

central midlands audit partnership

Derby City Council – Audit Progress Report

Audit & Governance Committee: 6th December 2023



Derby City Council



Contents

Page

AUDIT DASHBOARD	3
AUDIT PLAN	4
AUDIT COVERAGE	6
RECOMMENDATION TRACKING (as at 20 th November 2023)	13
QUALITY ASSURANCE & IMPROVEMENT PLAN	21

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.

Contacts

Richard Boneham CPFA
Head of Internal Audit (DCC) &
Head of Audit Partnership
c/o Derby City Council
Council House
Corporation Street
Derby, DE1 2FS
Tel. 01332 643280
richard.boneham@derby.gov.uk

Adrian Manifold CMIIA
Audit Manager
c/o Derby City Council
Council House
Corporation Street
Derby
DE1 2FS
Tel. 01332 643281
adrian.manifold@centralmidlandsaudit.co.uk

Mandy Marples CPFA, CCIP
Audit Manager
c/o Derby City Council
Council House
Corporation Street
Derby
DE1 2FS
Tel. 01332 643282
mandy.marples@centralmidlandsaudit.co.uk

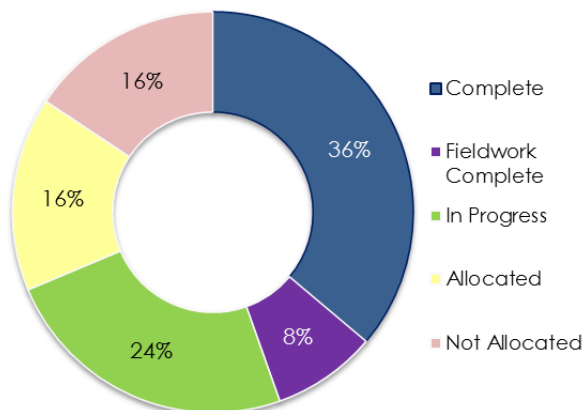


central midlands audit partnership
Providing Excellent Audit Services in the Public Sector

Derby City Council – Audit Progress Report

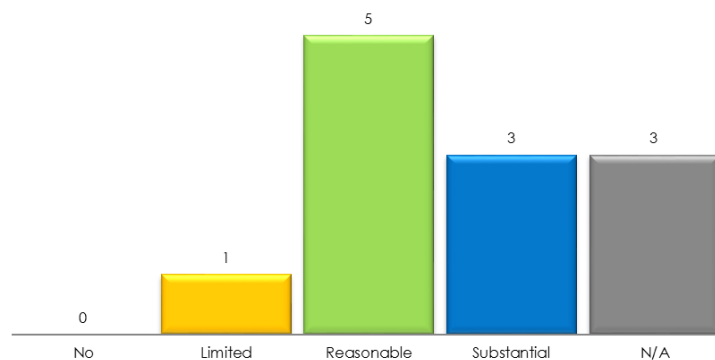
AUDIT DASHBOARD

Plan Progress



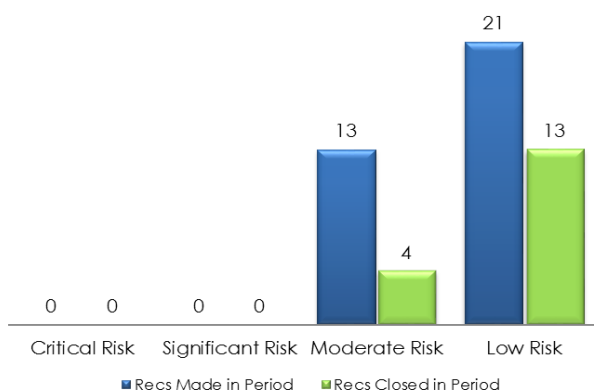
Jobs Completed in Period

Control Assurance Ratings During Period



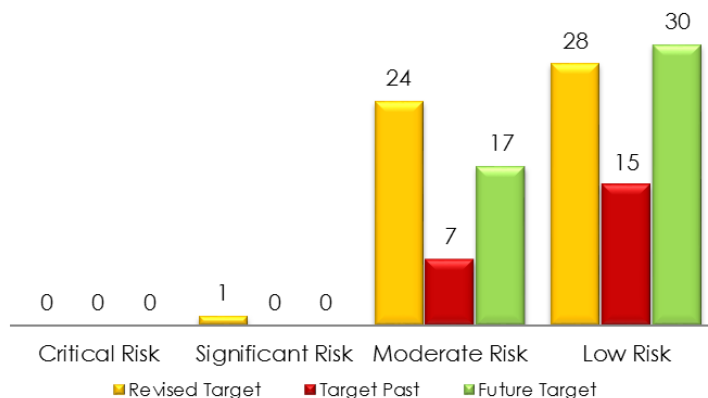
Recommendations

Movement During Period



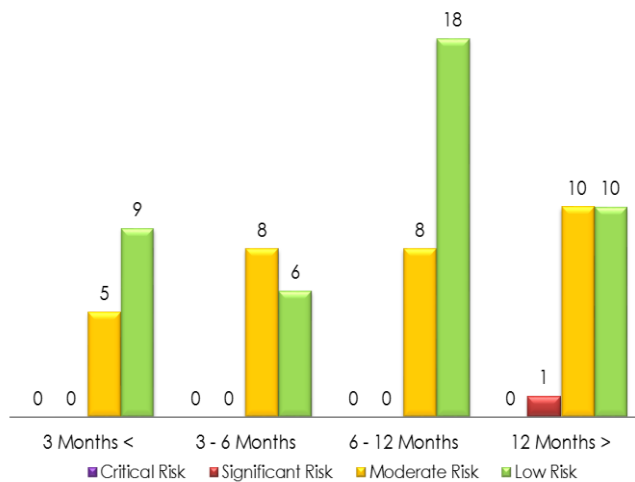
Recommendations

Recommendations Currently Open



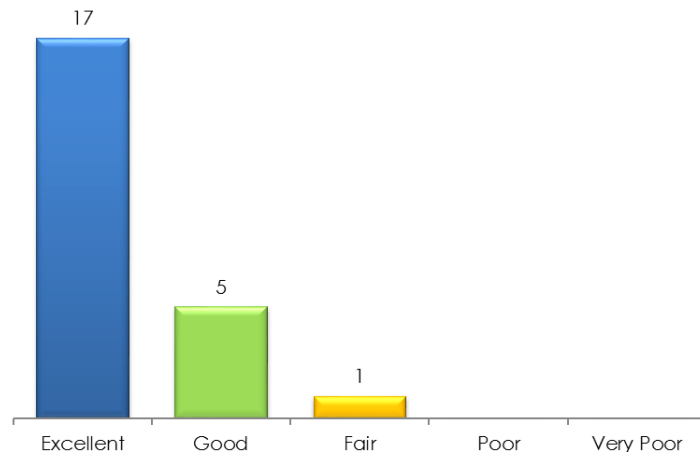
Recommendations

Overdue Recommendations



Customer Satisfaction

Customer Satisfaction Scores Nov 22 to Nov 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 20th November 2023.

2023-24 Jobs	Status	% Complete	Assurance Rating
People			
Adult Social Care Quality Assurance Audits	Complete	100%	N/A
People Services - Establishment Reviews - Perth House	Final Report	100%	Substantial
Adult Social Care QA - Safeguarding	Complete	100%	N/A
Adult Social Care QA - Mental Health	Complete	100%	N/A
People Services - Establishment Reviews - Bonsall View	Final Report	100%	Reasonable
Management of Schools Exclusions	In Progress	50%	
Safeguarding - The Role of the LADO	Final Report	100%	Reasonable
Schools Attendance	In Progress	10%	
Establishment Reviews - Children & Young People	Final Report	100%	Reasonable
Residential Care	Fieldwork Complete	90%	
Adult Social Care Transformation 2023-24	In Progress	40%	
Chief Executives			
Risk Management - Assurance Mapping	In Progress	25%	
PMO - Development Group 2023-24	In Progress	50%	
Attendance Management - 2023-24	Allocated	5%	
Grant Certification 2023/24	In Progress	50%	
IR35	Fieldwork Complete	80%	
Appointeeships - Virtual Accounts	Fieldwork Complete	90%	
DCC New FMS 2023-24	In Progress	60%	
Debt Management Consultancy	In Progress	45%	
Insurance - Claims Handling	Draft Report	95%	
Allestree Hall & Golf Course - Investigation	Final Report	100%	N/A
Fire Safety Compliance Management	Final Report	100%	Reasonable
Records Management 2023-24	In Progress	70%	
IT Key Controls 2023-24	In Progress	35%	
Customer Complaints and Enquiries Process	In Progress	35%	
Leavers Data Matching 2023-24	Final Report	100%	N/A
Security of Corporate Buildings	Allocated	5%	
Place			
Trading Standards 2023-24	In Progress	20%	
Pest Control 2023-24	In Progress	35%	
Waste Management 2023-24	In Progress	10%	
Compliance with Statutory Functions (Assets & Engineering)	Draft Report	95%	
Highways Maintenance	In Progress	60%	
Market Hall Project - Phase 2	In Progress	55%	
Eastern Gateway - FHSF	In Progress	15%	
Moorways Sports Village	Allocated	10%	
Schools			
Schools SFVS (Schools self-assessment)	In Progress	15%	
Schools SFVS (10 School visits planned)	Allocated	5%	
Redwood Primary School - Imprest Account	In Progress	50%	

Derby City Council – Audit Progress Report

B/Fwd Jobs	Status	% Complete	Assurance Rating
People			
Whistleblowing - Learning, Inclusion and Skills	Final Report	100%	N/A
Element 3 Funding	Final Report	100%	Reasonable
Youth Offending Services	Draft Report	95%	
D2N2 Children's Homes Contract	Final Report	100%	Reasonable
Chief Executives			
Transparency Code	Draft Report	95%	
FMS Data Migration 2022-23	In Progress	65%	
Procurement Cards 2022-23	Final Report	100%	Substantial
Cash Handling 2022-23	Final Report	100%	Reasonable
Key Financial Controls 2022-23	Final Report	100%	Substantial
Management of Information in a Remote Environment	Final Report	100%	Reasonable
PCI Compliance 2022-23	Final Report	100%	Limited
Health & Safety 2021-22	Final Report	100%	Substantial
Place			
Building Consultancy	Final Report	100%	Limited
Trading Standards Complaint	Final Report	100%	N/A
Trading Standards Complaint - Review of Statements	Final Report	100%	N/A
Climate Change 2022-23	In Progress	75%	
Grounds Maintenance 2022-23	Final Report	100%	Reasonable
General Licensing 2022-23	Draft Report	95%	
Street Cleansing 2022-23	Final Report	100%	Substantial
Revenue Collection Contract (Lot 2 - Parking)	Final Report	100%	Substantial
Street Lighting PFI 2022-23	Final Report	100%	Substantial
Right to Buy 2022-23	Final Report	100%	Reasonable
Anti Fraud & Corruption			
Counter Fraud and Corruption Framework	Final Report	100%	N/A
Schools			
Schools SFVS Self-Assessments 2022-23	Final Report	100%	Reasonable

Derby City Council – Audit Progress Report

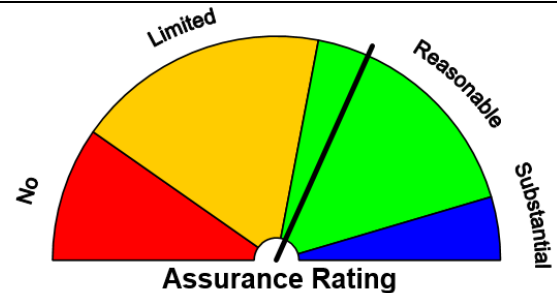
AUDIT COVERAGE

Completed Audit Assignments

Between 21st September 2023 and 20th November 2023, the following audit assignments have been finalised since the last Progress Report was presented to this Committee (11th October 2023).

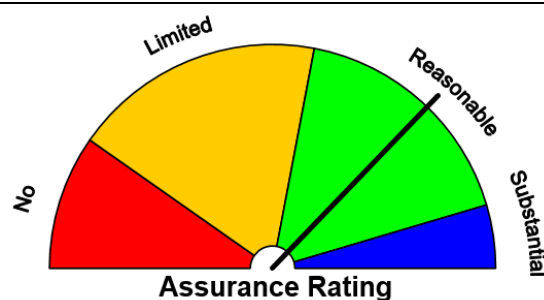
Audit Assignments Completed in Period	Assurance Rating	Recommendations Made				% Recs Closed
		Critical Risk	Significant Risk	Moderate Risk	Low Risk	
Establishment Reviews - Children & Young People	Reasonable			3	6	11%
Establishment Reviews - Bonsall View	Reasonable			2	3	60%
Establishment Reviews - Perth House	Substantial			1	2	0%
Adult Social Care QA - Mental Health	N/A					n/a
PCI Compliance 2022-23	Limited			5	4	11%
Management of Information in a Remote Environment	Reasonable			2	1	0%
Fire Safety Compliance Management	Reasonable			1	2	0%
Cash Handling 2022-23	Reasonable			1	4	40%
Procurement Cards 2022-23	Substantial				1	0%
Health & Safety 2021-22	Substantial				1	100%
Trading Standards Complaint - Review of Statements	N/A					n/a
Trading Standards Complaint	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.

Establishment Reviews - Children & Young People					
Control Objectives Examined		Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
To ensure Petty Cash and Imprest accounts were used in accordance with the policy and procedures in place for Residential Children's Homes.		13	9	4	0
Procurement cards are used in adherence to the procurement policy and procedures and there are adequate restrictions on the cards and only used by the appropriate staff members.		11	6	5	0
There were appropriate procedures followed to help ensure suitable security arrangements were in place at the Children's Care Home.		7	5	2	0

Derby City Council – Audit Progress Report

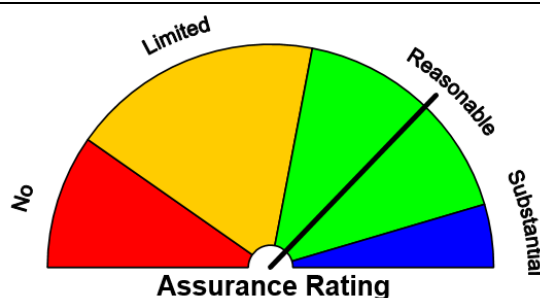
There is a robust system in place to ensure the quality of care can be monitored, reviewed and evaluated by the registered manager of the establishment.	2	2	0	0
TOTALS	33	22	11	0
Summary of Weakness	Risk Rating		Agreed Action Date	
The version of the Petty Cash Floats and Bank Imprest Accounts Policy and Procedures adapted for Residential Children's Homes had not been reviewed or updated since December 2014 and there was no process or formal record maintained that ensured all staff had read and understood the policy and procedures and any relevant updates.	Low Risk		30/11/2023	
Cash from the imprest accounts was loaned from one care home to another when the approved weekly limit of £500 had been exceeded.	Low Risk		30/11/2023	
The bank accounts to manage the imprest and petty cash for each of four children's care homes had become overdrawn on several occasions during April 2022 to 11 July 2023.	Low Risk		30/11/2023	
For one of the four care homes there was no designated procurement card holder on site.	Low Risk		30/11/2023	
The sanction for noncompliance with section 10 of the Council's Purchase Card Policy and Procedure, to create, submit or approve expense reports within 14 days of receiving the bank statement, had not been enforced; cards were not suspended until outstanding expense reports had been completed.	Low Risk		30/10/2023	
The corporate contract in place for the supply of groceries and provisions was bypassed to use major supermarkets.	Moderate Risk		30/11/2023	
Procurement card holders had not always used the Council's Amazon business account when making online purchases from the Amazon website.	Moderate Risk		30/11/2023	
The security arrangements across the four children's homes for managing access to the keys for the safe did not fully comply with the requirements of the Council's Petty Cash Floats and Bank Imprest Accounts Policy and Procedures and accountability for the contents of the safe could not be assigned to a single individual.	Low Risk		31/10/2023	
A more robust approach was required to verify the identity of visitors and ensure the resident children and visitors were both safeguarded from any potential incidents and/or allegations.	Moderate Risk		Implemented	

Establishment Reviews -
Bonsall View

Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Procurement cards are used in adherence to the procurement policy and procedures and there are adequate restrictions on the cards and only used by the appropriate staff members.	11	8	3	0
There were appropriate procedures followed to help ensure suitable security arrangements were in place at the Care Home.	5	4	1	0
There are sound management and administrative procedures in place that meet the requirements of the national minimum standards published by the Secretary of State under section 23(1) of the Care Standards Act 2000.	8	5	3	0
TOTALS	24	17	7	0

Derby City Council – Audit Progress Report

Summary of Weakness	Risk Rating	Agreed Action Date
Non-compliance with the requirements of the Council's purchase card policy and procedures had led to purchases being made from Amazon without using the corporate Amazon business account.	Low Risk	Implemented
There were inadequate key records in the form of a key register and key transfer log maintained to ensure all keys for the premises were properly accounted for.	Moderate Risk	Implemented
The Liquid Logic system generated Customers Agreement to Short term Residential Care form had not been completed that resulted in a formal agreement signed by the customer not being in place.	Low Risk	31/03/2024
The Council's corporate 'Medication Policy Statement Procedures and Guidelines' document had not been reviewed and updated since August 2015.	Low Risk	31/03/2024
Access to the folder, 'Customer Main Files' located on the Council's file server DCC-2k3-socs had not been appropriately restricted.	Moderate Risk	Implemented

Establishment Reviews –
Perth House

Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
There were appropriate procedures followed to help ensure suitable security arrangements were in place at the Care Home.	4	3	1	0
There are sound management and administrative procedures in place that meet the requirements of the national minimum standards published by the Secretary of State under section 23(1) of the Care Standards Act 2000.	9	7	2	0
TOTALS	13	10	3	0

Summary of Weakness	Risk Rating	Agreed Action Date
A key register and key transfer log were not maintained that verified the number and location of all keys used on the premises.	Low Risk	17/11/2023
The Council's corporate 'Medication Policy Statement Procedures and Guidelines' document had not been reviewed and updated since August 2015.	Low Risk	31/03/2024
Access to customer records that were saved to the Council's file server dcc-fs5 in the 'Homecare Enablement Intake Team' and 'Home First Community and Perth team' folders had not been appropriately restricted.	Moderate Risk	24/12/2023

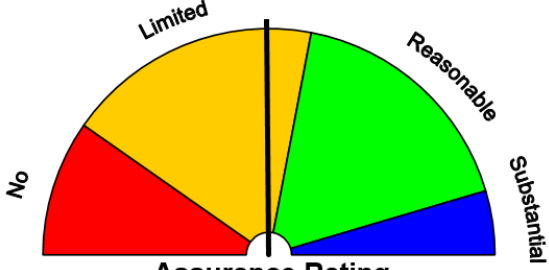
Adult Social Care QA -
Mental HealthAssurance Rating:
N/A

Scope: To assist the Peoples Services Improvement and Quality Assurance Manager in delivering a number of quality assurance reviews following a set programme of questions designed to assess the quality of services provided for adults in relation to mental health.

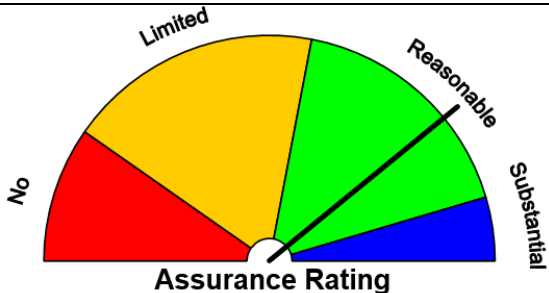
Outcome: Internal Audit provided assistance to the People Services Improvement and Quality Assurance Manager in delivering a number of quality assurance reviews. These reviews followed a set programme of questions designed to assess the quality of services provided for adults in relation to mental health. The outcomes of this work are owned by the Policy, Insight & Communications team and will be fed back to the Adult Social Care Improvement Board. This connects with the Adult Social Care Transformation

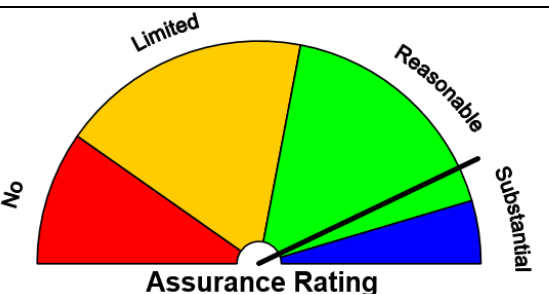
Derby City Council – Audit Progress Report

work ongoing throughout the 2023-24 financial year, to ensure that the Council are continuing to improve its processes around adult social care, and are ensuring it meets the requirements of the Health and Care Act 2022.

PCI Compliance 2022-23	 <p>Assurance Rating</p>			
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Establish how well understood the Payments Card Industry standards is across the organisation.	2	0	2	0
The organisation's PCI structure and responsibilities have been defined and documented	3	0	3	0
Testing schedules and methodology has been established to ensure PCI compliance.	5	2	3	0
TOTALS	10	2	8	0
Summary of Weakness		Risk Rating	Agreed Action Date	
Key governance tasks for the oversight of PCI Compliance were not being undertaken.		Moderate Risk	31/12/2023	
Key guidance documents for PCI Compliance had not been reviewed or updated for several years.		Moderate Risk	31/12/2023	
Training material was out of date and no refresher training was in place to assist colleagues with keeping up to date with current best practice.		Low Risk	31/01/2024	
Data Flow diagrams required by Payment Card Industry Data Security Standard 1.1.3 were not in place.		Low Risk	31/01/2024	
An inventory of system components in scope to meet PCI DSS Requirement 2.4 had not been produced.		Low Risk	31/03/2024	
The Council were not meeting the PCI DSS requirement to define roles and responsibilities.		Moderate Risk	31/12/2023	
Environment checks and risk assessments to ensure that card reader devices were positioned to be secure were not being undertaken.		Moderate Risk	31/03/2024	
The record of meetings was kept on a spreadsheet but lacked key fields needed to be an accurate record of the meeting. Absent key fields included officer attendance, reasons for decisions taken and when actions will be completed by.		Low Risk	Implemented	
There was no overarching plan of action in place to ensure compliance to the PCI Standard.		Moderate Risk	31/12/2023	

Derby City Council – Audit Progress Report

Management of Information in a Remote Environment				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Controls on remote access to Council information, such as through a virtual desktop, are in place and as robust as those used to control access to information within the Council house.	9	5	4	0
Staff are trained and provided guidance on appropriate home network security and remote working practices so as not to expose confidential business information to unauthorised access.	9	9	0	0
TOTALS	18	14	4	0
Summary of Weakness		Risk Rating	Agreed Action Date	
When accessing the Council network via the VPN (virtual private network), the system considered the laptop was being accessed as though it was on the premises at the Council House, this could subsequently be used to access Council files outside of the UK, without an authorised data access request being in place.		Moderate Risk	31/03/2025	
Personal or public printers could be used to print Council documents if they were accessed via Office 365, as opposed to a remote desktop connection.		Low Risk	31/12/2023	
Three admin accounts were not under the same access controls as other user accounts, meaning that they could be accessed from outside the UK, without increasing their risk level in the Azure Active Directory.		Moderate Risk	31/12/2023	

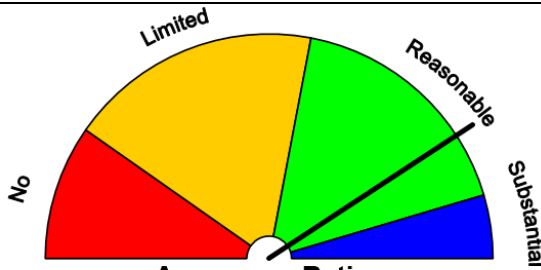
Fire Safety Compliance Management				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
To ensure that the Council has adequate control measures in place to comply with fire regulations (Regulatory Reform (Fire Safety) Order 2005) within in Council buildings.	15	11	4	0
TOTALS	15	11	4	0
Summary of Weakness		Risk Rating	Agreed Action Date	
We found that actions required to help contain and prevent the spread of fire had not been addressed within deadlines set, along with issues of false recording against required actions.		Moderate Risk	31/03/2024	
At one of the locations visited, we found that the weekly fire alarm test was not undertaken on a regular day, and these was no cycle testing of call points, as per regulation and guidance.		Low Risk	31/03/2024	

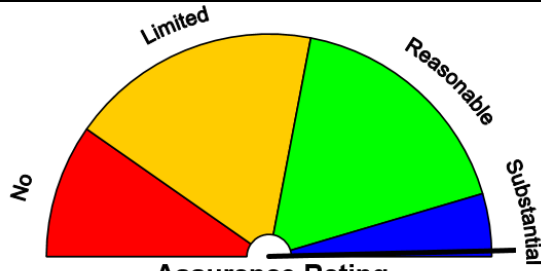
Derby City Council – Audit Progress Report

Records for fire safety training were not all held centrally, consequently it could not be clearly evidenced that all staff had received annual training, as required by regulations.

Low Risk

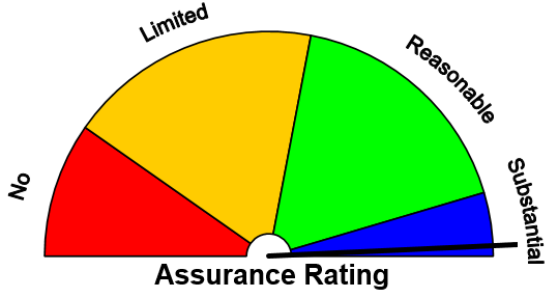
31/03/2024

Cash Handling 2022-23				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Controls are in place which ensure income transactions are processed accurately.	5	2	3	0
Controls are in place, which allow access to the safe and its key handling to be handled securely.	8	4	4	0
Adequate arrangements are in place to allow the banking of cash to be handled securely.	8	6	2	0
TOTALS	21	12	9	0
Summary of Weakness		Risk Rating	Agreed Action Date	
Multiple cash handling policies and procedures were in place, several of which were overdue for review.		Low Risk	30/11/2023	
The Derby Live cash/in out sheet did not record the float values collected, counted, and returned to the safe.		Low Risk	Implemented	
Users of the eCivica system within Derby Live, were sharing login details.		Moderate Risk	Implemented	
The storage of safe keys onsite was contrary to the requirements of the insurance policy.		Low Risk	Implemented	
There was a lack of documentation to evidence the insured overnight cash limit on safes.		Low Risk	Implemented	

Procurement Cards 2022-23				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
A robust policy and procedure are in place supporting the application for, and monitoring of, procurement cards.	10	9	1	0
Business Support closely monitor the use of procurement cards, ensuring adherence to the relevant policy and procedure.	10	10	0	0
TOTALS	20	19	1	0

Derby City Council – Audit Progress Report

Summary of Weakness	Risk Rating	Agreed Action Date
Multiple cash handling policies and procedures were in place, several of which were overdue for review.	Low Risk	30/11/2023

Health & Safety 2021-22				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
There is a sound and robust system in place for recording, storing and retrieving Health & Safety information and that it is fit for purpose.	1	1	0	0
The methodology in respect of planning and undertaking pro-active work by the Health & Safety Team is efficient and effective	1	1	0	0
To ensure that the Council's governance framework for health and safety is designed to ensure compliance with health and safety legislation.	3	2	1	0
To ensure that employees have received training relevant to their role, and have an awareness of Health and Safety and have access to information and further training as required.	1	1	0	0
TOTALS	6	5	1	0
Summary of Weakness		Risk Rating	Agreed Action Date	
If policies are not updated there is a risk that the old policies may fail to comply with new laws and regulations, new inhouse systems or technology, which can result in inconsistent practices.		Low Risk	Implemented	

Trading Standards Work:

Internal Audit and the Senior Counter Fraud Investigator provided assistance to the Head of Regulatory Services following receipt of a complaint.

Derby City Council – Audit Progress Report

RECOMMENDATION TRACKING (as at 20th November 2023)

Final Report Date	Audit Assignments with Open Recommendations	Assurance Rating	Recommendations Open		
			Action Due	Being Implemented	Future Action
Peoples					
07-Jul-22	Special Educational Needs and/or Disabilities	Limited		3	
27-Nov-19	Deprivation of Liberty	Limited		1	
11-Oct-23	Establishment Reviews - Children & Young People	Reasonable	2		6
12-Sep-23	Safeguarding - The Role of LADO	Reasonable			4
12-Jun-23	Element 3 Funding	Reasonable			1
07-Dec-22	Home Care 2022-23	Reasonable	1	3	
09-Feb-23	Shared Lives 2022-23	Reasonable		1	
16-Aug-22	Fostering Services	Reasonable		1	
05-May-23	D2N2 Children's Homes Contract	Reasonable		4	
09-Nov-23	Establishment Reviews - Perth House	Substantial	1		2
11-Jan-23	Hospital to Home - Protection of Property	N/A		1	
Chief Executives					
28-Sep-23	PCI Compliance 2022-23	Limited			8
19-Oct-22	Pre-Employment Checks	Limited		6	
15-Apr-19	Public Utilities Management	Limited		1	
07-Nov-23	Fire Safety Compliance Management	Reasonable			3
07-Nov-23	Cash Handling 2022-23	Reasonable	2		1
27-Jan-23	Strategic Communications	Reasonable	1	1	
26-Oct-23	Management of Info in a Remote Environment	Reasonable			3
11-Jan-23	Declarations of Interest - Staff and Members	Reasonable			2
17-Jan-22	Digital Workforce - Windows 10 Build	Reasonable		1	
31-Mar-22	Boundary Defence	Reasonable		2	
24-Apr-19	Document Management & Network Printing	Reasonable		1	
03-Aug-23	Key Financial Controls 2022-23	Substantial		4	
03-Oct-23	Procurement Cards 2022-23	Substantial			1
17-Mar-23	Organisational Performance Management 2022-23	Substantial			3
05-Dec-22	Property Design & Maintenance	Substantial		1	
07-Feb-22	Payment Systems - In Light of Covid 19	Substantial		1	
09-Apr-20	Taxation	Substantial		1	
02-Aug-23	IT Key Controls 2023-24			1	
28-Sep-23	Allestree Hall & Golf Course - Investigation	N/A			1
16-Aug-22	IT Key Controls 2022-23	N/A		1	1
Place					
21-Mar-23	Catering - Stocks & Stores	No		2	
16-Jun-23	Building Consultancy	Limited	5		4
16-Jan-20	Bereavement Services	Limited		1	
14-Jun-21	Derby Arena Car Parks	Limited		4	
10-Aug-23	Street Lighting PFI 2022-23	Reasonable			4
10-Jul-23	Grounds Maintenance 2022-23	Reasonable			3
29-Jun-23	Right to Buy 2022-23	Reasonable	2		
06-May-22	Parking Permits 2021-22	Reasonable		1	
08-Sep-22	Land Drainage & Flood Control	Reasonable	3		
05-Jan-23	Community Safety	Reasonable		5	
13-Jul-22	Business Continuity - In Light of Covid 19	Reasonable	4		
30-Sep-20	Strategic Housing - Disabled Facilities Grants	Reasonable		2	
03-Aug-23	Street Cleansing 2022-23	Substantial	1		
17-Mar-23	Climate Change - Roadside Air Quality	Substantial		1	
29-Nov-21	Strategic Housing	Substantial		1	
10-Oct-19	CCTV - Access Control - Public Protection	N/A		1	
		Totals	22	53	47

Derby City Council – Audit Progress Report

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
Peoples						
Special Educational Needs and/or Disabilities					3	
Deprivation of Liberty					1	
Establishment Reviews - C&YP			2			
Home Care 2022-23		1			2	1
Shared Lives 2022-23						1
Fostering Services					1	
D2N2 Children's Homes Contract					3	1
Establishment Reviews - Perth House			1			
Hospital to Home - Protection of Property					1	
Chief Executive's						
Pre-Employment Checks					2	4
Public Utilities Management						1
Cash Handling 2022-23		1	1			
Strategic Communications			1			1
Digital Workforce - Windows 10 Build						1
Boundary Defence					1	1
Document Management & Network Printing						1
Key Financial Controls 2022-23						4
Property Design & Maintenance						1
Payment Systems - In Light of Covid 19						1
Taxation						1
IT Key Controls 2023-24					1	
IT Key Controls 2022-23					1	
Place						
Catering - Stocks & Stores					2	
Building Consultancy		4	1			
Bereavement Services				1		
Derby Arena Car Parks					3	1
Right to Buy 2022-23		1	1			
Parking Permits 2021-22					1	
Land Drainage & Flood Control			3			
Community Safety						5
Business Continuity - In Light of Covid 19			4			
Strategic Housing - Disabled Facilities Grants					1	1
Street Cleansing 2022-23			1			
Climate Change - Roadside Air Quality						1
Strategic Housing						1
CCTV - Access Control - Public Protection					1	
Totals	0	7	15	1	24	28

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.

Derby City Council – Audit Progress Report

- 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 >
Peoples								
Special Educational Needs and/or Disabilities			2	1				
Deprivation of Liberty				1				
Home Care 2022-23		2	1					
Fostering Services			1					
D2N2 Children's Homes Contract		3						
Hospital to Home - Protection of Property		1						
Chief Executives								
Pre-Employment Checks			1	1				
Cash Handling 2022-23	1							
Boundary Defence				1				
IT Key Controls 2023-24	1							
IT Key Controls 2022-23			1					
Place								
Catering - Stocks & Stores			2					
Building Consultancy	2	2						
Bereavement Services								1
Derby Arena Car Parks				3				
Right to Buy 2022-23	1							
Parking Permits 2021-22				1				
Strategic Housing - Disabled Facilities Grants				1				
CCTV - Access Control - Public Protection				1				
	5	8	8	10				1

Derby City Council – Audit Progress Report

Highlighted Recommendations

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

Significant Risk Recommendations (> 3 Months Overdue)

There is one significant risk recommendation that is more than 3 months overdue for implementation that has been reported through to this Committee on several occasions and is still open. This recommendation is:

- Bereavement Services audit – one significant recommendation (first reported to Committee on 29th July 2020). The issue was:
 - There was no replacement programme in place for the cremators at Markeaton Crematorium. These cremators had therefore not been replaced when appropriate to do so. The business case at the time of the audit was not complete or approved and there was no business continuity plan outside of this.

As reported to the last Committee meeting, a revised business case for improving bereavement services which includes the Crematorium is being worked on. Once completed, this is to be considered by senior management. There has been no further update.

Moderate Risk Recommendations (> 6 Months Overdue)

There are currently 31 moderate risk recommendations that are overdue for implementation. Eighteen of these exceed the original action date by 6 months. The table below outlines the current state on these 18 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	30/09/2023	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. The Liberty Protection Safeguards (LPS) Code of Practice by the Department of Health and Social Care continues to be delayed. There is no timeframe from the government for the when it will be published. Due to this, some light touch amendments will be made to existing Council documentation. This will not be a policy though, but instead will be practice guidance. Audit has not been made aware that these amendments have been made as yet.

Derby City Council – Audit Progress Report

Audit Review	No of Recs overdue	Original Action Date	Revised Date	Reason for Delay
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 procurement 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	30/06/2023	<p>This recommendation covers the responsibility for the back-up of servers on which the CCTV images are being stored on.</p> <p>It has been agreed that Digital & Physical Infrastructure & Customer Engagement will assume responsibility for the servers. This will be reflected in the revised CCTV Policy.</p> <p>This recommendation will be closed off once Audit has seen a copy of the revised CCTV Policy.</p>
Boundary Defence	1	31/07/2022	30/11/2023	<p>We found that there was no formal schedule in place to review boundary firewall rule bases at set intervals, such as bi-annually.</p> <p>A review of the current firewall rule base has been scheduled in and internal audit is awaiting confirmation that this has been completed.</p>
Derby Arena Car Parks	3	30/06/2022	01/09/2024	<p>The three moderate risk recommendation were made to address the findings that:</p> <ul style="list-style-type: none"> • There was no formal contract /agreement in place between the Council and the Park & Ride bus service operator. The letter of terms in place was not being adhered to and had no provision for insurance requirements. • There was no reconciliation of ticket information to verify the fixed fee payment being requested from the Council for tickets being issued. • There was no provision to conduct a value for money assessment of the Park & Ride bus service, due to the lack of a

Derby City Council – Audit Progress Report

Audit Review	No of Recs overdue	Original Action Date	Revised Date	Reason for Delay
				<p>fees & charges schedule being in place.</p> <p>There is to be a wider discussion to be had about the P&R strategy and where it sits within the wider agenda of the Local Transport Plan for Derby. The EP board has been established, however due to the elections in May and the appointment of a new Cabinet Member for our area the board has only met once. There will be a schedule of dates set for the future meetings and working groups are being established to report through to the EP board.</p>
Parking Permits 2021-22	1	01/07/2022	30/09/2023	<p>Two-factor authentication was not available on the MiPermit system.</p> <p>The latest update as at June 2023 was that two-factor authentication had been rolled out for the Chipside system, and it is expected that it should be coming to MiPermit imminently. There still remains an issue with a third party to resolve.</p>
Pre-Employment Checks	2	31/12/2022 31/10/2022	31/05/2024 31/05/2023	<p>Two moderate risk recommendations were made to address the findings that:</p> <ul style="list-style-type: none"> There were inadequate arrangements in place to identify managers and staff involved in the recruitment process who required training. <p>The new Recruitment Manager intends to re-launch the Recruitment & Selection Training on the new eLearning platform, which should be going live early next year. It will be mandatory training to all Managers.</p> <ul style="list-style-type: none"> Financial checks were not carried out on candidates whose role would mean access to very sensitive financial information. <p>Discussions are on-going with the team to clarify undertakings and requirements to do so.</p> <p>The new Recruitment Manager is currently working through all the outstanding audit recommendations.</p>
IT Key Controls 2022-23	1	31/12/2022	31/12/2023	<p>We found that personal and sensitive data was being stored on all user accessible shared/public file shares, breaching data protection principles.</p> <p>The implementation of the agreed action</p>

Derby City Council – Audit Progress Report

Audit Review	No of Recs overdue	Original Action Date	Revised Date	Reason for Delay
				has not yet been completed due to competing priorities.
Special Educational Needs and/or Disabilities	3	30/09/2022 31/03/2023 31/03/2023	03/01/2024 03/01/2024 03/01/2024	<p>We found that:</p> <ul style="list-style-type: none"> the SEND and Commissioning teams had a collective role as contract managers but the joint responsibility for performance monitoring was not properly aligned to ensure the outcome from the Annual Reviews were incorporated as part of the contract management. There was an inefficient procedure and insufficient resources to properly plan and undertake contract management meetings for performance monitoring the Education, Health and Care Plans. There was not a consistent procedure followed by the SEND team for monitoring and managing the annual reviews of the Education, Health and Care plans. <p>The latest update in October stated that the annual review remains reliant on migration to the Early Help Module (EHM). 964 plans are now managed through EHM leaving 2600 on Opentext/Synergy with spreadsheet monitoring. A manual task is being carried out to identify the correct review dates of these and a migration plan is in progress. Additional resource has now been secured to support the migration process.</p> <p>Discussion with the SEND Transformation Programme Lead as part of element 3 funding audit revealed the Accounts Receivable process is to be implemented in the Liquid Logic system.</p>
Fostering Services	1	31/12/2022	03/01/2024	<p>We found that the overarching Children in Care Placements Commissioning and Sufficiency Strategy 2020-2023 Action Summary document had not included the details on the arrangements in place for monitoring and reporting on the actions assigned to Fostering Services.</p> <p>The most recent update stated that there are strategic areas of complex development work currently underway jointly with Health as part the Integrated Health Care changes to develop initial</p>

Derby City Council – Audit Progress Report

Audit Review	No of Recs overdue	Original Action Date	Revised Date	Reason for Delay
				thinking for a joint Derby Model for looked after children with complex needs
Catering - Stocks & Stores	2	01/04/2023 01/05/2023	31/10/2023 30/09/2023	<p>We found that:</p> <ul style="list-style-type: none"> Minimum and maximum levels of stock by product / sales item had not been identified. Senior management and finance colleagues were not made aware of stock values for inclusion in monthly finance reporting, of margins achieved by catering operations, or of stock discrepancies and the results of any investigative actions taken. <p>The latest update received stated that stock valuations are completed monthly and reported to the finance team. KPI's including target %age gross profits and wastages have been set by the Head of Service; actual performance against targets is to be reported periodically by the catering officer</p>
Home Care 2022-23	1	01/04/2023	31/03/2024	<p>We found that the procedure for processing invoices and accurate payments to Home Care service providers was convoluted, time consuming and an inefficient use of resource.</p> <p>An update in October stated that following the Corporate Information Governance Team's approval of the data handling processes of the portal, a project team was being formed to roll out implementation to all providers.</p>

Low Risk Recommendations

There are currently 43 low risk recommendations that are overdue for implementation. Of these 43, there are 10 that exceed 12 months, and in all 10 of these cases Internal Audit has agreed a revised implementation date.

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	Current Position
1. We should ask staff to complete a Personal Development Plan as part of our overall Training & Development Plan for the Team.	Currently we only have individual development plans. We are looking at how best to convert this into a CMAP Training & Development Plan.
2. We should formally develop our approach around the use of data analytics and other CAATs and identify the benefits it could bring to the audit processes.	The next step is to produce a strategy for the use of data analytics within CMAP.
3. We should continue to develop the process for incorporating other assurance information into our 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 partner organisation. We also need to get all Partners interested in producing their own Assurance Maps.	This approach may need to vary for each partner. All are at different stages in relation to what they are doing on assurance mapping and what CMAP can use in its process. An assurance mapping audit is underway at Derby.
4. 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. This will be particularly important given the proposed changes to the composition of Audit Committees with the addition of co-opted/ independent members.	Support is currently provided at four partners to help them assess the effectiveness of their audit committees.

Derby City Council – Audit Progress Report

Actions	Current Position
5. 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 has taken place at DCC. Further work needs to be done in 2023/24. Each year CMAP is sent a series of fraud risk management related questions for each partner by the respective External Auditors.
6. To review all CMAP reports that are to be published to assess compliance with the Web Content Accessibility Guidelines (WCAG).	We will progress with this once we have purchased the new Audit Management System and assessed the reporting templates that are available.
7. New Action: To implement the new Audit Management System ready for go live on 1 st April 2024.	An initial implementation meeting was held with K10 Vision in October followed by two configuration workshops held in early November. The next stage is the installation of the K10 Vision App which DCC IT are currently working on.