



Appendix B

ASSIGNMENTS COMPLETED DURING PERIOD 1st March 2018 to 31st May 2018

Details of Control Issues with a risk rating of MODERATE or SIGNIFICANT

Department Name	DCC Anti-Fraud & Corruption
Job Name	Customer Services Investigation
Job Ref	3085
Assurance	Limited

Rec No	Responsible Officer	Rec Rating	Control Issue	Recommendation	Management Agreed Actions
2	Customer Contact Manager	Moderate Risk	The procedure/guidance to Customer Service Advisors for accepting credit or debit card payments allowed for card details to be written down, contrary to the Payment Card Industry Security Standards.	We recommend that a full review is undertaken in respect of the Council's systems and processes for accepting credit and/or debit card payments. The review should seek to ensure that the Council is fully compliant with the Payment Card Industry Security Standards and that any weaknesses identified as part of the review are addressed as a priority to ensure customers cardholder data is protected and kept secure.	By definition this is not just a Customer Services weakness. The Delivering Differently Team took on the responsibility of co-ordinating a Council wide response to this issue. To that end a report was presented to Corporate Resources DMT in May 2018 that included an action plan to ensure the Council is PCI compliant. The report is scheduled to go to COG in June 2018 Action Date: 31/10/2018
3	Head of Customer Service	Moderate Risk	There were no up-to-date, comprehensive instructions for scanning and storing documents relating to functions where evidence needed to be submitted by customers in support of their application.	We recommend that the scanning instructions be reviewed, with a view to ensuring that they reflect confidentiality requirements and current system capabilities, and that these revised instructions be independently proof read to prevent omission, error or duplication. We further recommend that the team aim to issue revised instructions as soon as possible whenever a system amendment occurs.	Implemented
4	Customer Contact Manager	Moderate Risk	Scanned copies of identification documents submitted by customers in support of their application were not being retained appropriately or securely.	We recommend that the arrangements for retaining and storing identification documents is reviewed to ensure appropriate restrictions are put in place, and to ensure that documents cannot be retained for longer than the process requires.	Implemented Scanned images of identification documents are sent to service email address and no longer saved by a Customer Service Advisor. The retention period for the identification documents is the responsibility of the data owner as part of the Council's GDPR procedures. Confirmed with Data Protection Officer- responsible for GDPR action plan that this has been implemented.



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Rec No	Responsible Officer	Rec Rating	Control Issue	Recommendation	Management Agreed Actions
5	Director of Information Systems	Moderate Risk	Customer services staff were not proficient in undertaking verification of identification documents submitted by customers.	We recommend that that all Customer Services Advisors are suitably trained in how to verify identification documents, and that refresher training is delivered periodically, to ensure that they are able to undertake document verification activities. We also recommend that the Council considers purchasing additional software to facilitate its employees in these tasks.	If the Counter Fraud team can accommodate ideally we'd like further training to be delivered before 1st September. A Delivering Differently project was looking into the software options Action Date: 31/8/2018
6	Civil Enforcement Strategy Officer	Moderate Risk	There were no controls on the Chipside parking permit system to prevent a Customer Advisor from generating an excessive number of visitor parking permits, for personal use/gain and no management checks over use of controlled stationery.	We recommend that the Council raise a request with the system developers to rectify this flaw in the Chipside system. In addition, we suggest that periodically analysis is undertaken on the use of the income code, and the number of visitor parking permits produced to identify any instances where fraud may have occurred.	Civil Enforcement Team Leader – Parking Services - has committed to carrying out month end checks on random properties and recording the results on a spreadsheet. Action Date: 1/6/2018
7	Civil Enforcement Strategy Officer	Moderate Risk	The income received from issuing of parking permits was not being reconciled to the number of actual visitor parking permits produced on the Chipside system on a regular basis.	We recommend that a process for reconciling income received and visitor parking permits produced be established and undertaken on a regular basis.	Monthly checks referred to in response to Recommendation 6 above will include income reconciliation. Action Date: 1/6/2018
8	Strategic Director of Corporate Resources	Moderate Risk	The data on parking permits issued noted on the Chipside system was not being recorded consistently, to enable monitoring or analysis of permits issued.	We recommend that Derby Direct staff are re-trained on the recording of visitor parking permit data within the Chipside system, and that this data is then used to monitor and analyse the visitor parking permits issued with a view to identifying trends or instances of potential fraudulent activity.	The Head of Customer Management will work with Parking Services to ensure that the Trainers in Derby Direct receive regular updates from Parking Services on the full range of parking schemes in operation in the city. Customer Service Advisors will then receive regular training reviews to ensure they are up to speed with all parking schemes Action Date: 1/7/2018



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Department Name	DCC Communities & Place
Job Name	Markets
Job Ref	3040
Assurance	Limited

Rec No	Responsible Officer	Rec Rating	Control Issue	Recommendation	Management Agreed Actions
1	Markets Manager	Moderate Risk	The Council did not have a clearly defined and approved charging policy for the markets it operates, and fees and charges for markets had not been subject to annual review and approval.	We recommend that, in compliance with Financial Procedure Rules, the fees and charges applicable and discounts available to all the markets operated by the Council should be clearly defined and documented in a charging policy, and this should be subject to documented annual review and approval as part of the budget setting process. In addition, any deviance from the charging policy should require written approval from the Director of Finance.	The Markets Service will commit to undertake a review of all charges and draft an appropriate charging policy and clear process for both the Council and traders to follow. Annual reviews will take place and any revisions will follow the appropriate process as recommended. Action Date: 27/7/2018
6	Admin and Finance Manager	Moderate Risk	No reconciliation was being undertaken by the Markets Team to ensure that all income collected had been correctly accounted for.	We recommend that a monthly reconciliation should be undertaken between the income records for the Markets, and the relevant Markets Income Accounts on the general ledger.	Implemented A review will be carried out on current reconciliation processes and a new monthly reconciliation process introduced so that income is correctly accounted for.
10	Markets Manager	Significant Risk	Market Trader arrears were not being monitored and action had not been taken to recover money owed or to repossess the stall.	We recommend that swift action should be taken against market traders falling into arrears, in accordance with the markets debt management policy. A monthly meeting should take place between Markets staff and senior officers from the Accounts Receivable and Legal teams to monitor the arrears of market traders, and co-ordinate debt recovery actions. All the outstanding debts recorded on the Oracle system should be reviewed, and the appropriate course of action be considered for each one. Copies of reminder letters should be retained within the relevant traders information records.	An arrears process is being followed and arrears are now monitored on a weekly basis ensuring swift action is taken against traders with arrears. Monthly meetings will be held with Accounts and Legal to monitor and co-ordinate actions to recover debts. Copies of reminder letters are already kept on electronic trader files. Action Date: 31/5/2018



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Rec No	Responsible Officer	Rec Rating	Control Issue	Recommendation	Management Agreed Actions
13	Markets Manager	Moderate Risk	Appropriate registration documentation was not held for persons trading on the Markets.	We recommend that a standard registration form be used for signing up casual traders who uses any of the markets operated by the Council. This should allow for the collection of basic contact information, checking proof of identity, proof of legal right to work and remain in the UK and also provide documented agreement by the trader to abide by market terms and conditions. The form should also include a clause which allows the Council to share information with other Council departments, the Police Service, HM Revenues and Customs, and the UK Border Agency as part of any consultation process, or as part of any information sharing process between them and those bodies.	New market terms and conditions are being developed and will be included as part of a new trader application pack. The application form will include a clause to allow information sharing as recommended. Action Date: 30/6/2018
16	Markets Manager	Moderate Risk	At Allenton Market, multiple receipt books were in use at the same time, which could allow fraud to be committed without detection.	We recommend that only one receipt book is used at any one time for the recording of income collected from Allenton Market.	One receipt book will be used for all the market days at Allenton. This will detail traders attending, stall number and fees due. Action Date: 30/6/2018

Department Name	DCC Corporate Resources
Job Name	CCTV Management Arrangements
Job Ref	3051
Assurance	Reasonable

Rec No	Responsible Officer	Rec Rating	Control Issue	Recommendation	Management Agreed Actions
2	Network Management Group Manager	Moderate Risk	CCTV had been installed on the basis of information collected 15-25 years ago, meaning the defined problem that CCTV was installed to address may no longer exist.	We recommend that the Council undertakes an annual review of the positioning of all CCTV under their jurisdiction to ensure that it is positioned in the most effective position in order to respond to a specified problem.	We will do a quick review along with the privacy impact assessment, as I suspect that the review of car park facilities could be a medium term project. Action Date: 30/9/2018
4	Network Management Group Manager	Moderate Risk	A Privacy Impact Assessment to establish potential impact on individuals' privacy had not been undertaken for both the CCTV within the Council House and at Derby City Council surface area car parks.	We recommend that management complete a Privacy Impact Assessment form for all CCTV within the Council house and within Derby City Council surface area car parks and submit this to Information Governance Team so as to conform to Council policy and ICO best practice.	The Facilities Manager completed a PIA during the audit for council house CCTV. Review for surface level car parks to be carried out and submitted by September 2018. Action Date: 30/9/2018



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Rec No	Responsible Officer	Rec Rating	Control Issue	Recommendation	Management Agreed Actions
5	Network Management Group Manager	Significant Risk	The footage produced by some of the cameras in use in the Council House vicinity were found to be of a poor quality and the CCTV equipment in use across surface area car parks in the City did not produce a picture of a satisfactory quality and was therefore deemed not fit for purpose.	We recommend that the Council: <ul style="list-style-type: none"> • undertakes a cost/benefit analysis for ensuring that footage from all CCTV that is in use in and around the Council House is of an adequate quality to fulfil its purpose and • consider appropriate action to improve the picture quality of the CCTV equipment in use in the surface area car parks around the city 	Regarding Council House CCTV, this issue has been logged on the Property Maintenance Portal. Property Maintenance are responsible for the maintenance, upkeep and replacement of cameras. A request has been sent to PM to undertake a cost benefit analysis regarding improvement in camera footage quality. Regarding surface level car parks CCTV, the Council is currently working with other teams as part of major studies into retail and development of the city centre. This may lead to changes to surface car parks and the way they operate. As part of the review of surface car parks security will need to be revised. Action Date: 30/9/2018

Department Name	DCC Corporate Resources
Job Name	CM2000 Social Care Rostering System
Job Ref	2997
Assurance	Reasonable

Rec No	Responsible Officer	Rec Rating	Control Issue	Recommendation	Management Agreed Actions
1	Head of ISS	Moderate Risk	The audit logs produced by CM2000 did not provide any evidence of who had viewed a record of a client.	We recommend that management looks into building in an Audit Log system that can track who has viewed a specific record.	The CM2000 Group IT Security & Services Manager has made the following comment.... "CM2000 provides the ability to audit who has logged onto a system, and what changes they make but does not audit 'view' activity at the record level. Only authorised users with appropriate accounts and permissions can view records, allowing record level access to be tightly controlled". RISK ACCEPTED
2	Head of ISS	Moderate Risk	The password system within CM2000 only requires users to have a 4 character password, this is not in line with DCC password policy.	We recommend that management reviews the practicalities of enforcing DCCs password policy within CM2000 of having a minimum of 8 characters including uppercase, lowercase, base 10 digits and if possible a non-alphanumeric character.	Implemented The CM2000 system can have a password policy the same as DCC's password policy. This new format will be implemented.



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Rec No	Responsible Officer	Rec Rating	Control Issue	Recommendation	Management Agreed Actions
3	Head of ISS	Moderate Risk	The password policy within CM2000 application did not require user passwords to expire after a set period of time.	We recommend the CM2000 System should follow the DCC Password Policy of having a maximum password age of 90 days.	Implemented The CM2000 system can have a password policy the same as DCC's password policy. This new format will be implemented.
5	Head of ISS	Moderate Risk	Staff access to the public facing CM2000 application, was not enforcing 2-factor authentication. This provides less security to the application and more vulnerabilities.	We recommend that management reviews the practicalities of enforcing 2-factor authentication for staff access to the public facing CM2000 System.	To review the practicalities of enforcing 2-factor authentication for staff access to the CM2000 application. Action Date: 31/5/2018

Department Name	DCC Corporate Resources
Job Name	Key Financial Systems-High level Controls on Revenues & Debtors
Job Ref	3072
Assurance	Reasonable

Rec No	Responsible Officer	Rec Rating	Control Issue	Recommendation	Management Agreed Actions
2	Council Tax Team Leader	Moderate Risk	There were no reconciliations being undertaken of the new and amended properties between the Local Land and Property Gazetter management and Academy Council Tax systems.	We recommend that in view of the Council's Geographical Information Systems Strategy the potential to integrate the Local Land and Property Gazetter management and the Academy Council Tax systems should be explored. In the interim we recommend that 6 monthly reconciliations are performed to verify the Local Land and Property Gazetter management system agrees with the Academy Council Tax system. A record of the reconciliation undertaken should be produced, which is signed and dated by the officer undertaking the reconciliation and counter-signed and dated by another senior officer who checks that the reconciliations have been properly undertaken in a timely manner.	Implemented It is acknowledged that there is work to do to fully reconcile. There is functionality that has been purchased that should reconcile Capita Advantage with LLPG however this will not be looked at this financial year due to other work priorities. There is an ongoing weekly task where any new properties are reconciled.
3	Local Taxation Manager	Moderate Risk	Audit testing showed that there was no evidence or supporting notes on the taxpayer's account to confirm eligibility for awarding Single Person discount.	We recommend that when a discount or exemption is applied to an account, the relevant documentation is scanned to the electronic document management system (anite@work) is made within the notebook facility to evidence the checks performed and confirm the entitlement.	Implemented Process is that notes on Capita Advantage or documents in Anite@work provide information as to why relief granted. An email will be sent to staff to remind them of the process.



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Rec No	Responsible Officer	Rec Rating	Control Issue	Recommendation	Management Agreed Actions
4	Council Tax Team Leader	Moderate Risk	There were no checks being undertaken of planning applications or the Local Land and Property Gazetter management system to identify new and amended properties, for input to the Academy Non Domestic Rates systems.	We recommend that in view of the Council's Geographical Information Systems Strategy the potential to integrate the Local Land and Property Gazetter management and the Academy Non Domestic Rates systems should be explored. In the interim we recommend that 6 monthly reconciliations are performed to verify the Local Land and Property Gazetter management system agrees with the Academy Non Domestic Rates system. A record of the reconciliation undertaken should be produced, which is signed and dated by the officer undertaking the reconciliation and counter-signed and dated by another senior officer who checks that the reconciliations have been properly undertaken in a timely manner	Implemented It is acknowledged that there is work to do to fully reconcile. LLPG team are 2/3rds of their way through data matching NNDR records to the LLPG compliant address. Whilst addresses will not be changed on the Advantage a property will be linked to the official LLPG UPRN. There is functionality that has been purchased that should reconcile Capita Advantage with LLPG however this will not be looked at this financial year due to other work priorities. However, there is an ongoing weekly task where any new properties are reconciled.
7	Local Taxation Manager	Moderate Risk	The relevant evidence and supporting notes to validate eligibility for the Non Domestic Rates relief discount awarded was not adequately recorded and scanned against the business account on the electronic document management system (anite@work).	We recommend that all supporting documents that evidenced eligibility for relief are scanned against the relevant account number on the electronic document management system (anite@work) and that the account notes are appropriately updated.	Implemented Process is that notes on Capita Advantage or documents in Anite@work provide information as to why relief granted. An email will be sent to staff to remind them of the process.

Department Name	DCC Corporate Resources
Job Name	Procurement Monitoring
Job Ref	2897
Assurance	Reasonable

Rec No	Responsible Officer	Rec Rating	Control Issue	Recommendation	Management Agreed Actions
1	Category Manager - People	Moderate Risk	There was no evidence of formal termination of the contract prior to release of the final payment and the responsible manager was not aware of the Central Government timeline for ending of project funding.	We recommend that the Head of Procurement and Contracting should ensure that agenda items on Departmental Management Team meetings include actions to be taken in respect of expiring contracts and requirement to liaise with Procurement and Contracting accordingly.	The quarterly DMT report includes a review of contracts about to expire. Quarterly reports across all directorates should be in place by July 2018 Action Date: 1/7/2018



Department Name	DCC Corporate Resources
Job Name	Revenues Write-offs
Job Ref	3005
Assurance	Reasonable

Rec No	Responsible Officer	Rec Rating	Control Issue	Recommendation	Management Agreed Actions
2	Team Leader - Accounts Receivable	Moderate Risk	A regular process of debt review was not in operation for business rates or sundry debts.	We recommend that a regular process of debt review should be developed for business rates and sundry debts, following which proposals for write offs should be put forward.	AR – The AR team will issue instructions, via the appropriate Heads of Finance, the need to review debts and put appropriate debts for write off. The updated reports will enable this. NNDR – to produce write off identification procedure notes and ensure carried out on a monthly basis Action Date: 1/6/2018
3	Team Leader - Accounts Receivable	Moderate Risk	Aged sundry debts were not consistently being put forward for write off by the relevant service area.	We recommend that the service areas are instructed to review their aged debts and put any unrecoverable debts forward for write off on a regular basis.	Implemented The AR team will issue instructions, via the appropriate Heads of Finance, the need to review aged debts and put appropriate debts for write off.
8	Team Leader - Accounts Receivable	Moderate Risk	There was no evidence retained to confirm that a reconciliation between write-offs requested and write-offs processed had taken place.	We recommend that evidence is retained of the reconciliation performed between write-offs identified and write-offs processed.	Reconciliations are retained- however a balancing statement/signature will be added. Action Date: 1/5/2018



Department Name	DCC People Services
Job Name	Direct Payments - Mental Health
Job Ref	2968
Assurance	Reasonable

Rec No	Responsible Officer	Rec Rating	Control Issue	Recommendation	Management Agreed Actions
6	Homecare & Charging Team Manager	Moderate Risk	The Homecare Charging Team were not monitoring balances held in customers' bank accounts, resulting in accumulation of funds in the accounts, with balances exceeding the permitted limit and no efforts were being made to reclaim the unused balances.	We recommend that the process for monitoring and reclaiming surplus balances retained in a customer's bank account is reviewed. We suggest risk assessing the customer base and that priority is given to obtaining and checking the bank accounts with large balances for customers with mental health care needs.	<p>2016 introduced significant changes in the HCCT which included the Senior Finance Officer going on maternity leave and the introduction of a new finance system. Monitoring was placed as a low priority and therefore customers and social workers were not informed. 2017 introduced more staff and the return of the Senior Finance Officer who managed the direct payment scheme. The team are up to date with monitoring as this now forms part of the Finance Officers tasks on a three monthly basis. The YACU project will see the introduction of pre-paid cards which will replace the need to chase bank statements and monitoring forms. The will no longer be a reliance on the customer to submit information. The use of pre-paid load will eliminate this risk.</p> <p>Action Date: 30/11/2018</p>
7	Homecare & Charging Team Manager	Moderate Risk	The Homecare Charging team were not monitoring and investigating instances of failure by customers to complete and submit the quarterly income and spending forms and copies of bank statements.	We recommend that the process for logging and monitoring Income and spending forms and bank statements is reviewed to help target resources to checking and investigating non - returns for those customers rated to be at a higher risk. We suggest priority be given to customers receiving direct payments with mental health care issues which are not managed by a third party care provider.	<p>2016 introduced significant changes in the Home Care Charging team which included the Senior Finance Officer going on maternity leave and the introduction of a new finance system. Monitoring was placed as a low priority and therefore customers and social workers were not informed. 2017 introduced more staff and the return of the Senior Finance Officer who managed the direct payment scheme. The team are up to date with monitoring as this now forms part of the Finance Officers tasks on a three monthly basis. The YACU project will see the introduction of pre-paid cards which will replace the need to chase bank statements and monitoring forms. There will no longer be</p>



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a reliance on the customer to submit information. The use of pre-paid load will eliminate this risk. All customers will be subject to monitoring and not just those with mental health care issues

Action Date: 30/11/2018

Department Name	DCC People Services
Job Name	Payment of Adoption Allowances
Job Ref	3093
Assurance	Reasonable

Rec No	Responsible Officer	Rec Rating	Control Issue	Recommendation	Management Agreed Actions
2	Casework Support Officer	Moderate Risk	Individual financial assessments were not being properly completed and supporting documents for calculating special guardianship allowance were not being obtained.	We recommend that a financial assessment is properly completed for each individual child, to calculate the special guardianship allowance and that the supporting documents necessary to verify income and expenditure are obtained and filed to ensure a robust audit trail.	Community Care Charging & Support Team Senior Finance Officer will confirm this in an email to the relevant people. Action Date: 31/5/2018
4	Homecare & Charging Team Manager	Moderate Risk	The Accountancy team were not undertaking an annual financial assessment review as was required by the Special Guardianship Orders and Support Scheme.	We recommend that an annual financial assessment review is completed in accordance with the Special Guardianship Orders and Support Scheme to determine that the weekly payment of the special guardianship is still appropriate and consistent with legislation and departmental policy. We suggest the review is timetabled to help ensure it is undertaken in a timely manner.	Community Care Charging & Support Team Senior Finance Officer has met with Children's Practitioner who is taking the lead on reviewing carer's whose rates had not been updated annually. The Children's Practitioner is targeting carer's who have failed to respond to earlier requests to make contact with the Department. Action Date: 31/7/2018
6	Homecare & Charging Team Manager	Moderate Risk	Access permissions to documents relevant to the financial assessments for calculating the special guardianship allowances were not properly restricted and could be accessed by members of staff with no involvement in undertaking the assessment process.	We recommend that access to the financial assessments for calculating the special guardianship allowances should be appropriately restricted. A record of all network access change requests and confirmations should be retained to complete a management trail. We would also suggest that a check on access to the network should be performed at least annually.	Community Care Charging & Support Team Senior Finance Officer stored documents onto a shared folder during a period of absence over 3 weeks. This has not happened again. The documents are to be transferred to LCS using open text – as described above. It is accepted that documents will not be saved to a shared drive or folder with no access permissions Action Date: 30/6/2018



Department Name	DCC Communities & Place
Job Name	Connect Derby - Rents
Job Ref	3089
Assurance	Reasonable

Rec No	Responsible Officer	Rec Rating	Control Issue	Recommendation	Management Agreed Actions
5	Connect Project Support Worker	Moderate Risk	Credit memos raised by Connect Derby were not always being documented on their "Reasons for raising credit memo" record and there was no requirement for a second check on credit memos raised in Oracle Accounts Receivable.	We recommend that the record of credit memos maintained by Connect Derby containing reasons for raising is reconciled periodically to the AR06 Credit Memos report for completeness and this is checked by an independent officer. Both officers should sign and date the document to evidence their involvement.	Implemented A spreadsheet is being kept with all credit memos on it with description for cause of credit.

Department Name	DCC School Assessments
Job Name	Portway Junior School SFVS
Job Ref	3013
Assurance	Reasonable

Rec No	Responsible Officer	Rec Rating	Control Issue	Recommendation	Management Agreed Actions
3	Head teacher	Moderate Risk	The Contract Procedure Rules documented in the schools Standing Orders was not in accordance with the School's Contract Procedure Rules provided by Derby County Council. There is a risk that the incorrect tendering procedures could be followed when the School is purchasing goods and services.	We recommend that the School's Contract Procedure Rules are amended to ensure that the documented procurement policy is in line with the Schools Contract Procedure Rules provided by Derby County Council.	Implemented
4	School Business Manager	Moderate Risk	The School could not demonstrate that quotes had been obtained and price comparisons formally recorded for all purchases between 5k and 30k. There is a risk that the School may not be obtaining value for money or making purchases in compliance with the Schools Financial Regulations.	We recommend that the School ensure that a minimum of 3 quotes are obtained for all purchases between 5k and 30k and that such evidence be held on file. There is a risk that the School may not be obtaining value for money or making purchases in compliance with the Schools Financial Regulations.	Implemented