



# Derby City Council – Internal Audit Progress Report

(Covering the period 1<sup>st</sup> October 2012 to 28<sup>th</sup> February 2013)

Audit & Accounts Committee: 27<sup>th</sup> March 2013



## Our Vision

Through continuous improvement, the central midlands audit partnership will strive to provide cost effective, high quality internal audit services that meet the needs and expectations of all its partners.

## Contacts

Richard Boneham  
Head of the Audit Partnership  
c/o Derby City Council  
Council House  
Corporation Street  
Derby  
DE1 2FS  
Tel. 01332 643280  
richard.boneham@derby.gov.uk

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

## Contents

	Page
1 Summary	3
2 Audit Coverage	4
3 Audit Performance	9
4 Recommendation Tracking	12

## Page



# Derby City Council – Internal Audit Progress Report

---

## 1 Summary

### Role of Internal Audit

The Internal Audit Service for Derby City Council is now provided by the Central Midlands Audit Partnership (CMAP). The Partnership operates in accordance with standards of best practice applicable to Internal Audit (in particular, the CIPFA Code of Practice for Internal Audit in Local Government in the UK 2006). CMAP also adheres to the Internal Audit Terms of Reference.

The role of internal audit is to provide independent assurance that the organisation's risk management, governance and internal control processes are operating effectively.

### Recommendation Ranking

To help management schedule their efforts to implement our recommendations or their alternative solutions, we have risk assessed each control weakness identified in our audits. For each recommendation a judgment was made on the likelihood of the risk occurring and the potential impact if the risk was to occur. From that risk assessment each recommendation has been given one of the following ratings:

- Critical risk.
- Significant risk.
- Moderate risk
- Low risk.

These ratings provide managers with an indication of the importance of recommendations as perceived by Audit; they do not form part of the risk management process; nor do they reflect the timeframe within

### Control Assurance Definitions

Summaries of all audit reports are to be reported to Audit & Accounts Committee together with the management responses as part of Internal Audit's reports to Committee on progress made against the Audit Plan. All audit reviews will contain an overall opinion based on the adequacy of the level of internal control in existence at the time of the audit. This will be graded as either:

- **None** - We are not able to offer any assurance. The areas reviewed were found to be inadequately controlled. Risks were not being well managed and systems required the introduction or improvement of internal controls to ensure the achievement of objectives.
- **Limited** - We are able to offer limited assurance in relation to the areas reviewed and the controls found to be in place. Some key risks were not well managed and systems required the introduction or improvement of internal controls to ensure the achievement of objectives.
- **Reasonable** - We are able to offer reasonable assurance as 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.
- **Comprehensive** - We are able to offer comprehensive assurance as 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.

This report rating will be determined by the number of control weaknesses identified in relation to those examined, weighted by the significance of the risks. Any audits that receive a None or Limited assurance assessment will be highlighted to the Audit & Accounts Committee in Audit's progress reports.

# Derby City Council – Internal Audit Progress Report

---

which these recommendations can be addressed. These matters are still for management to determine.

## 2 Audit Coverage

### Audit Assignments

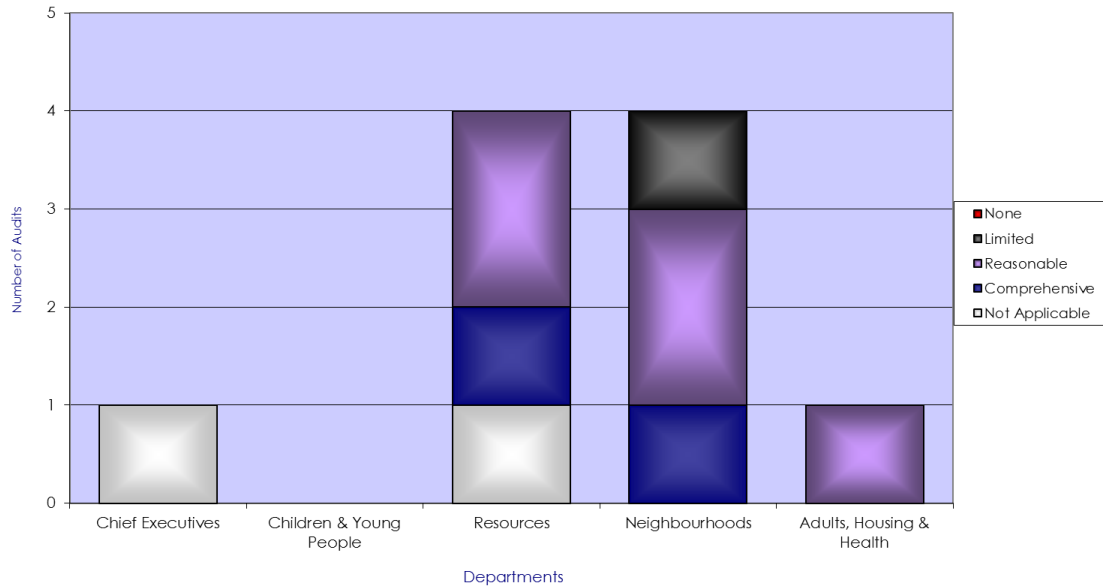
Between 1<sup>st</sup> October 2012 and 28<sup>th</sup> February 2013, Internal Audit has completed 10 audit assignments for Derby City Council as well as completing 20 School's Financial Value Standard reviews and 30 audit assignments for other organisations. The following Chart provides a summary of the control assurance we have provided on each assignment by Department.

### Audit Days

Between 1<sup>st</sup> October 2012 and 28<sup>th</sup> February 2013, Internal Audit has spent a total of 635.75 days on audit reviews within Derby City Council. The time spent in each Department can be broken down as follows:

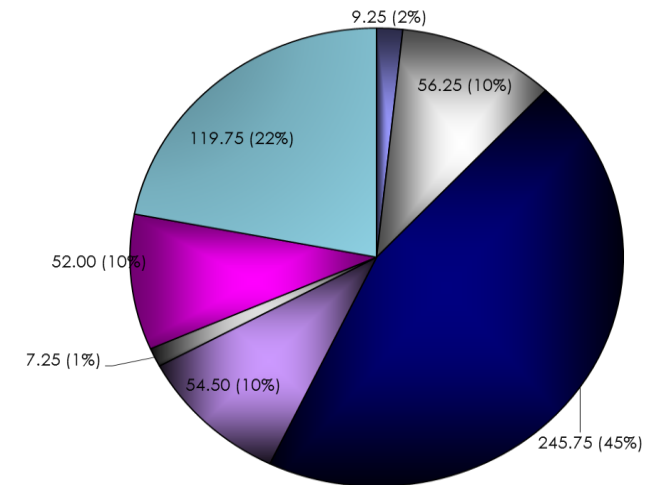
# Derby City Council – Internal Audit Progress Report

Derby City Council - Level of Control Assurance assigned to those Audits Completed between 1st October 2012 and 28th February 2013



As a general policy, all audits leading to a rating of "Limited" "None" will be brought to the Committee's specific attention. In the period, there have been 3 audits which have rated the overall control in the areas/services under review as Limited.

Derby City Council - Days Spent in each Department between 1st October 2012 and 28th February 2013



# Derby City Council – Internal Audit Progress Report

## 2 Audit Coverage (Cont.)

Job Name	Overall Control Assurance Rating	Recommendation Risk Ratings			
		Critical Risk	Significant Risk	Moderate Risk	Low Risk
<b>Chief Executive's Office</b>					
Performance Indicators - Self Assessment 2011/12	Not Applicable	0	0	1	0
<b>Resources</b>					
Fixed Assets 2011-12	Comprehensive	0	0	0	3
PI Sickness Absence	Reasonable	0	0	0	2
Taxation	Reasonable	0	0	2	2
Local Transport Capital Block Funding Certification	Not Applicable	0	0	0	0
<b>Neighbourhoods</b>					
Home To School Transport	Reasonable	0	0	3	2
Civica APP IT Security	Reasonable	0	1	3	3
Occupational Health	Limited	0	0	0	0
Waste Management	Comprehensive	0	0	0	3
<b>Adults, Health &amp; Housing</b>					
Continuing Care	Reasonable	0	0	2	6
<b>Total Recommendations Made</b>		<b>0</b>	<b>1</b>	<b>9</b>	<b>15</b>

Members' attention should be specifically drawn to the 'Limited' assurance rating given to the Occupational Health assignment.

# Derby City Council – Internal Audit Progress Report

---

## 2 Audit Coverage (Cont.)

### Further Details of Completed Audit Assignments

#### Introduction

The following summarises the internal audit work completed in the period from 1<sup>st</sup> October 2012 and 28<sup>th</sup> February 2013 and seeks to highlight issues which Committee may wish to review in more detail at the next meeting.

#### Chief Executive's Office

##### Performance Indicators - Self Assessment 2011/12

This audit focused on the 2011/12 Corporate Scorecard Indicators. From the 55 Indicators assessed, 42 were evaluated as Low Risk indicators and the Council could place a degree of assurance on the performance measurement systems in place. A further 9 returns identified 'Medium Risk' indicators and 4 returns identified 'High Risk' indicators. From the 5 reviews undertaken we are able to offer Comprehensive Assurance for 1 indicator and Reasonable Assurance for 4 indicators, with 13 recommendations overall, 12 were considered a low risk and 1 a moderate risk. All 13 control issues raised were accepted and positive action was agreed to address them all.

#### Resources

##### Fixed Assets 2011-12

This audit focused on the controls over fixed asset movements within the 2011/12 financial year in relation to acquisitions, transfers and disposals. It also sought to evaluate controls which ensure assets are included in a revaluation rolling programme and that assets are physically verified to confirm their existence. From the 14 key controls evaluated in this audit review, 12 were considered to provide adequate control and 2 contained weaknesses. All 3 of the control issues were accepted and positive action was to be taken to address the each of the issues raised

##### PI Sickness Absence

This audit focused on reviewing the key controls within the management system for the production of the performance indicator on Days Lost due to Sickness Absence with a view to provide assurance that systems were operating effectively and that the performance had been accurately calculated and reported. From the 17 key controls evaluated in this audit review, 15 were considered to provide adequate control and 2 contained weaknesses. Both of the control issues raised in this report were accepted and positive action to address the issues was to be completed by 30<sup>th</sup> October 2012.

##### Taxation

This audit focused on ensuring that there were adequate controls over the Council's taxation affairs and procedures and continuity arrangements in place were sufficient should the Tax & Compliance Manager be unavailable over a long period. From the 35 key controls evaluated in this audit review, 31 were considered to provide adequate control and 4 contained weaknesses. All 4 of the control issues raised within this report were accepted. One recommendation had already been implemented and positive action was to be taken to address the remaining 3 issues raised by 31<sup>st</sup> March 2013.

##### Local Transport Capital Block Funding Certification

Internal Audit was required to check and certify that £4,313,000 of Local Transport Capital Block Grant funding, allocated to Derby City Council, had been received and used. We were able to state: *"To the best of our knowledge and belief, and having carried out appropriate investigations and checks, in our opinion, in all significant respects, the conditions attached to Local Transport Capital Block Funding (Integrated Transport*

# Derby City Council – Internal Audit Progress Report

by 31<sup>st</sup> December 2012, 31<sup>st</sup> March 2013 and 31<sup>st</sup> May 2013 respectively.

*and Highway Maintenance) Specific Grant Determination 2010 No 31/1859 have been complied with".*

## 2 Audit Coverage (Cont.)

### Further Details of Completed Audit Assignments

#### Neighbourhoods

##### Home to School Transport

This audit focused on the Framework Agreement for Hackney Carriage, Minibus and Private Hire Transport Services, along with a sample of separate call-off orders with the Service Providers, with a view to providing assurance on the effectiveness of the systems of internal control for monitoring this agreement and the associated contracts. From the 31 key controls evaluated in this audit review, 27 were considered to provide adequate control and 4 contained weaknesses. All 5 of the control issues raised within this report were accepted and positive action was agreed to be taken to address all issues. Positive action in respect of 3 recommendations had already been taken, 1 recommendation was due to be addressed by 31<sup>st</sup> December 2012, with the 1 remaining recommendation due to be addressed by 1<sup>st</sup> April 2013.

##### Civica APP IT Security

This audit focused on the systems administration and IT security configuration of the Civica APP. Specifically, we reviewed how well protected the sensitive data was from unauthorised access and disclosure. From the 44 key controls evaluated in this audit review, 34 were considered to provide adequate control and 10 contained weaknesses. All 7 of the control issues raised in this report were accepted. Positive action was agreed to address 5 control issues by the end of November 2012. The remaining two was to be actioned when the application is upgraded, possibly in 2013.

##### Occupational Health

#### Waste Management

This audit focused on ensuring that appropriate controls were in place to provide assurance that waste collection reports received from Biffa contained accurate information which related to waste collected by the Council and that adequate supporting information was available to evidence the prices of recyclable waste sold through the commodities market. The audit also sought to ensure that payments made between the Council and its waste contractors were reconciled to reports which detailed the volumes of waste collected and that regular monitoring of waste volumes was undertaken, reviewed and investigated where necessary. From the 18 key controls evaluated in this audit review, 15 were considered to provide adequate control and 3 contained weaknesses. All 3 of the control issues raised within this report were accepted and positive action was agreed to be taken to address all the issues raised by 31<sup>st</sup> July 2013.

#### Adults, Health & Housing

##### Continuing Care

This audit focused on evaluating the adequacy of the systems in place for assessing eligibility for Continuing Health Care and ensuring funding arrangements are properly defined and accounted for. From the 11 key controls evaluated in this audit review, 2 were considered to provide adequate control and 9 contained weaknesses. All 8 of the control issues raised within this report were accepted and positive action to address 1 of the issues had been already been taken, 1 issue was to be addressed by 31<sup>st</sup> October 2012, another issue by 30<sup>th</sup> November 2012 and the



## Derby City Council – Internal Audit Progress Report

---

This audit sought to determine how the Council's had interacted with a private firm which provided occupational health services. Management was provided with our detailed findings and actions are still being taken to address the issues identified.

remaining 5 by 31<sup>st</sup> December 2013.

### 3 Audit Performance

#### Customer Satisfaction

# Derby City Council – Internal Audit Progress Report

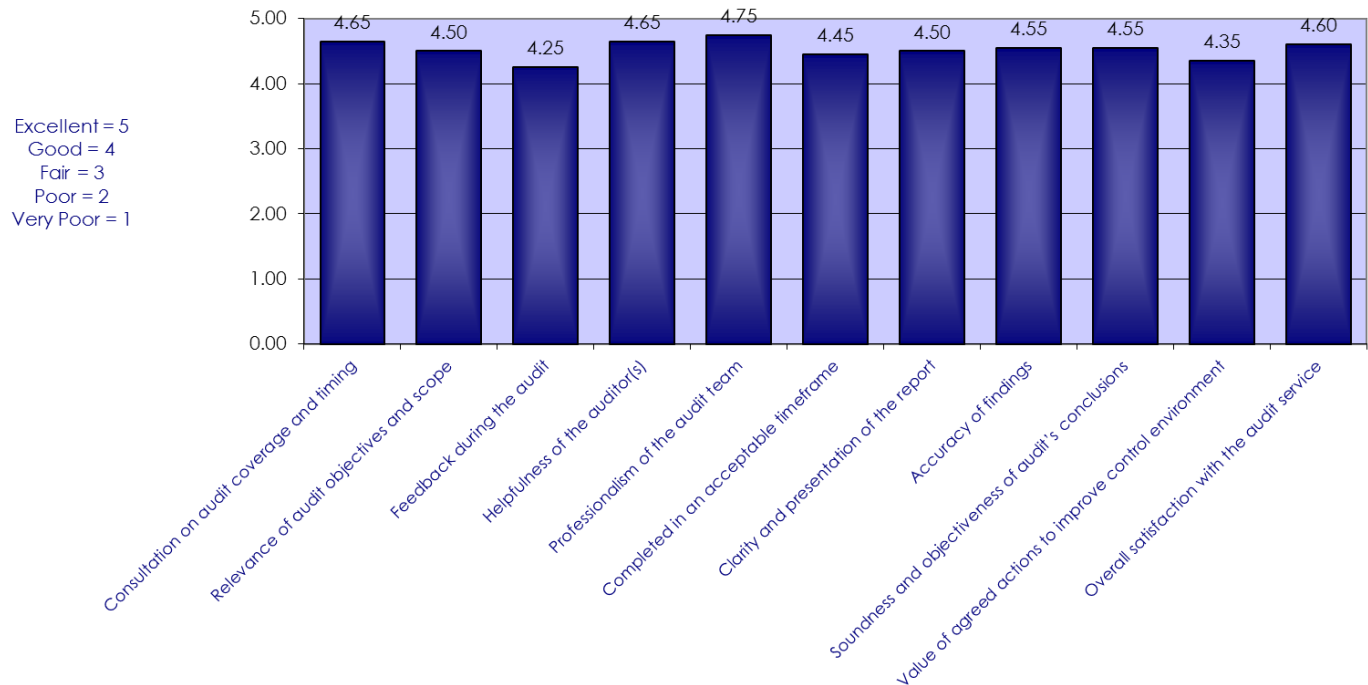
The Audit Section sends out a customer satisfaction survey with the final audit report to obtain feedback on the performance of the auditor and on how the audit was received. The survey consists of 11 questions which require grading from 1 to 5, where 1 is very poor and 5 is excellent. The table opposite summarises the average score for each category from the 20 responses received between 1<sup>st</sup> October 2012 and 28<sup>th</sup> February 2013. The average score from the surveys was 49.8 out of 55. The lowest score received from a survey was 36, while the highest was 55, which was achieved on 6 occasions.

The overall responses are graded as either:

- Excellent (scores 46 to 55)
- Good (scores 38 to 46)
- Fair (scores 29 to 37)
- Poor (scores 20 to 28)
- Very poor (scores 11 to 19)

Overall 14 of 20 responses categorised the audit service they received as excellent; the other 5 response categorised the audit as good and 1 response was in the fair category. There were no responses that fell into the poor or very poor categories.

Derby City Council - Customer Satisfaction Survey Results between 1st October 2012 and 28th February 2013



## 3 Audit Performance (Cont.)

# Derby City Council – Internal Audit Progress Report

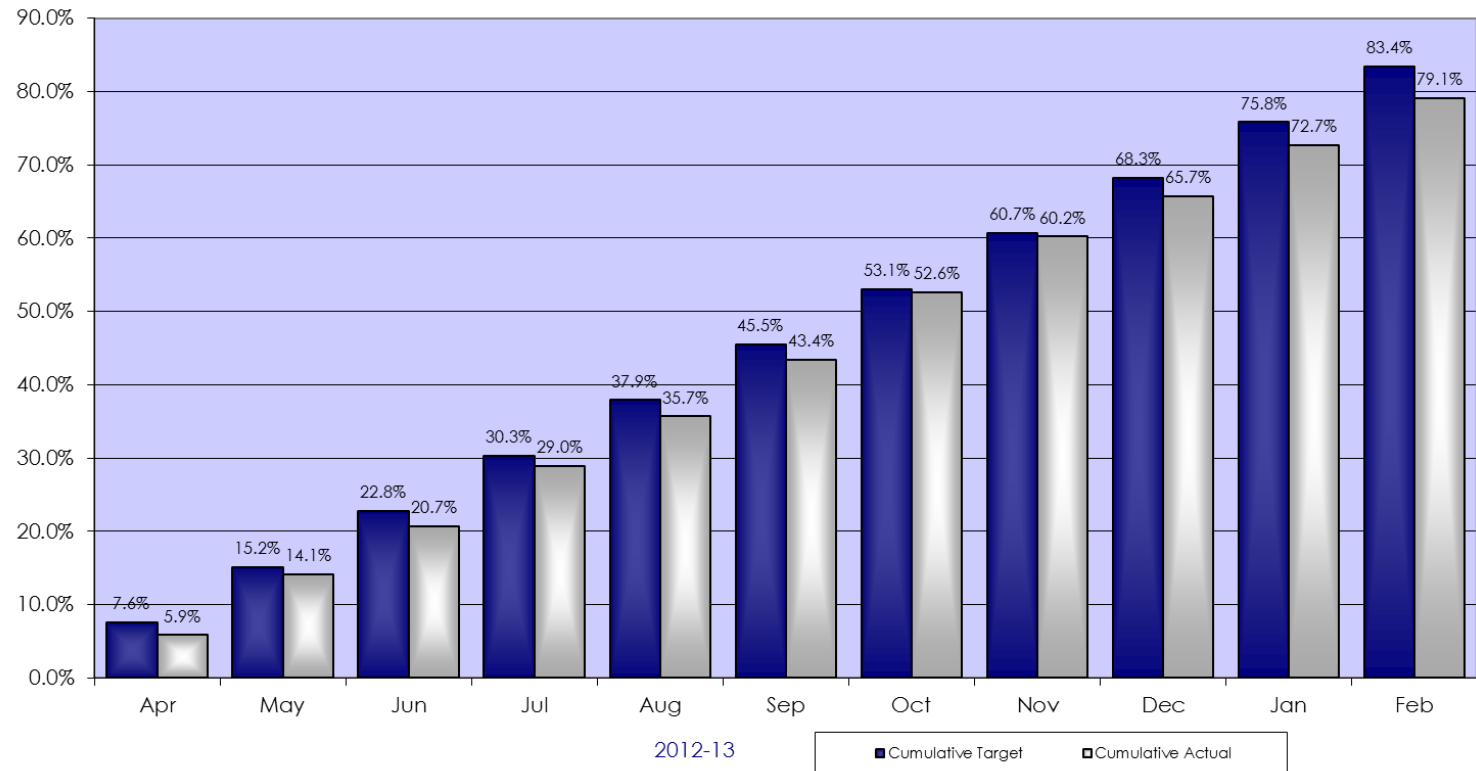
## Audit Plan Completed

This performance measure is calculated by determining the completeness of each audit assignment included in the revised Annual Audit Plan. Each month each auditor is asked to provide an estimate of their progress on all of their audit assignments.

A fixed percentage is applied to those assignments that have progressed beyond the fieldwork stage. Each audit assignment is weighted in accordance with the number of days allocated.

The target plan completion at the year-end is 91%. The chart across shows our Service Delivery performance after 11 months of the Audit Plan.

Central Midlands Audit Partnership  
**Service Delivery** (% of Derby City Council Audit Plan Completed)



## Derby City Council – Internal Audit Progress Report

---

### 4 Recommendation Tracking

#### Follow-up Process

Internal Audit has sent emails, automatically generated by our recommendations database, to officers responsible for action where their recommendations' action dates have been exceeded. We will request an update on each recommendation's implementation status, which will be fed back into the database, along with any revised implementation dates.

Prior to the Audit & Accounts Committee meeting we have provided Chief Officers with details of each of the recommendations made to their departments which have yet to be implemented. This is intended to give them an opportunity to provide Audit with an update position.

Each recommendation made by Internal Audit will be assigned one of the following "Action Status" categories as a result of our attempts to follow-up management's progress in the implementation of agreed actions. The following explanations are provided in respect of each "Action Status" category:

- **Blank (Due)** = Action is due and Audit has been unable to ascertain any progress information from the responsible officer.
- **Blank (Not Due)** = Action is not due yet, so Audit has not followed up.
- **Implemented** = Audit has received assurances that the agreed actions have been implemented.
- **Superseded** = Audit has received information about changes to the system or processes that means that the original weaknesses no longer exist.
- **Being Implemented** = Management is still committed to undertaking the agreed actions, but they have yet to be completed. (This category should result in a revised action date)

#### Implementation Status

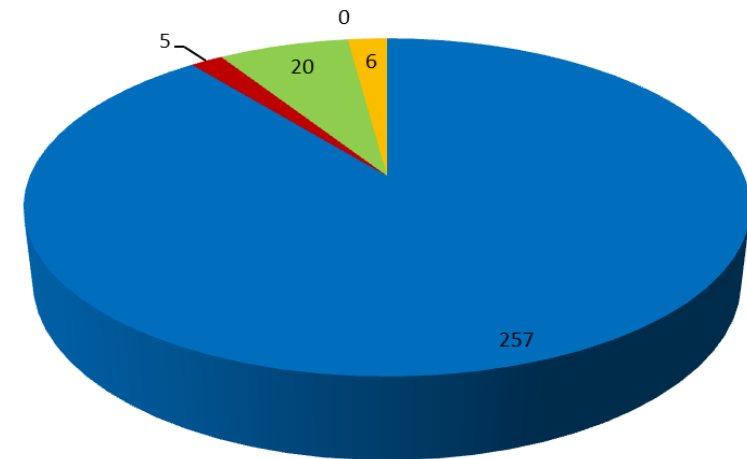
Reports to Committee are intended to provide members with an overview of the current implementation status of all agreed actions to address the control weaknesses highlighted by audit recommendations made between 1<sup>st</sup> December 2010 and 31<sup>st</sup> May 2012.

We have not included the recommendations made in audit reports issued since 1 June 2012. This is to allow time for recommendations to have reached their agreed implementation dates.

# Derby City Council – Internal Audit Progress Report

- **Risk Accepted** = Management has decided to accept the risk that Audit has identified and take no mitigating action.

Action Status of Recommendations made between 1st Dec 2010 and 31st May 2012



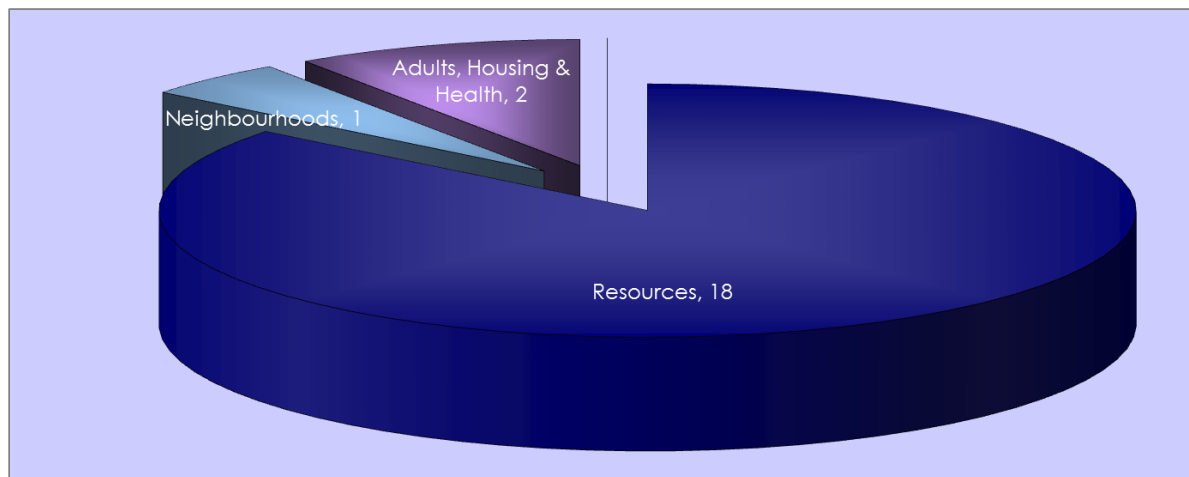
## 4 Recommendation Tracking (Cont.)

### Recommendations Not Yet Implemented

The Terms of Reference of the Audit & Accounts Committee requires that it considers a report from internal audit on agreed recommendations not implemented within a reasonable timescale. Accordingly, the following chart provides a summary, by Department, of those recommendations not yet implemented.

# Derby City Council – Internal Audit Progress Report

Derby City Council - Recommendations Not Yet Implemented from period  
1st December 2010 to 31st May 2012



Further details of each individual recommendation are also provided for members to determine whether they consider further actions are required to secure implementation or whether officers should be required to provide the committee with more detailed explanations of the action status.

## 4 Recommendation Tracking (Cont.)

### Recommendations Not Yet Implemented (Cont.)

#### Resources

## Derby City Council – Internal Audit Progress Report

Debtors 2010-11	Network Security – Password Audit
<p><b>Control Issue</b> - Revised debt collection procedures had not been formally approved and implemented.</p> <p><b>Risk Rating – Low Risk.</b></p> <p><b>Status Update</b> – Draft to Controls Board on 5 October 2012. On the work schedule of the HoS, but other key priorities take precedence.</p> <p>Original Action Date 31 Dec 11 Revised Action Date 30 April 13</p>	<p><b>Control Issue</b> - 1169 domain accounts were found to be exempt from the domain password policy around password expiry. Therefore such accounts could potentially remain unchanged over a number of years.</p> <p><b>Risk Rating – Low Risk.</b></p> <p><b>Status Update</b> - Password audit. IN PROCESS. Majority of service accounts with non-expiring passwords now made “non-interactive” so they can only be used by the service rather than as a user login. A new AD has been designed, with the exemptions to be included in the remediation work.</p> <p>Original Action Date 1 Oct 11 Revised Action Date 31 Jan 13</p>
Fixed Assets 2010-11	<p><b>Control Issue</b> - There were numerous accessible BKF and BAK files openly accessible to the domain user and everyone groups. These files could be restored to obtain password hashes which in turn could be cracked to obtain administrative passwords across the Network.</p> <p><b>Risk Rating – Moderate Risk.</b></p> <p><b>Status Update</b> - KF and BAK files. ONGOING - Awaiting completion of the file server migration project to decommission remaining Backup.Exec servers, file servers moving to the more secure Netbackup system.</p> <p>Original Action Date 1 Dec 11 Revised Action Date 31 Jan 13</p>

# Derby City Council – Internal Audit Progress Report

## 4 Recommendation Tracking (Cont.)

### Recommendations Not Yet Implemented (Cont.)

#### Resources (Cont.)

Network Security – Password Audit	Business Support Hub
<p><b>Control Issue</b> - There was no up-to-date record of which domain accounts were service accounts, and there was no group policy in place to deny interactive logon for such accounts. Such accounts are prime targets for attack due to the fact they are exempt from password expiry, and the fact the password gets cached on servers and workstations.</p> <p><b>Risk Rating – Low Risk.</b></p> <p><b>Status Update</b> - Domain service accounts. IN PROCESS. Documentation built as part of project account migration - 140 applications, old user accounts. Change control procedure now in place to approve creation of service accounts. Group policy object created to enforce non-interactive login for service accounts belonging to the service account group.</p> <p>Original Action Date    1 Dec 11    Revised Action Date    31 Jan 13</p>	<p><b>Control Issue</b> – Receipt pads were being issued to officers who had not necessarily been authorised by their manager to have them.</p> <p><b>Risk Rating – Moderate Risk.</b></p> <p><b>Status Update</b> – For Receipt books transferred from Albion St - ACTION COMPLETE. (Procedure in place for the issue of controlled stationery and being used for all controlled stationery stock transferred from Albion St).</p> <p>Original Action Date    31 Aug 12    Revised Action Date    30 Jun 13</p>
<p><b>Control Issue</b> - A corporate password policy had not been defined, documented and implemented for all passwords and technologies used within the Council's infrastructure and applications.</p> <p><b>Risk Rating – Moderate Risk.</b></p> <p><b>Status Update</b> – 30 Aug 2012 - A draft is going through CJC.</p>	<p><b>Control Issue</b> – The Strategic Director – Resources was unaware of which printing companies were being used to obtain stocks of financial stationery by Departments and each printing company's security arrangements had not been vetted.</p> <p><b>Risk Rating – Moderate Risk.</b></p> <p><b>Status Update</b> – Will be done as part of project due for completion 30 Jun 13.</p> <p>Original Action Date    28 Feb 13    Revised Action Date    30 Jun 13</p>



# Derby City Council – Internal Audit Progress Report

Original Action Date	1 Jul 11	Revised Action Date	31 Jan 13
----------------------	----------	---------------------	-----------

## 4 Recommendation Tracking (Cont.)

### Recommendations Not Yet Implemented (Cont.)

#### Resources (Cont.)

Business Support Hub			
<p><b>Control Issue</b> – Financial Procedure Rule F1.3 which stated that only the Strategic Director - Resources can supply receipts and tickets, was being ignored as departments arranged their own supplies of controlled stationery none of which were in a standard format.</p> <p><b>Risk Rating – Moderate Risk.</b></p> <p><b>Status Update</b> - Controls Board discussed this on the 5th October and it was agreed that responsibility for the ordering, control and issuing of all stationery which has an actual financial implication to the authority should be changed from Customer Management to Business Support. This has not, as yet, been included in the Resources Scheme of Delegation however Business Support will commence the review of any current contracts and work with procurement on future provision and resources. Date to Commence project 31 Oct 12</p>			
Original Action Date	30 Apr 12	Revised Action Date	30 Jun 13
<p><b>Control Issue</b> – Each department was ordering, storing and controlling the issue of financial stationery in a different way.</p> <p><b>Risk Rating – Low Risk.</b></p> <p><b>Status Update</b> – Will be done as part of project due for completion 30</p>			

Business Support Hub			
<p><b>Control Issue</b> – Council departments were ordering and carrying their own supplies of receipts and tickets, which had led to many different variations being in circulation.</p> <p><b>Risk Rating – Low Risk.</b></p> <p><b>Status Update</b> – Controls Board agreed BS should assume responsibility on 5th October (although Resources SoD yet to be updated). Business Support will commence a project to identify all receipts, tickets currently in use for all services transferring to the council house. BS will contact the Payments Project Lead to obtain the results of the findings of the project in terms of identifying all income streams. Action Date: BS to contact Payment Projects Board and obtain findings 31 Oct 12</p>			
Original Action Date	31 Aug 12	Revised Action Date	30 Jun 13
<p><b>Control Issue</b> – Departmental officers were not aware that they should not have been ordering their own supplies of receipts and tickets without the Strategic Director – Resources approval</p> <p><b>Risk Rating – Low Risk.</b></p> <p><b>Status Update</b> – Will be done as part of project due for completion 30</p>			

## Derby City Council – Internal Audit Progress Report

Jun 13.
Original Action Date    31 Aug 12    Revised Action Date    30 Jun 13

Jun 13.
Original Action Date    31 May 12    Revised Action Date    30 Jun 13

### 4 Recommendation Tracking (Cont.)

#### Recommendations Not Yet Implemented (Cont.)

##### Resources (Cont.)

Business Support Hub
<p><b>Control Issue</b> – As departments were obtaining their own versions of controlled stationery directly from printing companies, the Strategic Director - Resources was not aware of the different types of financial stationery held within departments.</p> <p><b>Risk Rating – Moderate Risk.</b></p> <p><b>Status Update</b> – Will be done as part of project due for completion 30 Jun 13.</p> <p>Original Action Date    31 Aug 12    Revised Action Date    30 Jun 13</p>
<p><b>Control Issue</b> – The detailed procedures for recording all controlled financial stationery in an appropriate stock register had not been finalised.</p> <p><b>Risk Rating – Low Risk.</b></p> <p><b>Status Update</b> - These recommendations will form part of the Controlled Stationary procedure once responsibility is delegated to Business Support.</p> <p>Procedure will be written by 30 Mar 12 and project complete by 30 Jun</p>

Business Support Hub
<p><b>Control Issue</b> – Departments were not maintaining adequate stock records of the financial stationery held in their care.</p> <p><b>Risk Rating – Low Risk.</b></p> <p><b>Status Update</b> – These recommendations will form part of the Controlled Stationary procedure due for completion 31 Mar 13.</p> <p>For stock transferred from Albion Street (receipt books) this procedure is already in place. Bulk issue of Controlled Stationery no longer occurs and only issues to authorised individuals as verified by relevant Head of Service - ACTION PARTIALLY COMPLETE.</p> <p>Original Action Date    31 Aug 12    Revised Action Date    30 Jun 13</p>
<p><b>Control Issue</b> – The procedures for receiving new financial stationery into stock had not been formalised.</p> <p><b>Risk Rating – Low Risk.</b></p> <p><b>Status Update</b> – These recommendations will form part of the Controlled Stationary procedure once responsibility is delegated to Business</p>

## Derby City Council – Internal Audit Progress Report

<p>13.</p> <p>Original Action Date    31 Aug 12    Revised Action Date    30 Jun 13</p>	<p>Support.</p> <p>Procedure will be written by 30 Mar 12 and project complete by 30 Jun 13.</p> <p>Original Action Date    31 Aug 12    Revised Action Date    30 Jun 13</p>
---	---

### 4 Recommendation Tracking (Cont.)

#### Recommendations Not Yet Implemented (Cont.)

##### Resources (Cont.)

Business Support Hub
<p><b>Control Issue</b> – There was no monitoring of the use or misuse of official receipts.</p> <p><b>Risk Rating – Low Risk.</b></p> <p><b>Status Update</b> – For receipt books stocks transferred from Albion St this is already happening and previous receipt books are checked prior to issue.</p> <p>Original Action Date    31 Aug 12    Revised Action Date    30 Jun 13</p>
<p><b>Control Issue</b> – There was no independent check of the stocks of financial stationery held by the Business Support Manager</p> <p><b>Risk Rating – Low Risk.</b></p> <p><b>Status Update</b> – These recommendations will form part of the Controlled Stationary procedure due for completion 31 Mar 12 and project complete 30 Jun 13</p>

##### Adults, Housing & Health

Housing Allocations
<p><b>Control Issue</b> - Eligibility checks were not undertaken for all applicants and records of the checks undertaken were not consistently maintained.</p> <p><b>Risk Rating – Low Risk.</b></p> <p><b>Status Update</b> - The new allocations policy is now being drafted; we are going out for consultation at the end of September 2012. New software is being developed for the new policy. Aim to go to Nov/Dec Cabinet. Work on new procedures and verification will start mid October/November 2012.</p> <p>Original Action Date    31 Jul 11    Revised Action Date    31 Dec 12</p>
<p><b>Control Issue</b> - The Housing Allocations Policy was being updated: Procedures were aged and required review, which was dependent on the policy update. Although the Abris system was fit for purpose at the time of audit, a change in the policy would mean amendments would be required to the software.</p> <p><b>Risk Rating – Low Risk.</b></p>

## Derby City Council – Internal Audit Progress Report

Remaining Receipt book stock held at Albion St has already transferred to Roman House - ACTION COMPLETE.

Original Action Date 31 Aug 12 Revised Action Date 30 Jun 13

**Status Update** - The new allocations policy is now being drafted; we are going out for consultation at the end of September 2012. New software is being developed for the new policy. Aim to go to Nov/Dec Cabinet. Work on new procedures and verification will start mid October/November 2012.

Original Action Date 31 Mar 11 Revised Action Date 31 Dec 12

### 4 Recommendation Tracking (Cont.)

#### Recommendations Not Yet Implemented (Cont.)

##### Neighbourhoods

###### Chipside – IT System Security

**Control Issue** - There was a weak password associated with the local administrative “Administrator” and “Capita” accounts. There were also issues with the local password and account management policy on the Server.

**Risk Rating – Moderate Risk.**

**Status Update** - Called in by Audit and Accounts Committee to 12 December 12 meeting. Action picked up by Serco as it affects all Council servers. Delayed due to priority work on IT infrastructure for return to the Council House. Current position from Serco (11/3/13) - “An initial audit has been taken of the majority of the Servers but further analysis is required and completion of all servers.”

Original Action Date 30 Apr 11 Revised Action Date 30 Sept 13