

central midlands audit partnership

# Derby City Council – Audit Progress Report

Audit & Accounts Committee: 29<sup>th</sup> July 2020



Derby City Council



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## Our Vision

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

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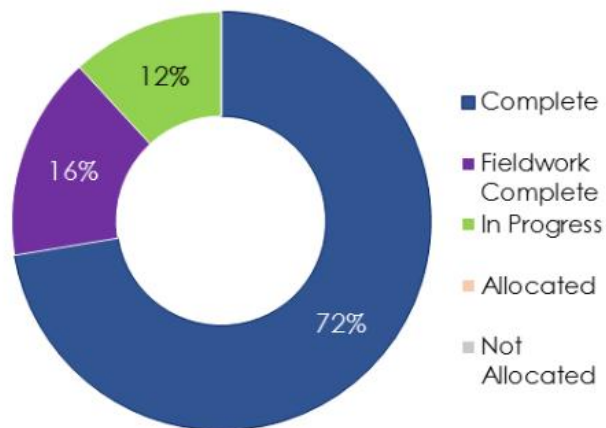
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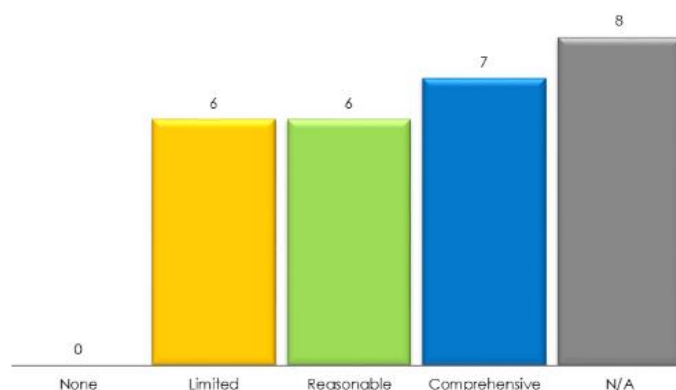
### AUDIT DASHBOARD

#### Plan Progress



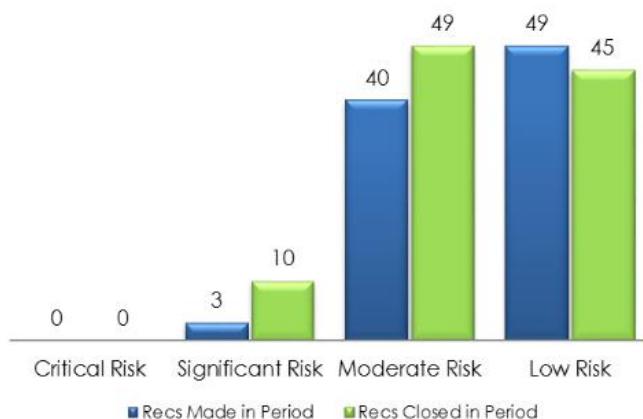
#### Jobs Completed in Period

Control Assurance Ratings During Period



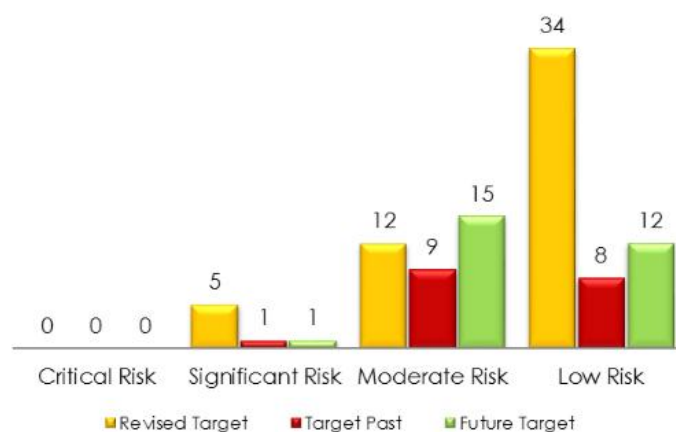
#### Recommendations

Movement During Period



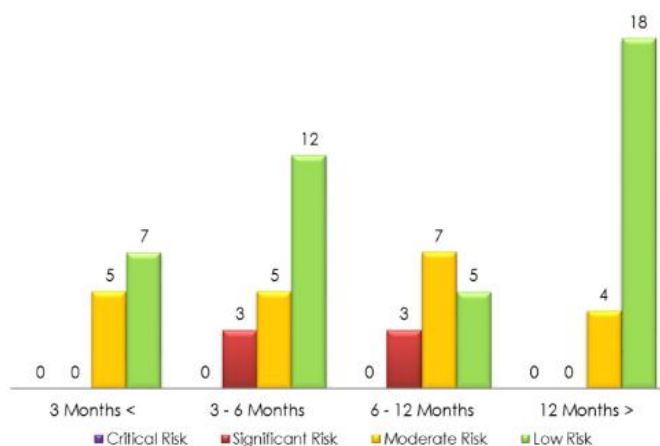
#### Recommendations

Recommendations Currently Open



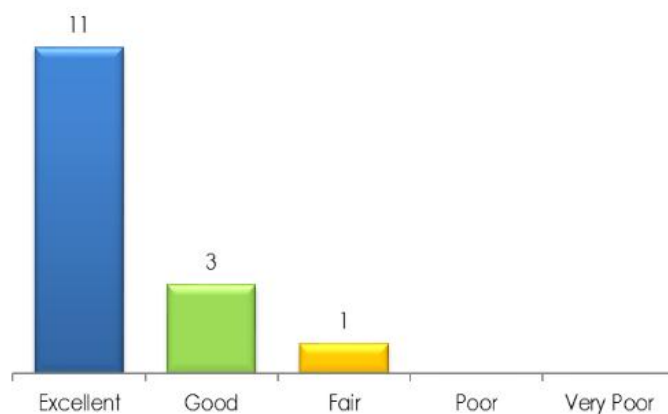
#### Recommendations

Overdue Recommendations



#### Customer Satisfaction

Customer Satisfaction Scores Jul 19 to Jun 20



## Derby City Council – Audit Progress Report

## AUDIT PLAN

## Progress on 2019/20 Audit Assignments

The following table provide Audit and Accounts Committee with information on how ongoing audit assignments were progressing as at 30<sup>th</sup> June 2020.

2019-20 Jobs	Status	% Complete	Assurance Rating
<b>Corporate Core</b>			
Risk Management Strategy & Process	In Progress	75%	
Programme Management Office	Final Report	100%	Reasonable
A52 Corporate - Follow Up	Draft Report	95%	
<b>Peoples</b>			
Billing for Home Care	Final Report	100%	Reasonable
<del>Adult Social Care – Budget Management</del>	<del>Removed From Plan</del>	<del>0%</del>	
Deprivation of Liberty	Final Report	100%	Limited
Adult Learning Service - Cultural Change	Draft Report	95%	
Payments for Children's Social Care	Final Report	100%	Limited
Special Educational Needs - Action Plan	Draft Report	95%	
<del>Phase 2 of Controcc Implementation</del>	<del>Removed From Plan</del>		
<del>SEND Placement Contract Monitoring</del>	<del>Removed From Plan</del>		
Translation Services - Follow Up	Draft Report	95%	
NHS - IT Toolkit	Final Report	100%	Reasonable
Peoples - Scheme of Delegation	Final Report	100%	Limited
Peoples - Risk Management	In Progress	75%	
<del>Domiciliary Care Contract Monitoring</del>	<del>Removed From Plan</del>		
Primary School Investigation	Complete	100%	N/A
<b>Corporate Resources</b>			
Grant Certification Work 2019-20	Complete	100%	N/A
Main Accounting	Final Report	100%	Comprehensive
Treasury Management	Final Report	100%	Comprehensive
Taxation	Final Report	100%	Comprehensive
<del>Housing Benefits &amp; Council Tax Support</del>	<del>Removed From Plan</del>		
Welfare Reform Reserve	Final Report	100%	Comprehensive
<del>NDR and Council Tax 2019-20</del>	<del>Removed From Plan</del>		
Debt Recovery	Draft Report	95%	
Creditors	In Progress	75%	
HR Strategy - Project	Final Report	100%	N/A
Attendance Management-First Care	In Progress	50%	
Agency Spend and Contract Monitoring	Final Report	100%	Reasonable
<del>Procurement Cards</del>	<del>Removed From Plan</del>	<del>20%</del>	
CMIS – Information Security	Final Report	100%	N/A
<del>Property Valuations</del>	<del>Removed From Plan</del>	<del>15%</del>	
Records Management Policy	Final Report	100%	N/A
SIRO / Caldicott Guardian	Final Report	100%	Reasonable
Digital Channels - Terminal4	Final Report	100%	Limited
Digital Channels - Firmstep	Final Report	100%	Reasonable
Database Servers	Complete	100%	N/A
Domain Accounts	Final Report	100%	Reasonable

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Mailbox Security	Final Report	100%	Limited
IKEN System Security - Follow Up	Final Report	100%	Limited
Home Drive Security	Final Report	100%	Limited
Backups	In Progress	50%	
Parking Permit System	Fieldwork Complete	90%	
Corporate Resources - Scheme of Delegation	Draft Report	95%	
Corporate Resources - Risk Management	In Progress	75%	
Commercial & Industrial Products Contract Monitoring	Final Report	100%	Comprehensive
Coroner's Service	Final Report	100%	Limited
<b>Communities &amp; Place</b>			
New Swimming Pool Complex - Contract Mgmt	Final Report	100%	Comprehensive
BREXIT Planning	Final Report	100%	Comprehensive
Bereavement Services	Final Report	100%	Limited
Street Lighting PFI	Removed From Plan	0%	
Sinfin Waste Plant	Started	5%	
s38 Agreements/s278 works - 1980 Highways Act	Final Report	100%	N/A
Highways Code of Practice - Road Defects	Final Report	100%	N/A
Parking Services – Cashless Payments	Final Report	100%	N/A
Bus Station – Processes & Procedures	Draft Report	95%	
A52 Scheme - Follow Up	In Progress	70%	
Planning Application Process	Final Report	100%	Comprehensive
Home to School Transport	Final Report	100%	Limited
External Funding- Vetting prior to award of funds	Final Report	100%	Reasonable
Assembly Rooms - Contract Management	Report Superseded	100%	N/A
Market Hall Refurbishment	Draft Report	95%	
Our City Our River - Contract Management	In Progress	60%	
Communities & Place - Scheme of Delegation	Draft Report	95%	
Communities & Place - Risk Management	In Progress	75%	
Planning Application	Complete	100%	N/A
Catering 2019-20	Final Report	100%	Limited
Derby Arena Car Parks	Draft Report	95%	
<b>Schools</b>			
Schools SFVS	Final Report	100%	Reasonable

B/Fwd Jobs	Status	% Complete	Assurance Rating
<b>Peoples</b>			
Local Area Co-Ordination	Final Report	100%	Reasonable
Corporate Parenting - PEP monitoring	Final Report	100%	Reasonable
<del>Social Care - Prevention &amp; Early Intervention</del>	Removed From Plan	10%	
Children Sexual Exploitation Prevention Strategy	Final Report	100%	Reasonable
<b>Corporate Resources</b>			
Payroll	Final Report	100%	Reasonable
Key financial systems - GL interfaces	Complete	100%	N/A
Fixed Assets 2018-19	Draft Report	95%	
Creditors Accounts Payable	Final Report	100%	Reasonable
Grant Certification Work	Final Report	100%	Comprehensive
Document Management/Network printing	Final Report	100%	Reasonable
Liquid Logic/Servlec Follow-up	Final Report	100%	Reasonable
People Management 2017-18	Final Report	100%	Reasonable

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CCTV - Access Control	Final Report	100%	Limited
Public Utilities Management	Final Report	100%	Limited
<b>Communities &amp; Place</b>			
Planning and Development Control	Final Report	100%	Comprehensive
Taxi Licensing	Final Report	100%	Comprehensive
A52 - Project overspend - Systems Weaknesses	Final Report	100%	None
<b>Schools</b>			
Schools SFVS self Assessment 2018/19	Final Report	100%	Reasonable

### 2019/20 Audit Plan Changes

A number of changes have been made to the plan since the last update report:

#### People Services:

- Adult's Social Care – Budget Management – removed from plan as level of assurance has been gained through other audit work and third party assurance.
- Social Care - Prevention & Early Intervention – it has previously been reported that this audit was "On hold – awaiting update from Head of Service". This was a 2018/19 brought forward audit and is not an essential audit for my opinion work.
- Phase 2 of Controcc Implementation – Removed from plan – sufficient coverage to support overall opinion work within other audits. Also audit impacted on by COVID-19 pandemic.
- SEND Placement Contract Monitoring – Audit postponed due to pressures on staff due to COVID-19 pandemic. To be picked up in 2020/21.
- Domiciliary Care Contract Monitoring – Following initial work, it was found that a re-structure of the team was occurring which impacted on the scope of our audit review. it was decided to close this audit and start a new review in 2020/21 once the new structure has been embedded.

#### Corporate Resources:

- Parking Services System – an IT audit review was requested of the new system by the Head of Transformation and Business Applications.
- Housing Benefits & Council Tax Support – Assurance provided from conversation with Head of Revenues, Benefits & Exchequer Services regarding changes in processes etc and no issues having been identified in previous audit work on this area in 2018/19.
- NNDR and Council Tax 2019-20 - Assurance provided from other audit work on the automated and manual processes in place for recovering Council Tax and Business Rates, specifically including the setting and management of recovery suppression.
- Procurement Cards – Audit was cancelled due to on-going problems with the provider which impacted on the information available for testing. The audit will be re-scheduled when the department/provider have resolved the issues.
- CMIS – Information Security – additional audit work - an issue was identified during the SIRO/Caldicott Guardian audit review that resulted in a need for officers to be reminded to use the correct process to exempt reports.
- Property Valuations (Insurance) – Audit re-scheduled due to key contact leaving the Council and delay in finding a replacement.

#### Communities & Place:

- Street Lighting PFI – removed from the plan due to internal review.



## Derby City Council – Audit Progress Report

## AUDIT COVERAGE

## Completed Audit Assignments

Between 29<sup>th</sup> January 2020 and 30<sup>th</sup> June 2020, the following audit assignments have been finalised since the last Progress Report was presented to this Committee.

Audit Assignments Completed in Period	Assurance Rating	Recommendations Made				% Recs Closed
		Critical Risk	Significant Risk	Moderate Risk	Low Risk	
Mailbox Security	Limited		1			100%
Payments for Children's Social Care	Limited			4	6	90%
Digital Channels - TerminalFour	Limited		1	2	7	90%
IKEN System Security - Follow Up	Limited			5	3	100%
Home Drive Security	Limited			4	2	50%
Home to School Transport	Limited		1	5	1	0%
Digital Channels - Firmstep	Reasonable			4	7	64%
Domain Accounts	Reasonable			2	2	50%
Agency Spend and Contract Monitoring	Reasonable			4		25%
SIRO/Caldicott Guardian	Reasonable			1	1	0%
Billing For Home Care	Reasonable			2	4	17%
NHS - IT Toolkit	Reasonable			1		0%
Schools SFVS 2019-20	Reasonable					n/a
Treasury Management 2019-20	Comprehensive				2	100%
Welfare Reform Reserve	Comprehensive				2	0%
Brexit Planning	Comprehensive				2	100%
Main Accounting 2019-20	Comprehensive				1	0%
Taxation	Comprehensive				4	50%
Planning Application Process	Comprehensive				1	100%
New Swimming Pool Contract Mgmt	Comprehensive			1	1	100%
Assembly Rooms - Project Management *	N/A					n/a
Grant Certification Work 2019-20	N/A					n/a
Highways Code of Practice - Road Defects	N/A			2		100%
CMIS - Information Security	N/A				1	100%
HR Strategy - Project	N/A					n/a
File Server Security Risk	N/A			2	1	33%
Back Up Files - Follow Up	N/A			1		100%
s38 Agreements/s278 works	N/A				1	0%

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 has 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.

\* Assembly Rooms - Project Management – Audit Superseded

Due to the interdependency between the Council's completed audit and the analysis within the Faithful and Gould review, the Head of Internal Audit would consider if there is any need for further audit work or additional recommendations to the audit report. Following the announcement that plans have been drawn up for a new events venue in Derby's Becketwell area and that the former Assembly Rooms site will be cleared and redeveloped, the audit work has now been deemed as "superseded". The issues raised within the audit have been communicated to the relevant Service Director to inform future project management.

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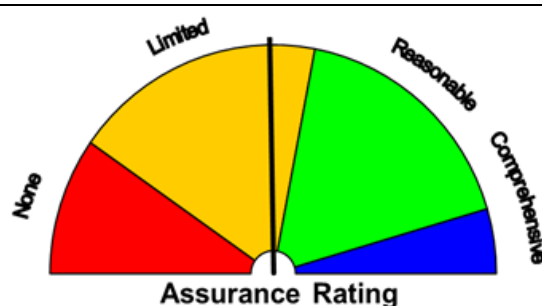
## Mailbox Security (Assurance Rating: Limited)

During the preliminary testing for the Mailbox Security review, we identified a number of data protection risks and made a recommendation to resolve an issue which was considered to pose a significant risk to the Council. We found that whilst analysing the security configuration of internal email servers, that specific file shares were exposing PST copies of sensitive mailboxes to all user access. This included mailboxes which would collect personal and sensitive information that should have only been accessible to authorised officers in line with data protection principles. By the close of the audit, management had resolved the issue and the files identified had been deleted. Management had reviewed their process and updated staff on how to set permissions appropriately in future. It was felt that as part of the migration to O365 such issues would become less frequent.

Summary of Weakness	Risk Rating	Agreed Action Date
PST copies of sensitive mailboxes including those relating to safeguarding and CYP services were accessible to all users of the network.	Significant Risk	Implemented

## Payments for Children's Social Care

Note: A new system is due to be implemented in April 2020.



Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
There are policies and procedures in place which ensured a standard and consistent approach for providing financial assistance to support Children in Need.	5	0	2	3
There are robust arrangements in place for monitoring and managing the financial assistance provided to support Children in Need.	5	0	4	1
<b>TOTALS</b>	<b>10</b>	<b>0</b>	<b>6</b>	<b>4</b>

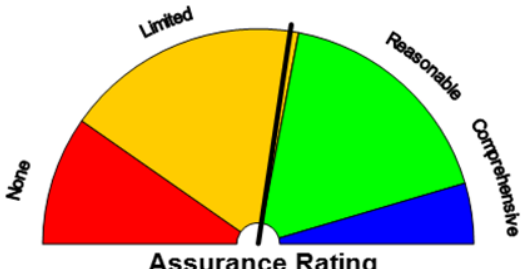
  

Summary of Weakness	Risk Rating	Agreed Action Date
The Council did not have a policy document in place that clearly explained the framework of it's corporate approach to providing the financial support to children registered as being 'in need' and meeting its statutory obligations.	Low Risk	01/05/2020 Implemented
There were no procedural guidelines that provided detailed instructions on the Council's processes for administering payments eligible under Section 17 of the Children Act 1989.	Low Risk	01/05/2020 Implemented
There was not a consistent payment method being used to process payments made under Section 17 of the Children Act 1989.	Low Risk	01/05/2020 Implemented
There was not a formally documented local scheme of financial delegation made widely available to clearly show the limits and tiers of approval required for approving payments made under the Children Act 1989 for Children in Need and care leavers.	Low Risk	01/05/2020 Implemented
Budget management and controlling levels of spend was not restricted to a designated team of officers.	Moderate Risk	01/05/2020 Implemented
Payments made under section 17 were charged across various cost centres to subjective code G5001 (Assistance to Families) but the budget in its entirety was not managed by a designated lead officer.	Low Risk	01/05/2020 Implemented



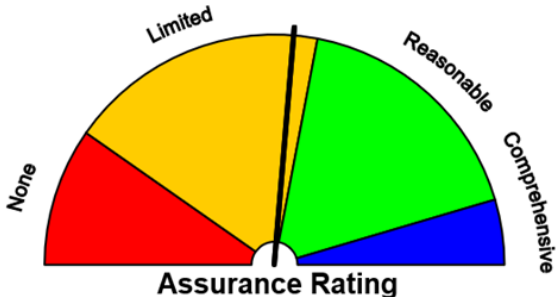
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The payments made under section 17 were charged to subjective code G5001 (Assistance to Families) across various cost centres of which some had no budget provision resulting in a fragmented approach to budget management.	Moderate Risk	01/05/2020 Implemented
A system generated report could not be easily produced to show the total costs associated with each individual child receiving financial support from social services.	Moderate Risk	01/05/2020 Implemented
There was not a standard management report that was produced to update the Strategic Director and Service Directors on the overall plan of action and progress made to effectively manage and control the level of spend incurred under the requirements of section 17.	Low Risk	01/05/2020 Implemented
There was a lack of robust contract monitoring arrangements to assist the budget management process and ensure service delivery and charges were in accordance with the agreed terms and conditions of the contract and the Council was achieving best value.	Moderate Risk	31/07/2020 Future Action

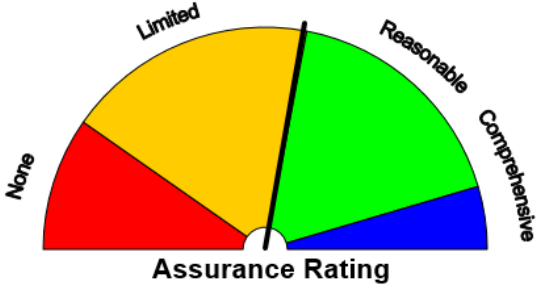
Digital Channels - TerminalFour				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Ensure the configuration and management of all server side components for the CMS (terminalfour) aligns with best practice.	20	8	0	12
Ensure the security, management and overall administration of the production CMS (terminalfour) aligns with recognised best practices.	12	4	0	8
<b>TOTALS</b>	<b>32</b>	<b>12</b>	<b>0</b>	<b>20</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
A number of server side components in the systems supporting architecture were either unsupported or missing recent security updates.		Moderate Risk	Implemented	
Local administrator group membership had not been appropriately restricted on the production application and database servers associated with the system.		Low Risk	31/03/2020 Being Implemented 31/07/2020	
Not all SYADMIN access on the live CMS database server could be justified.		Low Risk	31/03/2020 Implemented	
Not all SQL Server authentication accounts with access to the database server which hosted the CMS database had been assigned complex passwords.		Low Risk	Implemented	
Some administrator and moderator accounts in the CMS had easily guessable passwords.		Moderate Risk	28/02/2020 Implemented	
Basic password management policies for the CMS had not been enabled, and in general the limited features available were insufficient from a security perspective.		Low Risk	30/04/2020 Implemented	
A significant number of accounts (29) had been assigned administrator permissions. Similarly, over 100 active accounts had been granted the 2nd tier of authority, moderator permissions.		Low Risk	31/03/2020 Implemented	
An officer who had left the Council 'months earlier' still had an enabled Active Directory account and an active terminalfour (CMS) account, raising concerns around the de-		Low Risk	Implemented	

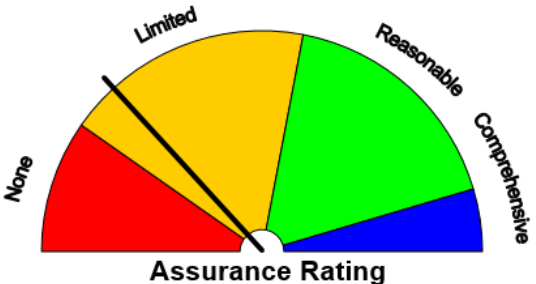
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provisioning processes in operation within the Council.		
The permissions model of the existing version of the CMS did not allow for segregating of permissions per website, which did not align with access management best practices.	Low Risk	30/04/2020 Implemented
Backups of the ContrOCC database were accessible to all users of the network, exposing thousands of records containing personal and sensitive information.	Significant Risk	Implemented

<h3>IKEN System Security - Follow Up</h3>				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Ensure the security and configuration of the IKEN database server(s) aligns with best practice.	18	10	0	8
Ensure legal data is restricted to only authorised officers on application servers and shared drives.	3	0	0	3
<b>TOTALS</b>	<b>21</b>	<b>10</b>	<b>0</b>	<b>11</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
Seven accounts did not require admin level access. Two of which left the third-party who maintain the Council's databases in November.		Moderate Risk	Implemented	
Four users had administrator permissions to the IKEN database, D-D-SQL-017-P, and three service accounts were suspected to no longer be required.		Low Risk	Implemented	
Four contractors still had access to the IKEN database backups after leaving.		Low Risk	Implemented	
Three legacy backup files exposing the structure of the database, and a .zip folder containing legacy copies of highly confidential safeguarding material were found, compromising the security of confidential data.		Moderate Risk	Implemented	
A number of shares on the IKEN database server were accessible to all users in the network.		Moderate Risk	30/04/2020 Implemented	
Five officers who did not have a business need to access the IKEN system had been granted access to it.		Low Risk	Implemented	
File permissions on the IKEN database server had not been appropriately configured, exposing highly sensitive documents to all users of the network.		Moderate Risk	31/03/2020 Implemented	
SYSADMIN accounts on the SQL Server which hosted test versions of the IKEN database had been assigned easily guessable and weak corresponding passwords.		Moderate Risk	31/03/2020 Implemented	

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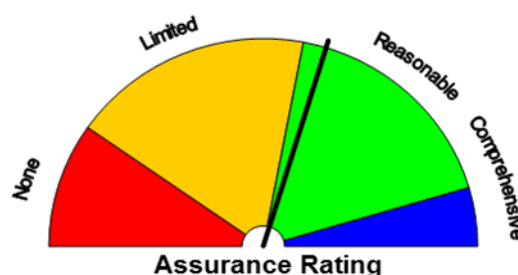
Home Drive Security	 <p>The pie chart shows the Assurance Rating for Home Drive Security. The segments are: None (red, 10%), Limited (yellow, 30%), Reasonable (green, 40%), and Comprehensive (blue, 20%). A needle points to the boundary between Limited and Reasonable.</p>			
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
To ensure Home Drives are managed and configured in line with policy and general best practice.	13	3	0	10
<b>TOTALS</b>	<b>13</b>	<b>3</b>	<b>0</b>	<b>10</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
Users were not complying with the acceptable usage expectation as stated in the IT Acceptable Use Policy for user home drives, including the storing of files that were non-work related.		Low Risk	31/12/2021 Future Action	
Leaver home drives were not removed alongside their Derby Active Directory account.		Moderate Risk	01/08/2020 Implemented	
Six out of 12 user accounts had unnecessary administrator level access to the home drive file servers DCC-FS-01 and DCC-FS-02.		Low Risk	Implemented	
3266 users had full control permission on their home drive.		Moderate Risk	01/08/2020 Future Action	
138 instances of globally accessible home drives, and global full control permissions of 11 of the 138 home drives in the HomeDrive1 folder.		Moderate Risk	01/08/2020 Future Action	
Ineffective capacity management procedures were in place on the home drive file servers.		Moderate Risk	01/07/2020 Implemented	

Home to School Transport	 <p>The pie chart shows the Assurance Rating for Home to School Transport. The segments are: None (red, 10%), Limited (yellow, 30%), Reasonable (green, 40%), and Comprehensive (blue, 20%). A needle points to the boundary between Limited and Reasonable.</p>			
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Adequacy of the procedures in relation to arranging of transportation.	4	1	2	1
Adequacy of the systems used for the monitoring and managing budgets.	5	1	3	1
Adequacy of DBS checks.	2	0	2	0
Adequacy of contracts and contract management.	3	1	2	0
<b>TOTALS</b>	<b>14</b>	<b>3</b>	<b>9</b>	<b>2</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
The Council did not have adequate policy and process documents in place.		Moderate Risk	31/12/2020	

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		Future Action
There were no structured processes to ensure all drivers and passenger assistants were subject to ongoing monitoring and review.	Significant Risk	30/09/2020
		Future Action
The system of financial governance for the home to school transport budget was inadequate resulting in significant budget overspends to have occurred in two consecutive years.	Moderate Risk	31/03/2021
		Future Action
The procurement of the Dynamic Purchasing System was not sufficiently planned; this had resulted in foreseeable delays occurring.	Low Risk	30/04/2021
		Future Action
The process for undertaking and recording of DBS checks was administratively weak and could be subject to legal challenge.	Moderate Risk	31/12/2020
		Future Action
Contracts for the provision of the home to school transport service were incomplete and had not been signed in accordance with the Contract Procedure Rules. In addition, contractors had failed to provide essential information.	Moderate Risk	31/12/2020
		Future Action
The contract register for the home to school transport service was incomplete and contained inaccuracies.	Moderate Risk	31/05/2021
		Future Action

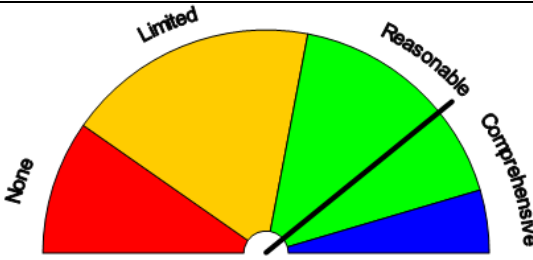
## Digital Channels - Firmstep



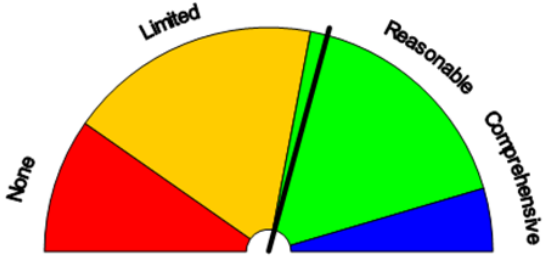
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Ensure the internal server side components of the Firmstep, including information captured by digital channels, is configured and secured in line with recognised best practices.	20	13	0	7
Ensure the configuration of the Firmstep is configured and secured in line with recognised best practices.	20	4	0	16
Ensure that personal and sensitive data captured by the Firmstep application and stored at the hosts data centre(s) is being protected in accordance with recognised best practice and relevant legislation (such as GDPR).	13	13	0	0
<b>TOTALS</b>	<b>53</b>	<b>30</b>	<b>0</b>	<b>23</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
The version of SQL Server installed on DCC-FIRMSTEP02 was no longer supported by Microsoft.		Low Risk	Implemented	
Not all officers granted local administrator or SYSADMIN permissions over the local Firmstep servers could be justified.		Moderate Risk	30/06/2020 Being Implemented 31/07/2020	
There were thousands of PDF documents in 'To Delete' directories on the DCC-FIRMSTEP01 server which contained personally identifiable information.		Low Risk	Implemented	
PDF files created by 'integrations' within Firmstep were written to folders whereby not all access was appropriate or could be justified, breaching data protection principles.		Low Risk	Implemented	
An excessive number of accounts had been granted administrative privileges within Firmstep, and the function of security groups had not been documented in relation to what data they granted access to.		Low Risk	Implemented	
Personal records within the Firmstep databases were being stored indefinitely, as the compliance console which could enforce data retention requirements offered by the suppliers was no longer working.		Low Risk	31/03/2020 Being Implemented 30/09/2020	
Insufficient documentation on how APIs are developed regarding the Firmstep application.		Low Risk	31/03/2020 Being Implemented 30/09/2020	

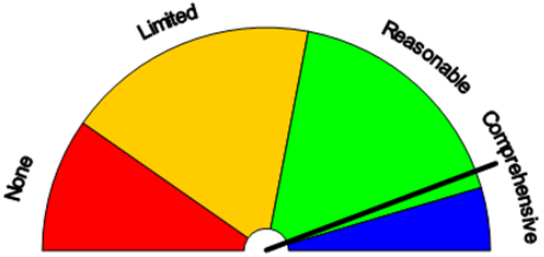
# Derby City Council – Audit Progress Report

Access to mailboxes which received automated emails with personal data submitted by Firmstep could not be justified in a number of cases	Low Risk	30/06/2020 Being Implemented 31/12/2021
Valid SYSADMIN passwords which granted access to the lagan_live database were accessible in plain text to all users of the network.	Moderate Risk	Implemented
Backup files relating to the Servelec Synergy databases were accessible to all users of the network, breaching data protection principles.	Moderate Risk	Implemented
4 CDW contractors still had local admin access and needed removing from the local admin group	Moderate Risk	Implemented

Domain Accounts		 <p>Assurance Rating</p>		
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Ensure there are effective procedures in operation for the provision of new domain accounts and that existing policies and requirements are being adhered to.	3	1	0	2
Ensure there are effective procedures in operation for the amendment of permissions regarding internal staff transfers (changes of role etc) and that existing policies and requirements are being adhered to.	2	1	0	1
Ensure there are effective procedures in operation for the closure of domain accounts relating to former employees or 3rd parties, and that existing policies and requirements are being adhered to.	2	1	0	1
<b>TOTALS</b>	<b>7</b>	<b>3</b>	<b>0</b>	<b>4</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
There were 2,473 instances (relating to 885 individuals) where a policy had not yet been accepted * and a total of 10 instances where they had been declined. * this refers to all policies on the Council's e-Learning system		Moderate Risk	Implemented	
Employees were not complying with the password policy requirements of the Information Security and IT Acceptable Use Policy. Furthermore, evidence of accounts being created without initial passwords set was identified.		Moderate Risk	28/02/2020 Implemented	
There were 12 out of 20 user accounts sampled were not restricted to abide by the set of permissions supplied.		Low Risk	31/11/2020 Future Action	
There were three leaver accounts that were active for employees that had left the Council; one having been left over a month. As well as this 14 of the 20 randomly picked job tickets from the IT Portal (Microsoft System Center Service Manager - SCSM) were not completed on time.		Low Risk	30/04/2020 Being Implemented 30/09/2020	

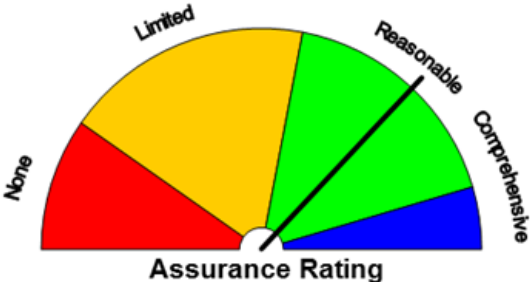
## Derby City Council – Audit Progress Report

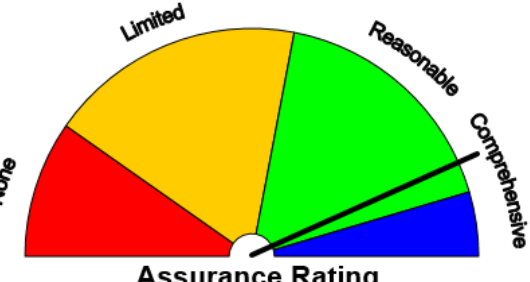
Agency Spend & Contract Monitoring	 <p><b>Assurance Rating</b></p>			
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
There are adequate arrangements in place that allow contractual obligations and expectation to be identified and monitored effectively.	10	5	4	1
<b>TOTALS</b>	<b>10</b>	<b>5</b>	<b>4</b>	<b>1</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
There was no minutes taken for the meetings between the Council and the Supplier (contractor) to evidence the process.		Low Risk	Implemented	
Information within management reports was not being checked for accuracy or compared to contract specifications.		Moderate Risk	Implemented	
Key Performance Indicators (KPIs), as stated in the contract, were not being reported by the Supplier (contractor) or monitored by the Council.		Moderate Risk	30/04/2020 Being Implemented 30/06/2020	
Payments to the Supplier (contractor) were not being made within the contractual payment terms and invoices were not being adequately checked to ensure accuracy.		Moderate Risk	30/04/2020 Action Due	
There was off contract spending for agency staff that was not covered by another compliant contract or by a contract waiver.		Moderate Risk	30/06/2020 Action Due	

SIRO/Caldicott Guardian	 <p><b>Assurance Rating</b></p>			
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
The SIRO and Caldicott Guardian roles and responsibilities were adequately documented and complied with by the relevant officers.	7	5	1	1
Both the SIRO and the Caldicott Guardian have received appropriate training to enable them to fulfil the role.	2	1	0	1
<b>TOTALS</b>	<b>9</b>	<b>6</b>	<b>1</b>	<b>2</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
The SIRO and Caldicott Champion named within the Information Governance framework had left the Council.		Low Risk	30/06/2020 Action Due	
The Caldicott Guardian had not received formal training in their role.		Moderate Risk	31/10/2020 Future Action	



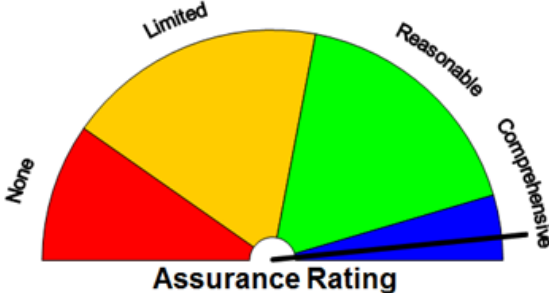
# Derby City Council – Audit Progress Report

Billing For Home Care	 <p>Assurance Rating</p>			
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Financial assessments have been calculated accurately and in line with the Adult Social Care Charging Policy	3	1	2	0
Arrangements are in place to record, monitor and manage debt arising from charges for non-residential homecare.	2	0	1	1
<b>TOTALS</b>	<b>5</b>	<b>1</b>	<b>3</b>	<b>1</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
At the time of the audit the procedure notes issued to Visiting Officers to guide them through the process of completing a financial assessment were out of date and required amending.		Low Risk	31/08/2020 Future Action	
A review of a sample of financial assessments and their corresponding Contribution Letters revealed a number of errors in the way that information was interpreted or transferred between the two documents.		Moderate Risk	31/12/2020 Future Action	
The Contribution Letters included in the sample tested did not always provide a clear and transparent statement of the result of the client's financial assessment.		Low Risk	Implemented	
The debt recovery report that had been developed did not meet the needs of the Community Care Charging and Support Team and did not enable them to monitor and manage outstanding debt.		Low Risk	30/09/2020 Future Action	
There was a system in place to identify and manage outstanding debt that was built around an Access database. However, at the time of the audit this was not being utilised which meant that debt was not being brought to the attention of management to enable them to take appropriate action.		Moderate Risk	30/09/2020 Future Action	
The process for writing off bad debts did not align with the Scheme of Delegation.		Low Risk	30/09/2020 Future Action	

NHS Data Security & Protection Toolkit	 <p>Assurance Rating</p>			
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Current policies meet the requirements of the new NHS standards.	2	0	2	0
The evidence submitted supports Derby City Council's self-assessment.	2	1	1	0

## Derby City Council – Audit Progress Report

Action plans and risk assessments are in place to address weaknesses and to drive improvements.	1	0	1	0
<b>TOTALS</b>	<b>5</b>	<b>1</b>	<b>4</b>	<b>0</b>
<b>Summary of Weakness</b>		<b>Risk Rating</b>	<b>Agreed Action Date</b>	
Several of the relevant policies required to support the NHS Data Security and Protection Toolkit had fallen outside of their review dates.		Moderate Risk	31/08/2020 Future Action	

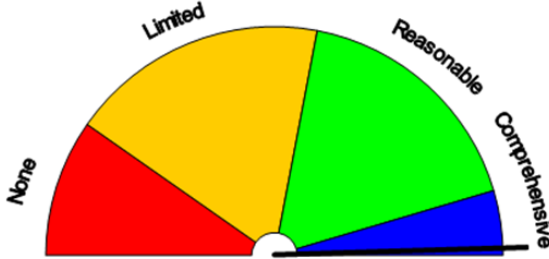
Treasury Management 2019-20		 <p>Assurance Rating</p>		
<b>Control Objectives Examined</b>	<b>Controls Evaluated</b>	<b>Adequate Controls</b>	<b>Partial Controls</b>	<b>Weak Controls</b>
The arrangements for Treasury Management are consistent with the key principles of the CIPFA guidance and also with the guidance from the MHCLG.	3	2	1	0
Arrangements for making investments should be compliant with the principles and requirements documented within the Council's Treasury Management Principles (TMP) and Treasury Management Strategy (TMS).	7	6	0	1
Management information and reports produced for the Director of Financial Services and the Strategic Director of Corporate Resources provides assurance that investments are being made in compliance with the controls set out in the TMS and TMP.	2	2	0	0
There are arrangements in place for reporting to members and for providing assurance to members that investment risks are managed.	1	1	0	0
<b>TOTALS</b>	<b>13</b>	<b>11</b>	<b>1</b>	<b>1</b>
<b>Summary of Weakness</b>		<b>Risk Rating</b>	<b>Agreed Action Date</b>	
There are various references in CIPFA and MHCLG guidance which are not reflected in the Council's current Treasury Management Principles or Treasury Management Strategy.		Low Risk	Implemented	
TMP5 Schedule 5.2 was not up-to-date to show names of all officers who may be involved in investment transactions. No current Authorised Signatory List was found; and Individual officers' signing limits were not included under TMP5 Schedule 5.2 as intended. No evidence was provided to show that permission was given for named individuals to authorise investment transactions.		Low Risk	Implemented	

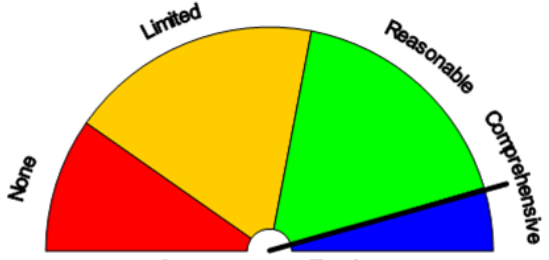
## Derby City Council – Audit Progress Report

Welfare Reform Reserve				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
We would expect that payments from the Welfare Reform Reserve would be in line with a defined policy.	7	5	2	0
<b>TOTALS</b>	<b>7</b>	<b>5</b>	<b>2</b>	<b>0</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
There is no independent check on the unused vouchers in stock and at the time of the audit, a voucher book had been used out of sequence.		Low Risk	30/04/2020 Action Due	
The Welfare Reform Reserve Model used to monitor the funds available to provide Welfare Reform and Local Assistance services, did not provide a clear forecast of the financial position of the Reserve.		Low Risk	30/04/2020 Action Due	

Brexit Planning				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
There is adequate planning being undertaken to prepare the Council for the EU Exit with information distributed and discussed with Service Departments.	11	9	2	0
<b>TOTALS</b>	<b>11</b>	<b>9</b>	<b>2</b>	<b>0</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
The EU Exit working group did not have a formalised terms of reference document.		Low Risk	Implemented	
Minutes had not been produced and uploaded to Open Text for every working group meeting.		Low Risk	Implemented	

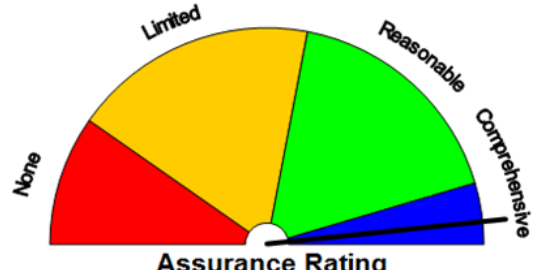
## Derby City Council – Audit Progress Report

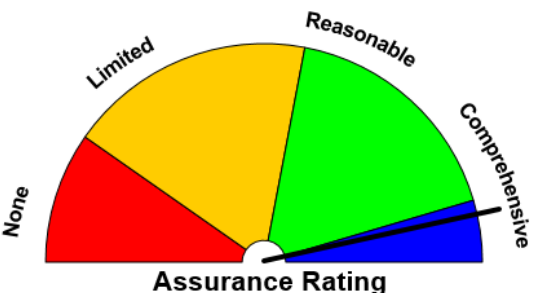
Main Accounting 2019-20				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Key control account reconciliations are carried out on a regular basis, reconciling items are cleared and the reconciliation is subject to independent review.	9	9	0	0
Suspense accounts are monitored and cleared on a regular basis, with prompt supervisory review.	3	2	1	0
There are appropriate controls over journals which are input manually to the general ledger.	5	5	0	0
<b>TOTALS</b>	<b>17</b>	<b>16</b>	<b>1</b>	<b>0</b>
<b>Summary of Weakness</b>		<b>Risk Rating</b>	<b>Agreed Action Date</b>	
There were no documented procedures for managing the suspense account		Low Risk	30/06/2020	Being Implemented 01/08/2020

Taxation				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
There are arrangements in place for ensuring that the calculation is performed using an acceptable methodology and is supported by an appropriate audit trail.	2	1	1	0
There are arrangements in place for monitoring the partial exemption position regularly throughout the year.	2	1	1	0
There are arrangements in place for ensuring that VAT due diligence takes place for significant capital projects.	1	0	1	0
The Council claims input VAT at the correct date according to HMRC regulations.	1	0	1	0
<b>TOTALS</b>	<b>6</b>	<b>2</b>	<b>4</b>	<b>0</b>

## Derby City Council – Audit Progress Report

Summary of Weakness	Risk Rating	Agreed Action Date
The partial exemption calculation was not subject to a secondary check to ensure accuracy.	Low Risk	30/09/2020 Future Action
Spend estimates for the capital programme did not ensure an accurate position for capital monitoring purposes, which in turn impacted on the monitoring of partial exemption.	Low Risk	Implemented
Reports to Cabinet on proposed capital schemes did not comment on associated VAT implications.	Low Risk	Implemented
Debtor invoices were being written off after four years and six months and so were not be eligible for VAT bad debt relief.	Low Risk	30/11/2020 Future Action

Planning Application Process				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
The planning application process is efficient and compliant with all legislative requirements.	9	6	3	0
To ensure that any complaints or objections to the process are treated in line with good governance and can be shown to fair and consistent.	2	1	1	0
<b>TOTALS</b>	<b>11</b>	<b>7</b>	<b>4</b>	<b>0</b>
Summary of Weakness	Risk Rating	Agreed Action Date		
The Tree Preservation Order applications in the sample had all gone over the statutory time limit of 8 weeks by 2 weeks	Low Risk	Risk Accepted		

New Swimming Pool - Project Management				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Robust governance arrangements are in place over the project management and delivery of the New Swimming Pool project, to ensure a regime of rigorous monitoring over the project.	40	38	0	2
<b>TOTALS</b>	<b>40</b>	<b>38</b>	<b>0</b>	<b>2</b>
Summary of Weakness	Risk Rating	Agreed Action Date		
Declarations of interest were not being declared by Council Officers, Members or Contractors when attending meetings, as specified in the Projects Terms of Reference, and there was not a register of Declarations of Interest for this project.	Low Risk	Implemented		

## Derby City Council – Audit Progress Report

The Council's Construction Project Manager, the Head of Property Design & Maintenance and the Surveying Group Leader were authorising Compensation Events and the subsequent additional payments, without the delegated approval being formally ratified by the Project Board.

Moderate Risk

Implemented

### Schools SFVS 2019-20 (Assurance Rating: Reasonable)

The Council's 39 schools were required to complete and submit SFVS self-assessments this year. We also visited 14 of these schools to perform an independent assessment of their performance. For four schools we were able to offer comprehensive assurance as to the adequacy of standards of financial management at the school during the year and the areas reviewed were found to be adequately controlled. Internal controls were in place and operating effectively and risks against the achievement of objectives were well managed. For ten schools we were able to offer reasonable assurance as to the adequacy of standards of financial management at the school during the year and most of the areas reviewed were found to be adequately controlled. Generally, risks were well managed, but some systems required the introduction or improvement of internal controls to ensure the achievement of objectives. There were no schools that were offered limited or none assurance.

### Grant Certification Work 2019-20 (Assurance Rating: N/A)

During the year CMAP undertook reviews of a number of grant funded initiatives. We reviewed ledger postings and source documents and verified information included in grant returns. This enabled the Council to be able to provide a signed declaration to the relevant Government Department that the funding had been used for its intended purpose and thus satisfied the conditions of the grant. We carried out the following reviews in 2019/20:

- Local Authority Bus Subsidy Ring Fenced (Revenue) Grant - A grant used to support bus services in the Authority's area. There were no issues identified by this audit.
- Carbon Reduction Commitment (CRC) Energy Efficiency Scheme - This was a mandatory UK scheme aimed at improving energy efficiency and cutting carbon dioxide (CO<sub>2</sub>) emissions in large public and private sector organisations. Although there was no grant element to the scheme, the Council was required to demonstrate that the process had been subjected to internal audit. Our work identified the following Low Risk weakness:
  - The CRC Manager relies on spreadsheets to monitor energy used by the Council. As there were insufficient checks and controls built into the system it left the Council open to possible error and misstatement.
- Local Transport Capital Funding - Funding used for various transport capital schemes within the Authority. There were no issues identified by this audit.

### Highways Code of Practice - Road Defects (Assurance Rating: N/A)

A review of the adoption of the Well-Managed Highway Infrastructure - A Code of Practice: October 2016 was undertaken. The authority has an absolute duty to maintain the fabric of the highway and keep it in good repair so that it is safe for ordinary traffic. To guard against insurance claimants, Highways Authorities have to maintain a reasonable system of inspection and maintenance to ensure that problems, such as potholes, are identified and dealt with appropriately. We considered whether historic defects had been closed down appropriately. We concluded that this process was not as well executed as it should have been, primarily due to issues concerning the lack of record keeping. Two



## Derby City Council – Audit Progress Report

moderate risk recommendations were made to improve controls around the records maintained and the decisions taken. Management agreed to adopt both recommended actions with immediate effect.

Summary of Weakness	Risk Rating	Agreed Action Date
Details of when and why each job had been closed were not being suitably recorded as part of the closing down process	Moderate Risk	Implemented
The decision making process for the sign-off of jobs under the data cleansing exercise was not effectively documented and was not made at an appropriate level, considering the potential risks.	Moderate Risk	Implemented

## CMIS – Information Security (Assurance Rating: N/A)

Due to the original report not being exempted under the relevant paragraph of Part 1 Schedule 12A of the Local Government Act 1972, sensitive information had been discussed in the open section of a Committee meeting and the report was also available in full on the Council's website. A decision was taken and actioned to redact the sensitive information that appeared in the published report. At the next meeting of the same Committee, the minutes of the previous meeting were presented which contained the sensitive information in unredacted form. Management resolved to develop a Guidance Note which clarified the process for the consideration of confidential information at Council committees. This was circulated to Directors on 24<sup>th</sup> April 2020, along with a request that it be circulated to colleagues likely to be involved in drafting reports for Committees.

Summary of Weakness	Risk Rating	Agreed Action Date
Information that had been redacted was available in previous minutes.	Low Risk	Implemented

## HR Strategy (Assurance Rating: N/A)

A consultancy exercise was undertaken to provide an independent review of the approach taken by the Senior Managers within Human Resources to implement a HR Strategy. At the time there was no strategy. As this review was undertaken on a consultancy basis, there were no formal weaknesses/risks highlighted with suggested control improvements. Instead, by comparison to the Deloitte HR Strategy Framework, we highlighted those areas that we would have expected to be included within a HR strategy, whilst also providing a series of "items to consider" to prompt managerial discussion.

## File Server Security (Assurance Rating: N/A)

We noticed an increase in the amount of files that were being stored in the root of the FIN share on the DCC-FS-06 file server, raising data protection concerns. There was a risk that inappropriate access restrictions to directories and files were potentially exposing personal and sensitive data which could violate customer's data privacy rights and could also be used for fraudulent or malicious purposes. The following issues were raised:

Summary of Weakness	Risk Rating	Agreed Action Date
Users were writing sensitive files to the root of the FIN share on the DCC-FS-06 file server, creating data protection vulnerabilities.	Low Risk	30/09/2020 Future Action
The Assembly Rooms file share was readable to all users of the network, exposing personal and sensitive information.	Moderate Risk	Implemented
The Revenues Public file share was readable to all users of the network, exposing personal and sensitive information, including Covid 19 Business Support Claim data extracts.	Moderate Risk	31/08/2020 Future Action

The personal and sensitive information on the Revenues Public file share has now been appropriately secured, but further work is still required to fully resolve the access rights.

## Derby City Council – Audit Progress Report

### Back-up Files Follow-up (Assurance Rating: N/A)

During some follow up probity testing for previous data protection risks identified during IT Audits of the Council's Infrastructure, we have again identified that backups of the Liquid Logic databases are exposed to all user access. Failing to restrict access to the database backups exposes personal and sensitive data of vulnerable adults and children to unauthorised access, which could lead to data breaches and privacy violations, and even safeguarding issues. Orphaned backup files from migration exercises may also be overlooked in data retention processes and GDPR compliance exercises, such as applying the right to be forgotten requests. Management stated that a procedure had been introduced to secure backup files in October 2019, but these back-up files fell outside of this procedure. Management stated that, going forward, back-up files should now be secured appropriately.

Summary of Weakness	Risk Rating	Agreed Action Date
Access to sensitive backup files relating to the Liquid Logic system had been inappropriately shared to every user in the DerbyAD domain.	Moderate Risk	Implemented

### s38 Agreements/s278 works - 1980 Highways Act (Assurance Rating: N/A)

Concerns had been expressed that money was being taken from developers under sections 38 and 278 to bring locations up to a level suitable for adoption and once the monies were received, the Authority was neither adopting the implicated area nor doing the works. Also, when works were undertaken there were concerns that money was not being fully spent on those works. Our enquiries concluded that we had no concerns regarding the fees charged as it was not unusual or improper to agree a generic fee for works. Provided the fee is reasonable and proportionate and has been agreed by the developer then it is not necessary to account for every penny. However, we did conclude that there was poor communication between teams regarding financial matters, which had led to errors and delays. Management agreed to include all staff covered by the report in the monthly team meetings. The meetings do have Budgets/Finance as a standard agenda item, this will have a sub item of Income added for all future meetings.

Summary of Weakness	Risk Rating	Agreed Action Date
Poor communication between teams regarding financial matters, lead to errors and delays.	Low Risk	24/06/2020 Action Due

## Derby City Council – Audit Progress Report

RECOMMENDATION TRACKING (as at 30<sup>th</sup> June 2020)

Final Report Date	Audit Assignments with Open Recommendations	Assurance Rating	Recommendations Open		
			Action Due	Being Implemented	Future Action
Corporate Core					
20-Dec-18	Delivering differently Project Management	Reasonable		2	
Peoples					
30-Jan-20	Payments for Children's Social Care	Limited			1
25-Oct-19	People Services - Scheme of Delegation	Limited	3		
27-Nov-19	Deprivation of Liberty	Limited		1	1
20-Dec-18	Shared Lives	Limited		3	
14-May-20	Billing for Home Care	Reasonable			5
26-May-20	NHS - IT Toolkit	Reasonable			1
02-Jul-18	Leaving Care Payments	Reasonable		1	
25-May-18	Payment of Adoption Allowances	Reasonable		1	
30-May-17	Business Intelligence	Reasonable		1	
Corporate Resources					
30-Apr-20	Home Drive Security	Limited			3
22-Aug-19	Coroner's Service	Limited		3	
18-Feb-20	Digital Channels - TerminalFour	Limited		1	
15-Apr-19	Public Utilities Management	Limited	3	1	
21-Jan-19	Probity - Lone working Arrangements	Limited		1	
12-Jul-17	Health & Safety	Limited		1	
27-Mar-20	Agency Spend and Contract Monitoring	Reasonable	2	1	
20-Feb-20	Domain Accounts	Reasonable		1	1
21-Nov-19	Digital Channels - Firmstep	Reasonable		4	
07-May-20	SIRO/Caldicott Guardian	Reasonable	1		1
15-Apr-19	Liquid Logic/Servelec Follow-up	Reasonable		1	
22-Mar-19	Land Charges Income	Reasonable		1	
24-Apr-19	Document Management & Network Printing	Reasonable		2	
30-Jul-18	File Share Management	Reasonable		4	
01-Feb-19	Contract Monitoring 2017-18	Reasonable		1	
18-Jan-19	MTFP(Agile)	Reasonable		1	
12-Feb-19	Fixed Assets- S24 Capital Controls	Reasonable		1	
09-Mar-20	Welfare Reform Reserve	Comprehensive	2		
09-Apr-20	Taxation	Comprehensive			2
07-Apr-20	Main Accounting 2019-20	Comprehensive		1	
23-Jun-20	File Server Security Risk	N/A			2
29-Nov-19	Records Management Policy	N/A			4
04-Jul-17	Payroll - Tax on Mileage	N/A		1	
Communities & Place					
28-Apr-20	Home to School Transport	Limited			7
16-Jan-20	Bereavement Services	Limited		4	
24-Sep-19	Catering 2019-20	Limited	3		
29-May-18	Markets	Limited		1	
19-Dec-19	External Funding	Reasonable	3		
13-Feb-19	Bus Station Recharges	Reasonable		4	
29-Jun-20	s38 Agreements/s278 works - 1980 Highways Act	N/A	1		
10-Oct-19	CCTV - Access Control - Parking	N/A		4	
10-Oct-19	CCTV - Access Control - Public Protection	N/A		3	
		Totals	18	51	28

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

## Derby City Council – Audit Progress Report

**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 has 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>Corporate Core</b>						
Delivering differently Project Management						2
<b>Peoples</b>						
People Services - Scheme of Delegation	1	2				
Deprivation of Liberty					1	
Shared Lives					1	2
Leaving Care Payments						1
Payment of Adoption Allowances						1
Business Intelligence						1
<b>Corporate Resources</b>						
Coroner's Service				3		
Digital Channels - TerminalFour						1
Public Utilities Management		1	2			1
Probity - Lone working Arrangements					1	
Health & Safety					1	
Agency Spend and Contract Monitoring		2			1	
Domain Accounts						1
Digital Channels - Firmstep					1	3
SIRO/Caldicott Guardian			1			
Liquid Logic/Servelec Follow-up					1	
Land Charges Income						1
Document Management & Network Printing					1	1
File Share Management						4
Contract Monitoring 2017-18						1
MTFP(Agile)					1	
Fixed Assets- S24 Capital Controls						1
Welfare Reform Reserve			2			
Main Accounting 2019-20						1
Payroll - Tax on Mileage						1
<b>Communities &amp; Place</b>						
Bereavement Services				2		2
Catering 2019-20		3				
Markets						1
External Funding		1	2			
Bus Station Recharges						4
s38 Agreements/s278 works - 1980 Highways Act			1			
CCTV - Access Control - Parking						4
CCTV - Access Control - Public Protection					3	
	1	9	8	5	13	34

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.

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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>								
People Services - Scheme of Delegation			2			1		
Deprivation of Liberty	1							
Shared Lives				1				
<b>Corporate Resources</b>								
Coroner's Service							3	
Public Utilities Management		1						
Probity - Lone working Arrangements			1					
Health & Safety				1				
Agency Spend and Contract Monitoring	3							
Digital Channels - Firmstep	1							
Liquid Logic/Servelec Follow-up				1				
Document Management & Network Printing			1					
MTFP(Agile)				1				
<b>Community &amp; Place</b>								
Bereavement Services						2		
Catering 2019-20		3						
External Funding		1						
CCTV - Access Control - Public Protection			3					
	5	5	7	4		3	3	

## Highlighted Recommendations

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

## Significant Risk Recommendations (&gt; 3 Months Overdue)

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

- Three relate to the audit review of the Coroner's Service. This Committee received an update on progress at the last Committee meeting on 5th February 2020 from the Acting Head of Democracy. The implementation date for each of the recommendations has now been extended to 31st August 2020 as agreed at the February meeting.
- One relates to the People Services - Scheme of Delegation. In the progress report to the Committee meeting on 5th February 2020, the Head of Internal Audit stated that he was working with key officers to introduce a corporate approach for schemes of delegation. This has resulted in the amalgamation of the individual directorate recommendations into a corporate document which has now been considered by management. The Director of Financial Services is putting together a working group to look at all aspect of Delegations, from the Constitution through to Directorate Schemes of Delegation, Financial Procedure Rules and Contract Procedure Rules. All of the recommendations made previously will be incorporated into the Working Group's work programme.
- Two relate to the Bereavement Services audit. A temporary standalone cremator has been purchased, installed and commissioned in May 2020 and is fully operational. This will provide the service with some resilience until a decision is made to either replace the current cremators or to build a new crematorium. The temporary cremator comes with a one-year maintenance contract. The procurement/tender process for an adequate contract to be established for the provision of maintenance services to the cremators at Markeaton Crematorium did begin but was put on hold due to COVID-19. There is no replacement programme in place for the cremators at this current time and the business case which was submitted to Property Services (November 2019) has been put on hold pending a 'market evaluation' assessment. The market evaluation has again not progressed due to COVID-19.

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

There are currently 21 moderate risk recommendations that are overdue for implementation. Eleven of these exceed the original action date by 6 months. The table below outlines the current state on these 11 recommendations. The Chair and the Head of Internal Audit will advise the Committee at the meeting on any actions that need to be taken in respect of these recommendations.

	No of Recs overdue	Original Action Date	Revised Date	Reason for Delay
Document Management & Network Printing	1	31/7/2019	31/10/2020	The transfer and full implementation of the actions has been paused due to COVID-19
Health & Safety	1	31/10/2017	31/03/2020	New system - further two quotes need to be obtained in line with the Council's Contract Procedure Rules. This has been delayed by the Covid19 pandemic.
Liquid Logic/Servelec Follow-up	1	24/05/2019	31/12/2020	Work is still ongoing but has turned out to be more complex than first thought. Alternative controls are being reviewed
Shared Lives	1	30/12/2018	31/03/2020	The responsible officer has retired, the action being transferred to another officer. At its meeting on 5 <sup>th</sup> February, Committee agreed to call this audit into its next meeting due to the time taken to implement the recommendation.
MTFP	1	30/06/2019	30/06/2020	A new commercial framework was expected to be presented to Cabinet by 30 June 2020, but this has been delayed due to the Covid19 lockdown.
Lone Working Arrangements	1	30/09/2019	01/08/2020	Policy did not go to Corporate Health and Safety Committee due to Covid 19 lockdown and the meeting was cancelled. A new date has been scheduled for the meeting of 21 July 2020, when the policy will be presented.
CCTV - Access Control - Public Protection	3	31/10/2019	31/08/2020	A Corporate cross departmental group has been established to focus on all the issues raised in this audit.
Peoples Services Scheme of Delegation	2	December 2019		Corporate working group being set up to look at all aspect of Delegations. (See Significant Risks). These 2 recommendations are not being followed up as they will be reviewed by the working group.



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### Low Risk Recommendations

There are currently 42 low risk recommendations that are overdue for implementation. Of these 42, 18 of these exceed 12 months, and in 16 of these cases Internal Audit has agreed a revised implementation date. The remaining two relate to Public Utilities Management where we have been unable to get a response from management. None of these low risk recommendations are currently considered worthy of Committee's attention.