
<b>Peoples</b>						
Special Educational Needs and/or Disabilities		1			1	3
Carelink					1	2
Deprivation of Liberty					1	
Shared Lives 2022-23		2	1			
Fostering Services					1	
Payments for Children's Social Care 2021-22					3	2
<b>Corporate Resources</b>						
Pre-Employment Checks					4	8
Digital By Default Project - Household Support					1	2
Public Utilities Management						1
Revenue Collection Contract Management					2	
Digital Workforce - Windows 10 Build						2
Controlled Use of Administrative Privileges					2	3
Boundary Defence			1		2	4
Microsoft 365 Security						1
People Management					1	
Domain Accounts						1
Corporate Resources - Risk Management			4			2
Document Management & Network Printing						1
Welfare Reform Reserve			2			
Property Design & Maintenance						1
SIRO/Information Governance			1			
Insurance 2020-21						1
Creditors - Follow Up						1
Taxation						1
IT Key Controls 2022-23					2	
Domain Password Security 2021-22					1	
Leaver Data Matching					1	
Domain Password Security					1	
<b>Communities &amp; Place</b>						
Bus Station - Processes & Procedures				2	1	
Bereavement Services				1		
Derby Arena Car Parks					3	1
Parking Permits 2021-22					1	1
Land Drainage & Flood Control			2			
Business Continuity - In Light of Covid 19			4			
Neighbourhood Boards				1	1	

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Audit Assignments with Recommendations Due	Action Due			Being Implemented		
	Significant Risk	Moderate Risk	Low Risk	Significant Risk	Moderate Risk	Low Risk
Strategic Housing - Disabled Facilities Grants					1	1
Bus Station Recharges						1
Strategic Housing						1
CCTV - Access Control - Public Protection					1	
		3	15	4	32	41

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.
- 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 >
<b>Peoples</b>								
Special Educational Needs and/or Disabilities	1	1						
Carelink				1				
Deprivation of Liberty				1				
Shared Lives 2022-23	2							
Fostering Services	1							
Payments for Children's Social Care 2021-22		1	2					
<b>Corporate Resources</b>								
Pre-Employment Checks	1	3						
Digital By Default Project - Household Support	1							
Revenue Collection Contract Management	2							
Controlled Use of Administrative Privileges				2				
Boundary Defence			2					
People Management				1				
IT Key Controls 2022-23	2							
Domain Password Security 2021-22			1					
Leaver Data Matching				1				
Domain Password Security				1				
<b>Community &amp; Place</b>								
Bus Station - Processes & Procedures				1				2
Bereavement Services								1
Derby Arena Car Parks			3					
Parking Permits 2021-22			1					
Neighbourhood Boards			1					1
Strategic Housing - Disabled Facilities Grants				1				
CCTV - Access Control - Public Protection				1				
	10	5	10	10				4

## Derby City Council – Audit Progress Report

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### Highlighted Recommendations

The following update is provided for the Committee's information.

### Significant Risk Recommendations (> 3 Months Overdue)

The four significant risk recommendations that are more than 3 months overdue for implementation that have been reported through to this Committee on a number of occasions are still open. At the January meeting of this Committee, Members asked that the relevant officers be invited to the March Committee meeting to provide a verbal update on the situation regarding implementation of the agreed actions. These recommendations are:

- Bus Station – Processes & Procedures audit – 2 significant recommendations (first reported to Committee on 27<sup>th</sup> January 2021)
- Bereavement Services audit – 1 significant recommendation (first reported to Committee on 29<sup>th</sup> July 2020)
- Neighbourhood Boards audit – 1 significant recommendation (first reported to Committee on 3<sup>rd</sup> November 2021)

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### Moderate Risk Recommendations (> 6 Months Overdue)

There are currently 35 moderate risk recommendations that are overdue for implementation. Twenty of these exceed the original action date by 6 months. The table below outlines the current state on these 20 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.

Audit Review	No of Recs overdue	Original Action Date	Revised Date	Reason for Delay
Deprivation of Liberty	1	01/10/2020	31/03/2023	<p>This audit recommendation was concerned with there being no policy that detailed the roles and responsibilities of the Council and other relevant parties during the deprivation of liberty process.</p> <p>The progress in implementing the required actions has been slower than anticipated due to staff shortages, other priorities and delays in the publication of the Liberty Protection Safeguards (LPS) Code of Practice by the Department of Health and Social Care. Until the full code of practice is published it will not be possible to release an updated Mental Care Act and LPS policy. The consultation on the draft Code ended in June 2022.</p> <p>In the meantime, it is proposed that some light touch amendments will be made to existing documentation. This will not be a policy though, it will be practice guidance.</p>
Carelink	1	31/12/2021	30/11/2022	<p>There was no formally documented action plan to help the Carelink service area implement the recommendations made by the external assessor, which in turn would help prepare for the Council's reassessment against the quality standards framework.</p> <p>The Telecare Services Authority (TSA) Accreditation Gap Analysis and work to meet standards cannot progress at present due to staff resource issues.</p>
Controlled Use of Administrative Privileges	2	30/06/2021 & 31/08/2021	30/04/2023	<p>One recommendation concerned the lack of dedicated administrative accounts within ICT.</p> <p>The second recommendation concerned the ineffective process for inventorying and verifying all administrative accounts and privileges across the Council's network</p> <p>Both recommendations are being</p>

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Audit Review	No of Recs overdue	Original Action Date	Revised Date	Reason for Delay
				addressed as part of an overarching cyber security improvement project, which will address a number of Internal Audit and Public Services Network (PSN) audit flagged issues. The pilot and detailed design is in progress and due to be delivered by early April; followed by the live roll out. For the purposes of these actions, we should have enough to be able to close them by end of April 2023.
People Management	1	31/10/2021	31/03/2023	<p>We found that it was not routine for the Council's HR policies and procedures to have been regularly reviewed and updated within a maximum of a three-year period, in line with best practice. There has been delay due to reduced resource capacity and other priorities. All policies will be on a plan of review, and the relevant timelines for each review will be identified in the plan. Commitment is in place that all new/reviewed policies will have a version control table, and this can already be seen in action in the Attendance Management Policy.</p>
Leaver Data Matching	1	31/12/2021	31/03/2023	<p>User accounts were not disabled when officers left employment with the Council. Implementation of the actions to meet both recommendations was expected to have been completed by the end of June 2022. However, the go live of the process which will also address these recommendations has been put on hold whilst issues raised by Information Governance are decided on.</p>
Domain Password Security	1	31/10/2021	31/05/2023	<p>A number of misconfigurations were noted with the overall management of service accounts within the domain. A list has been completed as well as the preparation work, but now ICT team's priority is focused on Public Services Network (PSN) activity and the implementation of Privilege Access Management (PAM). This is a highly manual task, so ICT are going to look at the possibility of some automation scripts. This is pushing back the date for implementation of the recommended action.</p>



## Derby City Council – Audit Progress Report

Audit Review	No of Recs overdue	Original Action Date	Revised Date	Reason for Delay
Bus Station - Processes & Procedures	1	31/08/2020	31/03/2023	See comments on page 13 in relation to the update on the Bus Station Audit.
Neighbourhood Boards	1	31/03/2022	01/05/2023	<p>There was no record of instances where Neighbourhood Managers had provided advice regarding a possible application and that application had not then been made.</p> <p>Committee were updated on this issue at the January 2023 meeting. Audit are awaiting further evidence to support the claimed implementation.</p>
Strategic Housing - Disabled Facilities Grants (DFG)	1	01/11/2021	01/04/2024	<p>There was an inadequate system in place for generating management information which had also resulted in maintaining a duplicate record in the format of a Microsoft Excel spreadsheet.</p> <p>Replacement of the Civica APP system is still in tendering process. Current systems have been reviewed to reduce duplication as far as possible but both Civica APP and the spreadsheet are currently still needed as they perform different functions for managing the DFG process</p>
CCTV - Access Control - Public Protection	1	31/10/2019	31/12/2020	<p>This recommendation covers the responsibility for the back-up of servers on which the CCTV images are being stored on. We are still requiring further information on the actions taken to implement it.</p> <p>At its meeting on 5th October, Committee decided to "call in" this audit so that a verbal update could be provided by officers. Supporting evidence regarding progress with the action is awaited.</p>
Payments for Children's Social Care 2021-22	2	04/04/2022 & 31/07/2022	03/04/2023	<p>The two moderate risk recommendation were made to address the findings that:</p> <ul style="list-style-type: none"> <li>There was no overarching strategic document in place that clearly detailed the Council's policy on how it defined and administered the social care sundry payments made to Looked After Children and Children in Need.</li> <li>The details provided by the social worker to explain the reason for requesting financial assistance and the team manager as justification for approval, were not always clearly</li> </ul>

## Derby City Council – Audit Progress Report

Audit Review	No of Recs overdue	Original Action Date	Revised Date	Reason for Delay
				<p>explained and properly input to the Request and Decision forms designed in Liquid Logic.</p> <p>Management had commenced a review of the Finance Assistance Policy and was due to hold a series of workshops in July 2022 with operational services and commissioning to look at the issues around consistency of payments and policies around "Looked After Children".</p> <p>The implementation of the first recommendation is dependent on affordability, the review so far has identified it is too costly to ensure sundry payments are updated and made consistent which is the entire purpose of the policy. The situation will be reviewed again in April 2023.</p> <p>Regarding the second recommendation, this is in place as part of Council wide budget management controls. There are ongoing monthly budget meetings between Heads of Service and Finance partners and the Liquid Logic system (LCS) is able to provide a breakdown of spend per cost centre and per team, individual worker.</p>
Boundary Defence	2	30/06/2022 & 31/07/2022	31/03/2023 & 31/05/2023	<p>The two moderate risk recommendation were made to address the findings that:</p> <ul style="list-style-type: none"> <li>We found that generic default accounts with administrative access to the edge firewalls were not protected by minimum password length, maximum failed login or maximum password age settings.</li> <li>There was no formal schedule in place to review boundary firewall rule bases at set intervals, such as bi-annually.</li> </ul> <p>In respect of admin passwords, certain restrictions have been implemented to check better quality and increased length of time. Depending on what can be done further, IT may need to accept the risk.</p>
Domain Password Security 2021-22	1	31/03/2022	30/09/2023	<p>We found that administrative privileges were being granted directly to user accounts, as opposed to the best practice of assigning privileges to role</p>

## Derby City Council – Audit Progress Report

Audit Review	No of Recs overdue	Original Action Date	Revised Date	Reason for Delay
				groups. Indirectly this can be picked up with the Privilege Access Management (PAM) project. This would be something that would be picked up after the roll out of the pilot but would need to be scheduled according to priority with other tasks within this project. IT are aiming for the completion of the roll out of PAM to be 30th September following pilot due to be delivered in early April.
Derby Arena Car Parks	3	30/06/2022	31/03/2023	The three moderate risk recommendation were made to address the findings that: <ul style="list-style-type: none"> <li>• There was no formal contract /agreement in place between the Council and the Park &amp; Ride bus service operator. The letter of terms in place was not being adhered to and had no provision for insurance requirements.</li> <li>• There was no reconciliation of ticket information to verify the fixed fee payment being requested from the Council for tickets being issued.</li> <li>• There was no provision to conduct a value for money assessment of the Park &amp; Ride bus service, due to the lack of a fees &amp; charges schedule being in place.</li> </ul>
Parking Permits 2021-22	1	01/07/2022	30/06/2023	Two-factor authentication was not available on the MiPermit system. Indirectly this can be picked up with the Privilege Access Management (PAM) project. This would be something that would be picked up after the roll out of the pilot but would need to be scheduled according to priority with other tasks within this project. IT are aiming for the completion of the roll out of PAM to be 30th September following a pilot due to be delivered in early April.

### Low Risk Recommendations

There are currently 57 low risk recommendations that are overdue for implementation. Of these 57, there are 17 that exceed 12 months, and in 15 of these cases Internal Audit has agreed a revised

## Derby City Council – Audit Progress Report

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implementation date. The remaining two relate to the Welfare Reform Reserve which was due for implementation in April 2020, and we are still waiting for updates to be provided. Given the length of time these two actions have been outstanding, Committee is advised to request an explanation.

## Derby City Council – Audit Progress Report

# QUALITY ASSURANCE & IMPROVEMENT PLAN

## Background

A quality assurance and improvement programme is designed to enable an evaluation of the Internal Audit activity's conformance with the Definition of Internal Auditing and the Standards and an evaluation of whether internal auditors apply the Code of Ethics. The programme also assesses the efficiency and effectiveness of the Internal Audit activity and identifies opportunities for improvement.

In line with the Public Sector Internal Audit Standards, we have included the latest version of the CMAP Quality Assurance & Improvement Plan (QAIP) within the Internal Audit Annual Reports that have gone to each Partner's Audit Committee. This update is to inform the Committee on the progress in addressing the actions of the QAIP going forward.

## Current Position

The current progress on the QAIP is shown below:

Actions	Update Position
1. We should continue to heighten our profile by building on the relationship management already established with each partner organisation. i.e. regular meetings with Senior Management combined with an on-site presence.	Completed.
2. We should map competency levels of staff over the various audit disciplines (e.g. contract, IT, probity, investigations etc.) that we can link to audit engagements to demonstrate that the staff assigned are appropriate. We should continue to promote a culture of continuous improvement which considers the needs of individuals by: <ul style="list-style-type: none"><li>• staff completing the AMS in respect of any training received,</li><li>• undertaking staff appraisals (GPCs) in accordance with the hosts requirements and</li><li>• producing a Training &amp;</li></ul>	The Training and Development Plan is now being drawn up.

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Actions	Update Position
Development Plan.	
3. We should ask staff to complete a Personal Development Plan and then produce a Training & Development Plan for the Team.	Being done in conjunction with the overall Training and Development plan
<p>4. We should aim to increase our knowledge around the use of data analytics and other CAATs and identify the benefits it could bring to the audit processes.</p> <ul style="list-style-type: none"> <li>To ensure that audit engagements are supported by appropriate tools, we need to develop a strategy for the use of data analytics.</li> </ul>	Four members of the team have been on a data analytics training course. Data analytics is being used in audits. CMAP needs to develop a Data Analytics Strategy to guide its work.
5. To demonstrate stakeholder engagement with the process, we should ensure that the QAIP Action Plan is a standard agenda item on both the CMAP Operational Group and at Audit Section meetings.	Completed
6. To demonstrate each work programme has been appropriately approved, we should seek earlier formal sign off of the control evaluation so we can better demonstrate scrutiny and approval of coverage by audit management.	Completed
7. CMAP needs to explore potential external assessors that can deliver the appropriate level of validation required and that understand the partnership ethos/approach.	Completed.
8. We should continue to develop the process for incorporating other assurance information into our	This is all about CMAP establishing an assurance mapping framework with partners to build on and develop.

## Derby City Council – Audit Progress Report

Actions	Update Position
overall risk assessment process and our overall opinion and how the other assurance provider information we gather can be used to demonstrate an audit assurance framework for each organisation.	Ideally we need to get all Partners interested in producing their own Assurance Maps.
9. We should ensure that our Audit Manual is complete, up-to-date, readily available and used by all audit staff.	Completed - Business as usual task
10.To support the improvement of the organisation's governance framework, we should undertake consultancy work to facilitate the self-assessment of the effectiveness of the Audit Committee at all partner organisations.	The annual exercise at Derby City Council has taken place in February 2023. Another partner does a similar annual exercise with its Audit Committee. Other partners need to be encouraged to adopt an Audit Committee effectiveness assessment process.
11.We should consider how we could systematically evaluate the potential for the occurrence of fraud at each partner organisation and how each organisation manages fraud risk.	Audit work to inform this continues at Derby City Council. Each year CMAP are sent a series of fraud risk management related questions for each partner by the External Auditor.
12.To review all CMAP reports to assess compliance with the Web Content Accessibility Guidelines (WCAG).	An initial assessment was done. Its currently on hold as CMAP wants to review the report templates available in the new Audit Management System when it is procured.