

**Please ask for Democratic Services**

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Our Ref: DS

Your Ref:

Date: 4 December 2019

Dear Councillor,

**Audit-Sub Committee**

A Meeting of the **Audit-Sub Committee** will be held in the **Council Chamber**, on **Wednesday, 11 December 2019 at 16:00**. You are requested to attend.

Yours faithfully,



Chief Executive

To:- **Conservative Group**

Councillor Whittenham (Chairman), Councillor Atkin (Vice-Chairman) and Councillor Churchill

**Labour Group**

Councillors Dunn and Shepherd

## **AGENDA**

### **Open to Public and Press**

- 1** Apologies and to note any Substitutes appointed for the Meeting.
- 2** To note any declarations of interest arising from any items on the Agenda
- 3** To receive any questions by members of the public pursuant to Council Procedure Rule No.10.
- 4** To receive any questions by Members of the Council pursuant to Council procedure Rule No. 11.
- 5** LOCAL CODE OF CORPORATE GOVERNANCE REVIEW 2019-20 **3 - 13**
- 6** INTERNAL AUDIT PROGRESS REPORT **14 - 34**
- 7** LOCAL GOVERNMENT AUDIT COMMITTEE BRIEFING Q3 SEPT 19 **35 - 46**
- 8** COMMITTEE WORK PROGRAMME **47 - 50**

### **Exclusion of the Public and Press:**

- 9** The Chairman may therefore move:-  
That in accordance with Section 100 (A)(4) of the Local Government Act 1972 (as amended) the press and public be excluded from the remainder of the Meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the paragraph of Part I of the Schedule 12A of the Act indicated in the header to each report on the Agenda.
- 10** To receive any Exempt questions by Members of the Council pursuant to Council procedure Rule No. 11.

<b>REPORT TO:</b>	<b>AUDIT SUB-COMMITTEE</b>	<b>AGENDA ITEM: 5</b>
<b>DATE OF MEETING:</b>	<b>11<sup>th</sup> DECEMBER 2019</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>HEAD OF LEGAL and DEMOCRATIC SERVICES</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>ARDIP KAUR (01283 595715)</b> <b><a href="mailto:Ardip.kaur@southderbyshire.gov.uk">Ardip.kaur@southderbyshire.gov.uk</a></b>	<b>DOC:</b> u/ks/governance/local code/Dec 19/update report Dec 19
<b>SUBJECT:</b>	<b>LOCAL CODE OF CORPORATE GOVERNANCE REVIEW 2019/20</b>	
<b>WARD (S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: AS 04</b>

## **1.0 Recommendation**

- 1.1 That the updated Local Code of Corporate Governance for 2019/20 as detailed in **Appendix 1** is considered and approved.
- 1.2 That progress regarding on-going work to maintain good governance as detailed in the report is approved.

## **2.0 Purpose of the Report**

- 2.1 To review the Council's governance arrangements against the national framework which the Council has adopted.

## **3.0 Detail**

### **Background**

- 3.1 In 2016, the Chartered Institute of Public Finance (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) published an updated national framework for ensuring proper and robust governance in local authorities. This was adopted by the Council in December 2016 following a review by the Audit Sub-Committee.
- 3.2 The main aim of corporate governance relates to having a system by which a local authority directs and controls its functions and relates to its local community.
- 3.3 Good corporate governance is considered to be essential in demonstrating that there is credibility and confidence in public services. Sound arrangements should be founded on openness, integrity and accountability, together with the overarching concept of leadership.

## **The National Framework**

- 3.4 The Framework is based on a set of core principles and is intended to assist authorities individually in reviewing and accounting for their own approach.
- 3.5 The overall aim of the Governance Framework is to ensure that resources are directed in accordance with agreed priorities, that there is sound and inclusive decision making, together with clear accountability for the use of resources to achieve intended outcomes for local communities.
- 3.6 Within the Framework, focus is also placed upon demonstrating economic, social and environment sustainability over a longer-term, together with the principles of social value.

## **The Core Principles**

- 3.7 These are:

- Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.
- Ensuring openness and comprehensive stakeholder engagement.
- Defining outcomes in terms of sustainable economic, social and environmental benefits.
- Determining the interventions necessary to optimise the achievement of the intended outcomes.
- Developing the entity's capacity, including the capability of its leadership and the individuals within it.
- Managing risks and performance through robust internal control and strong public financial management.
- Implementing good practice in transparency, reporting and audit to deliver effective accountability.

- 3.8 Within each principle there are a series of sub-principles. Guidance with the Framework advocates a self-assessment against each of the sub-principles.

## **The Council's Assessment against the Framework**

- 3.9 **Appendix 1** details the Council's latest assessment. Previous assessments have used a scoring system to rate compliance against each of the principles.
- 3.10 As most of the core elements are in place regarding the Council's governance framework, it is proposed to move away from this approach as it is considered that the scoring system no longer adds any value to the assessment.
- 3.11 Following a review of the Council's Annual Governance Statement by Internal Audit, the emphasis of the assessment has been changed to focus on

improvements and future developments, together with greater detail regarding on-going work. Therefore, the template in **Appendix 1** does look different from that previously reported.

- 3.12 However, it is important to note that the basic framework has not changed and the Council's evidence of compliance and areas for review, are still mapped against each of the principles in the National Framework.
- 3.13 The assessment itself does not necessarily measure the effectiveness of the Council's Governance arrangements. The effectiveness is assessed on an on-going basis and reported annually in the Annual Governance Statement, with the Local Code ensuring sound and robust arrangements (the core elements) are in place.
- 3.14 However, areas for improvement and work-in-progress reported in the Local Code generally arise from an on-going review of the effectiveness of the core elements of the Council's arrangements.

### **On-going Review**

- 3.15 Although core elements to demonstrate good governance may be in place, they will always be subject to review and update. This may be due to changing circumstances, stakeholder expectations and external influences, together with learning and development arising from audits and service reviews, etc.
- 3.16 In addition, an assessment of the governance framework and ultimately its effectiveness should be made taking into account the key aspects and risks facing the Council. Currently, these are considered to be:
- Continuing growth of the District and its increasing population.
  - The general uncertainty regarding national funding beyond 2020/21.
  - Potential implications arising from the UK leaving the EU without a negotiated deal.
  - A new Corporate Plan which was adopted in October 2019.
  - The bedding in of a new senior management structure which was implemented on 1 April 2019.
- 3.17 In addition, the Council was subject to a Peer Review in October 2019. This was an action identified in the 2018/19 Governance Statement and has been the subject of previous reports regarding Principle 5 in the Framework, i.e. "developing the entity's capacity".

### **Improvements and On-Going Work**

- 3.18 **Appendix 1** details the improvements identified and on-going work to ensure that the Council's governance arrangements remain sound and robust. In summary these are:

- **Principle 1: Financial Management Standards** – a new National Code has been issued that will require councils to demonstrate their financial stability against a set of standards.
- **Principle 2: Communication Channels** – how the Council engages with its communities with an increasing population.
- **Principle 3: Asset Management Planning** – the Council’s current plan is outdated and is being reviewed.
- **Principle 5: Organisational Capacity** – a full work programme following the implementation of a new Organisational Development and Performance Unit.
- **Principle 6: Data Quality** – implementing recommendations from an Internal Audit review.

3.19 Further detail is provided in Appendix 1.

#### **4.0 Financial Implications**

4.1 None

#### **5.0 Corporate Implications**

##### **Employment Implications**

5.1 None

##### **Legal Implications**

5.2 None

##### **Corporate Plan Implications**

5.3 There are direct priorities identified in the new Corporate Plan. However, “good governance” underpins everything that the Council carries out and ensuring a robust system of corporate governance is a key corporate indicator which demonstrates that the Council is operating on a sound basis.

##### **Risk Impact**

5.4 None directly from the assessment itself.

#### **6.0 Community Implications**

##### **Consultation**

6.1 None required.

## **Equality and Diversity Impact**

6.2 None

## **Social Value Impact**

6.3 Not applicable

## **Environmental Sustainability**

6.4 Not applicable

## **7.0 Background Papers**

7.1 Delivering Good Governance in Local Government; Framework and Guidance Notes 2016 Edition. (*Published by CIPFA and SOLACE*).

## APPENDIX 1: LOCAL CODE OF CORPORATE GOVERNANCE: ASSESSMENT AGAINST THE NATIONAL FRAMEWORK

Principle	The Core Elements of how the Council meets each Principle to ensure Good Governance	Improvements identified and future developments	On-going Work and Future Action
<p>1. <b>Behaving with integrity, upholding ethical values and respecting the rule of law.</b></p> <ul style="list-style-type: none"> <li><i>Behaving with integrity</i></li> <li><i>Demonstrating a strong commitment to ethical values</i></li> <li><i>Respecting the rule of law</i></li> </ul>	<ul style="list-style-type: none"> <li>An overall Constitution which governs the Council.</li> <li>Codes of Conduct for Members and Officers.</li> <li>Separate Standards Committee with Independent Persons.</li> <li>Register of Interests for Gifts and Hospitality.</li> <li>Process for declaration of personal interests.</li> <li>Protocol on Member and Officer Relationships.</li> <li>Member Codes of Practice for the Planning process, the use of ICT, Licensing Committee and representation on outside bodies.</li> <li>Statutory Section 151 (Finance) and Monitoring Officers (Legal) appointed to ensure compliance with the law, regulations and procedures.</li> <li>Regulatory Committees for Planning and Licensing.</li> <li>Health and Safety Committee.</li> <li>Ethics Statement setting out Ethical Standards for Officers.</li> </ul>	<p><b>Financial Management Standards</b> in local government. These are being reviewed externally to ensure that local authorities are able to demonstrate their financial sustainability.</p>	<p>During 2018/19, CIPFA (1) consulted with local authority representatives on setting a revised set of standards that govern financial management in local authorities.</p> <p>Consequently, a new Code of Practice was issued in October 2019 and this will apply for all local authorities from the financial year 2021/22.</p> <p>In the preceding year, 2020/21, local authorities will be required to assess themselves against the Code, implement any improvements required and ensure that they are able to demonstrate compliance to all standards from April 2021.</p> <p>The Strategic Director (Corporate Resources) will undertake an initial assessment and report to the Audit Sub-Committee in March 2020.</p> <p><b>(1) Chartered Institute of Public Finance and Accountancy</b></p>



## APPENDIX 1: LOCAL CODE OF CORPORATE GOVERNANCE: ASSESSMENT AGAINST THE NATIONAL FRAMEWORK

<p><b>2. Ensuring openness and comprehensive stakeholder engagement.</b></p> <ul style="list-style-type: none"> <li>• <i>Openness</i></li> <li>• <i>Engaging with institutional stakeholders</i></li> <li>• <i>Engaging with individuals and service users effectively</i></li> </ul>	<ul style="list-style-type: none"> <li>• Published and transparent decision making process through a Committee system accessible to the Public.</li> <li>• Communications Plan which uses media campaigns to inform the Public.</li> <li>• Corporate Equalities and Fairness Scheme to ensure that access to services is available to all.</li> <li>• Consultation Framework which includes Citizens Advice and CVS to undertake consultations and provide feedback.</li> <li>• Representative groups established for major services such as Housing and Leisure.</li> <li>• Parish Liaison Forum with Parish Council representatives.</li> <li>• Quarterly Area Forums to provide the public with direct access to Members, Officers and other agencies in the District.</li> <li>• A publicised Comments, Compliments and Complaints Procedure which allows stakeholders to report feedback and raise issues.</li> </ul>	<p><b>Communication Channels;</b> given the growing population that the Council serves and the global movement towards “Digital Services”, the Council needs to review how it engages with its communities.</p>	<p>In the new Corporate Plan that was adopted by the Council in October 2019, two priorities were approved under the theme “<i>Our People</i>”.</p> <p>These priorities relate to ensuring consistency in approach using a customer service standard, together with making greater use of technology to engage with local residents.</p> <p>Indicators have been agreed to measure outcomes against these priorities and they will be monitored in performance reports to the Council.</p> <p>A programme of developments will be implemented during the remainder of 2019/20 and into 2020/21.</p>
<p><b>3. Defining outcomes in terms of sustainable economic, social and environmental benefits.</b></p> <ul style="list-style-type: none"> <li>• <i>Defining outcomes</i></li> <li>• <i>Sustainable economic, social and environmental benefits</i></li> </ul>	<ul style="list-style-type: none"> <li>• Sustainable Community Strategy for South Derbyshire coordinated by the Council and overseen by the South Derbyshire Partnership.</li> <li>• Medium-term Corporate Plan setting out the Council’s vision, values and priorities.</li> <li>• Medium Term Financial Plan (MTFP) to ensure resources are aligned to priorities and that the financial position remains sustainable.</li> </ul>	<p><b>Asset Management Planning;</b> the Council’s Plan is currently outdated.</p>	<p>The Plan is in the early stages of review following the implementation of a new Corporate Property Unit in April 2019.</p> <p>It is being updated to reflect current challenges and future actions for regeneration and maintenance.</p>

## APPENDIX 1: LOCAL CODE OF CORPORATE GOVERNANCE: ASSESSMENT AGAINST THE NATIONAL FRAMEWORK

	<ul style="list-style-type: none"> <li>• Capital Investment Strategy to guide long term investment.</li> <li>• Procurement Strategy to drive value for money in purchasing, together with securing social value and environmental benefits where possible.</li> <li>• Environmental Sustainability Group which is taking forward a range of initiatives to meet an aspiration to make the Council carbon neutral by 2030.</li> </ul>		Following review and consultation, a new Plan will be presented for approval to the Council in July 2020.
<b>4. Determining the interventions (courses of action) necessary to optimise the achievement of the intended outcomes.</b> <ul style="list-style-type: none"> <li>• <i>Determining interventions</i></li> <li>• <i>Planning interventions</i></li> <li>• <i>Optimising achievement of intended outcomes</i></li> </ul>	<ul style="list-style-type: none"> <li>• Terms of Reference and work programmes set for Council Committees.</li> <li>• Corporate and Service Planning framework to set targets and intended outcomes.</li> <li>• Financial Regulations and Procedural Rules govern how public money is controlled and to ensure financial resources are deployed efficiently and effectively.</li> <li>• Change Management process to guide organisational and structural change.</li> <li>• Service and Financial Planning Working Group to evaluate new spending proposals.</li> <li>• Business Change Framework to assess major process changes and system developments.</li> <li>• Annual Budget Round to review and focus resources.</li> </ul>	None identified at present.	
<b>5. Developing the entity's capacity, including the capability of its leadership and the individuals within it.</b>	<ul style="list-style-type: none"> <li>• An Organisational Development and Performance (ODP) Unit in place led by a Head of Service which focuses on organisational and individual capacity.</li> <li>• Use of external organisations such as the</li> </ul>	Reviewing and improving arrangements regarding capacity is considered a key issue for the Council.	A new post of Head of ODP was filled in September 2019. Their focus is on OD corporately and priorities in 2019/20 are to:

## APPENDIX 1: LOCAL CODE OF CORPORATE GOVERNANCE: ASSESSMENT AGAINST THE NATIONAL FRAMEWORK

<ul style="list-style-type: none"> <li>• <i>Developing organisational capacity</i></li> <li>• <i>Developing leadership and individual performance</i></li> </ul>	<p>LGA and the Housing Quality Network to review resources and make recommendations for improvement.</p> <ul style="list-style-type: none"> <li>• Overarching Workforce Development Strategy.</li> <li>• A Personal Development process with annual reviews of training needs for all Officers.</li> <li>• Training and Development programmes for Members and Officers which includes mandatory training courses, together with job specific and wider management training as appropriate.</li> </ul>	<p>A Peer Review was undertaken in October 2019.</p>	<ul style="list-style-type: none"> <li>• Review and update the Council's values and ensure the workforce is fully engaged.</li> <li>• To review any capacity issues identified.</li> <li>• To review succession planning.</li> <li>• To provide training and development opportunities for new Head of Service roles implemented in April 2019.</li> <li>• To review the use of apprenticeships and industrial placements.</li> <li>• To review internal communication and feedback channels to ensure everyone is informed and feels inclusive.</li> </ul>
<p><b>6. Managing risks and performance through robust internal control and strong public financial management.</b></p> <ul style="list-style-type: none"> <li>• <i>Managing risk</i></li> <li>• <i>Managing performance</i></li> <li>• <i>Robust internal control</i></li> <li>• <i>Managing data</i></li> </ul>	<ul style="list-style-type: none"> <li>• Risk Management Policy and Framework in place. This guides the identification and assessment of risk, together with the process for monitoring, updating and reporting.</li> <li>• Counter-fraud and Corruption Policy with an annual action plan.</li> <li>• Performance management process with key performance indicators to measure outcomes and identify corrective action where needed.</li> <li>• An established Overview and Scrutiny Committee which reviews service delivery, policy and has powers to "call-in" decisions.</li> </ul>	<p>A review of the data quality and performance management system.</p> <p>Data quality is a risk identified by the Council. The Council is responsible for a wide range of data which is required to provide and measure service delivery.</p> <p>If data is advertently being collected and recorded</p>	<p>In September 2019, Internal Audit reviewed the Council's system for collecting and recording data to ensure that performance reports were accurately presented.</p> <p>Although the Audit provided "reasonable assurance" of the system, it made several recommendations to improve processes.</p> <p>Actions are currently in</p>

## APPENDIX 1: LOCAL CODE OF CORPORATE GOVERNANCE: ASSESSMENT AGAINST THE NATIONAL FRAMEWORK

<ul style="list-style-type: none"> <li><i>Strong financial management</i></li> </ul>	<ul style="list-style-type: none"> <li>An established Audit Committee.</li> <li>Independent Internal Audit function provided through partnership arrangements.</li> <li>Publicised Whistleblowing Policy.</li> <li>Appointed Data Protection Officer independent of senior management.</li> <li>Records Management and Document Retention Policies.</li> <li>Data Quality framework which sets out how data is collected, recorded and reported.</li> <li>Compliance with the Public Services Network Standard for ICT data security.</li> <li>Financial strategy which lays out the management of financial resources and sets the overall financial target for the Council.</li> <li>Financial monitoring and reporting process to review in year budget performance.</li> </ul>	<p>inaccurately, this could lead to performance not being properly recorded and ultimately, incorrect decisions are made.</p>	<p>progress with all recommendations due to be implemented by June 2020.</p> <p>Implementation is being monitored by Internal Audit and progress is being reported to the Audit Sub-Committee.</p>
<p><b>7. Implementing good practice in transparency, reporting and audit to deliver effective accountability.</b></p> <ul style="list-style-type: none"> <li><i>Implementing good practice in transparency</i></li> <li><i>Implementing good practice in reporting</i></li> <li><i>Assurance and effective accountability</i></li> </ul>	<ul style="list-style-type: none"> <li>Open Data reporting under the Government's Transparency Code.</li> <li>Freedom of Information Publication Scheme.</li> <li>Annual Report produced and publicised.</li> <li>Annual Statement of Accounts detailing how public funds have been utilised.</li> <li>Annual Pay Policy Statement published.</li> <li>Equality and Diversity Annual Report.</li> <li>Scheme of Delegation in place from Full Council, down to Policy Committees and down to Officers.</li> <li>Senior Leadership Team and all Council Service accountable to Members through the</li> </ul>	<p>None identified at present.</p>	

## APPENDIX 1: LOCAL CODE OF CORPORATE GOVERNANCE: ASSESSMENT AGAINST THE NATIONAL FRAMEWORK

	<p>Committee system.</p> <ul style="list-style-type: none"><li>• Service planning process in place which assigns responsibilities at an individual level.</li><li>• All service related action plans and recommendations from Audit have a designated responsible officer.</li></ul>		
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<b>REPORT TO:</b>	<b>AUDIT SUB COMMITTEE</b>	<b>AGENDA ITEM: 6</b>
<b>DATE OF MEETING:</b>	<b>11<sup>th</sup> DECEMBER 2019</b>	<b>CATEGORY: RECOMMENDED</b>
<b>REPORT FROM:</b>	<b>AUDIT MANAGER</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>ADRIAN MANIFOLD (01332 643281)</b> <a href="mailto:adrian.manifold@centralmidlandsaudit.co.uk">adrian.manifold@centralmidlandsaudit.co.uk</a>	<b>DOC:</b> u/ks/audit/internal audit/quarterly reports/quarterly report cover
<b>SUBJECT:</b>	<b>INTERNAL AUDIT PROGRESS REPORT</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: AS 02</b>

## **1.0 Recommendations**

- 1.1 That the report of the Audit Manager is considered and any issues identified are referred to the Finance and Management Committee or subject to a follow-up report as appropriate.

## **2.0 Purpose of Report**

- 2.1 To provide an update on progress against the approved Internal Audit Plan. This details the performance and activity of Internal Audit as at 30 November 2019.

## **3.0 Detail**

- 3.1 The detailed report is attached.

## **4.0 Financial Implications**

- 4.1 None.

## **5.0 Corporate Implications**

- 5.1 None directly.

## **6.0 Community Implications**

- 6.1 None directly.

## **7.0 Background Papers**

- 7.1 None

# South Derbyshire District Council – Audit Progress Report

Audit Sub-Committee: 11<sup>th</sup> December 2019



South Derbyshire  
District 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.

## Contacts

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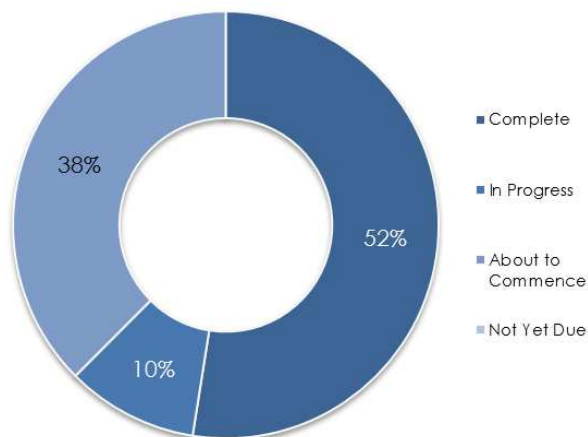




## South Derbyshire District Council – Audit Progress Report

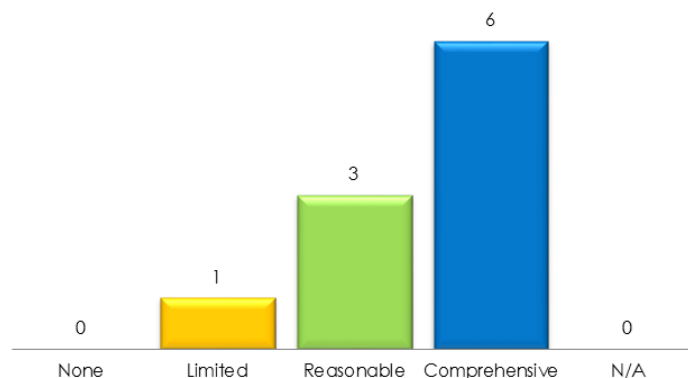
### AUDIT DASHBOARD

#### Plan Progress



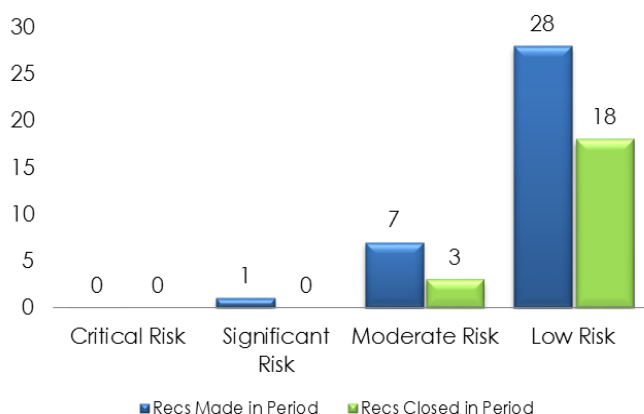
#### Jobs Completed in Period

##### Control Assurance Ratings During Period



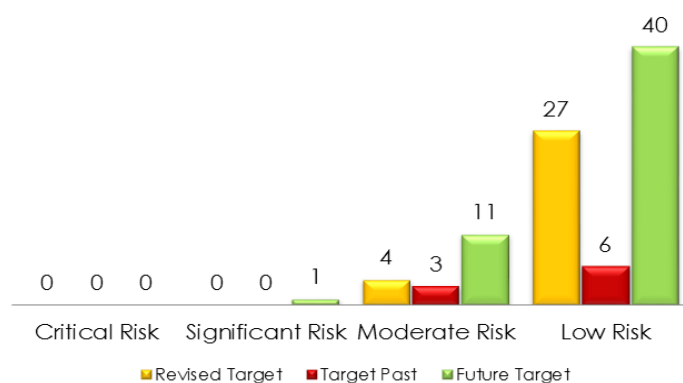
#### Recommendations

##### Movement During Period



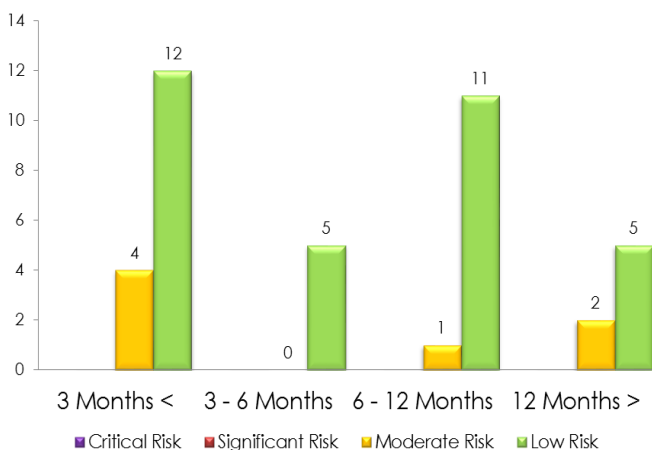
#### Recommendations

##### Recommendations Currently Open



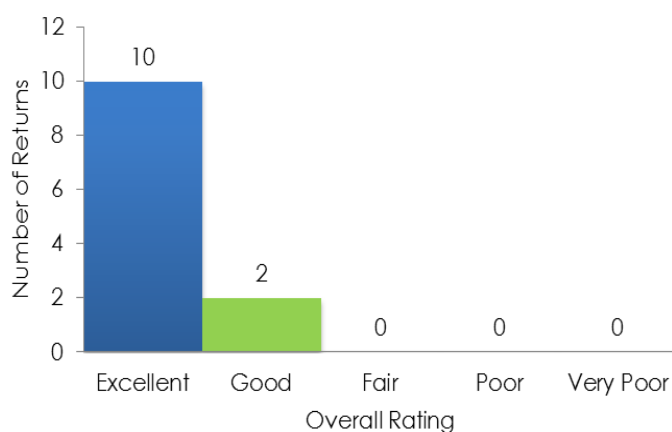
#### Recommendations

##### Overdue Recommendations



#### Customer Satisfaction

##### Returns Between Dec 18 & Nov 19



## South Derbyshire District Council – Audit Progress Report

### AUDIT PLAN

#### Progress on Audit Assignments

The following tables provide Audit Sub-Committee with information on how audit assignments were progressing as at 30<sup>th</sup> November 2019.

2019-20 Jobs	Status	% Complete	Assurance Rating
Significant Contracts	Allocated	5%	
Main Accounting System 2019-20	Allocated		
Treasury Management 2019-20	Allocated		
Banking Services 2019-20	Final Report	100%	Comprehensive
Payroll 2019-20	Allocated		
Officers Expenses & Allowances 2019-20	Final Report	100%	Comprehensive
Creditors 2019-20	Allocated	10%	
Fixed Assets 2019-20	Final Report	100%	Comprehensive
Revenues Systems 2019-20	Allocated	5%	
Cashiering 2019-20	Final Report	100%	Comprehensive
Housing Benefit & Council Tax Support 2019-20	Allocated	5%	
Anti-Fraud & Corruption 2019-20	In Progress	30%	
Personal Data Checks	Allocated	10%	
IT Project Advice	Allocated		
Project Management	Allocated	5%	
Business Change & Transformation	Allocated	5%	
Data Quality & Perf. Mgmt 2019-20	Final Report	100%	Reasonable
Rent Accounting 2019-20	Final Report	100%	Reasonable
Former Tenants Arrears 2019-20	In Progress	75%	
Council House Sales - Right To Buy 2019-20	Final Report	100%	Limited
Grounds Maintenance	In Progress	50%	
Improvement Grants (DFG)	Allocated	10%	
Bereavement Services 2019-20	Allocated		
Electoral Services 2019-20	Allocated		
Economic Development 2019-20	Allocated	10%	

B/Fwd Jobs	Status	% Complete	Assurance Rating
Information Governance	Final Report	100%	Reasonable
Capital Programme	Final Report	100%	Comprehensive
Payroll 2018-19	Final Report	100%	Reasonable
Creditors 2018-19	Final Report	100%	Reasonable
Revenue Systems 2018-19	Final Report	100%	Comprehensive
Housing Benefit & Council Tax Support 2018-19	Final Report	100%	Comprehensive
File Server Security	Final Report	100%	Reasonable
Development Management	Final Report	100%	Reasonable
Food Safety 2018-19	Final Report	100%	Reasonable
Active Communities & Health	Fieldwork Complete	90%	
Rosliston Forestry Centre	Final Report	100%	Comprehensive
Maintenance of Public Buildings	Final Report	100%	Limited
Housing Safety Inspections	Final Report	100%	Limited
Community Safety Partnership 2018-19	Final Report	100%	Comprehensive
Corporate Governance 2018-19	Final Report	100%	Reasonable

# South Derbyshire District Council – Audit Progress Report

## AUDIT COVERAGE

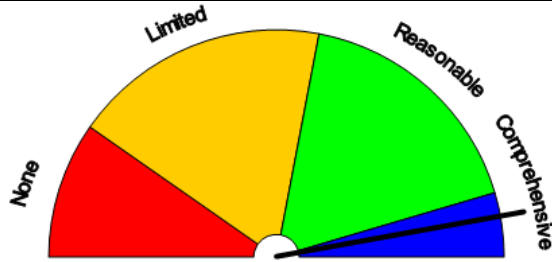
### Completed Audit Assignments

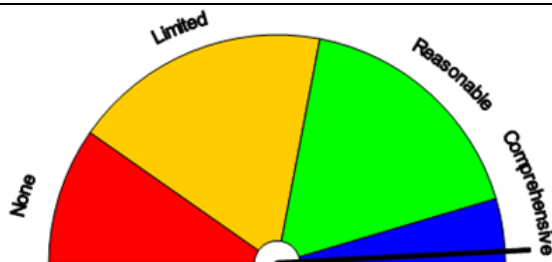
Between 7<sup>th</sup> September 2019 and 30<sup>th</sup> November 2019, the following audit assignments have been finalised since the last Progress Report was presented to this Sub-Committee.

Audit Assignments Completed in Period	Assurance Rating	Recommendations Made				% Recs Closed
		Critical Risk	Significant Risk	Moderate Risk	Low Risk	
Capital Programme	Comprehensive				1	100%
Officers Expenses & Allowances 2019-20	Comprehensive				2	0%
Cashiering 2019-20	Comprehensive					n/a
Data Quality & Perf. Mgmt 2019-20	Reasonable			1	6	0%
Community Safety Partnership 2018-19	Comprehensive				4	75%
Banking Services 2019-20	Comprehensive				1	100%
Development Management 2018-19	Reasonable				5	0%
Fixed Assets 2019-20	Comprehensive				1	0%
Information Governance	Reasonable			1	7	25%
Council House Sales - Right To Buy	Limited		1	5	1	29%

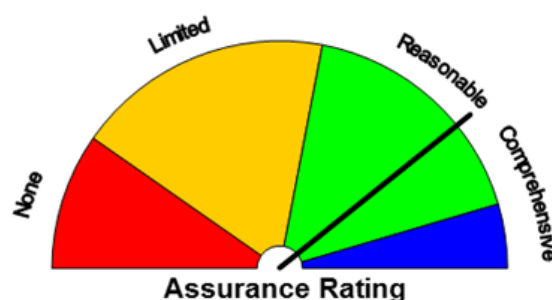
Capital Programme					
Control Objectives Examined		Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
All capital schemes have been approved for inclusion in the Capital Investment and Financing Programme.		5	5	0	0
Capital schemes have been prioritised in line with the Council's Medium Term Financial Plan and the Capital Investment and Financing Programme.		5	4	1	0
Progress against the Capital Investment and Financing Programme has been adequately monitored.		4	4	0	0
<b>TOTALS</b>		<b>14</b>	<b>13</b>	<b>1</b>	<b>0</b>
Summary of Weakness			Risk Rating	Agreed Action Date	
The Capital Strategy was only available to the public and staff through a search of the Council's Committee papers on their website.			Low Risk	Implemented	

## South Derbyshire District Council – Audit Progress Report

Officers Expenses & Allowances 2019-20	 <p><b>Assurance Rating</b></p>			
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Adequate systems and controls are in place to ensure mileage claims are processed and paid accurately.	13	10	1	2
Adequate systems and controls are in place to ensure officer expenses are processed and paid accurately.	10	9	1	0
<b>TOTALS</b>	<b>23</b>	<b>19</b>	<b>2</b>	<b>2</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
There was no specific Green Travel Policy in place and there was insufficient detail in the Expenses Policy for to cover this subject matter. The bicycle scheme was also not mentioned in this policy.		Low Risk	30/01/2020 Future Action	
The system in place made it difficult for managers to identify duplicate expense forms being submitted.		Low Risk	30/04/2020 Future Action	

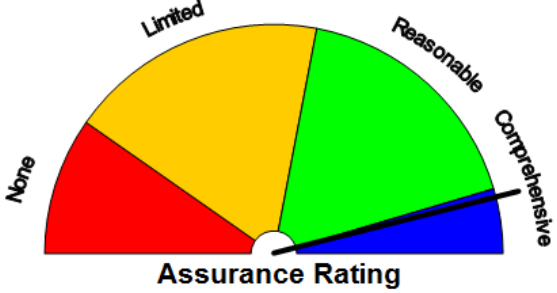
Cashiering 2019-20	 <p><b>Assurance Rating</b></p>			
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Relevant policies and procedures are in place to ensure a robust cashiering service.	5	5	0	0
Adequate systems and controls are in place to ensure the security of kiosk transactions and that income is reconciled.	6	5	1	0
Cash received from external sources (e.g. post office) is collected securely and the allocation process is adequately controlled.	6	5	1	0
TOTALS	17	15	2	0
Summary of Weakness		Risk Rating	Agreed Action Date	
This report did not contain any recommendations, although 2 minor risk issues were highlighted for management's consideration.				


## South Derbyshire District Council – Audit Progress Report

Data Quality & Perf. Mgmt  
2019-20

Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
There are suitable governance arrangements in place for the successful management and monitoring of data quality throughout the authority.	7	3	2	2
There are robust processes for managing individual performance indicators and ensuring the accuracy of the reported performance figures.	6	1	4	1
There are adequate quality checks in place for ensuring the validity of the performance data and the resulting data trail.	5	4	0	1
<b>TOTALS</b>	<b>18</b>	<b>8</b>	<b>6</b>	<b>4</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
Data quality had not been reported to the Finance & Management Committee for 2017/18 or 2018/19, as required by the Data Quality Strategy produced in 2016.		Low Risk	31/03/2020 Future Action	
Access to the MS Excel spreadsheet used to record performance data was not appropriately restricted.		Low Risk	31/12/2019 Future Action	
Targets set for project-based measures were not always sufficiently specific to allow performance to be accurately assessed.		Low Risk	31/03/2020 Future Action	
The risk of poor quality performance data was not included in the Strategic Risk Register, and an annual audit of data quality was not taking place.		Low Risk	31/03/2020 Future Action	
Methodology statements did not always fully capture the required information, and there were some discrepancies between the information in methodology statements and the 'Performance Board' spreadsheet.		Low Risk	31/01/2020 Future Action	
There was no separation of duties between collection and review of performance information for 6 of the Council's 46 corporate performance indicators, and roles were not always clearly or appropriately defined for the remaining indicators.		Moderate Risk	31/01/2020 Future Action	
Officers involved in the collection and review of performance data had not been provided with sufficient information to ensure they were fully aware of the benefits of monitoring service delivery and their role within this.		Low Risk	30/06/2020 Future Action	

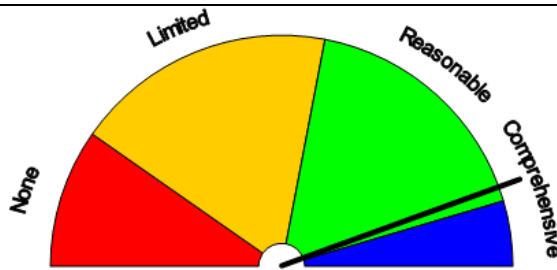
## South Derbyshire District Council – Audit Progress Report

Community Safety Partnership 2018-19				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
There are robust financial management controls in place to ensure that partnership monies are appropriately spent.	10	5	4	1
Projects are well managed and fit the objectives of the partnership as well as the priorities of the Council.	5	5	0	0
There are adequate arrangements in place for sharing information between the partnering organisations.	3	3	0	0
<b>TOTALS</b>	<b>18</b>	<b>13</b>	<b>4</b>	<b>1</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
Evidence of checking that the grant application met the Partnership's requirements for funding was not available for one of the grant applications tested.		Low Risk	Implemented	
Evidence of obtaining three quotes to support the grant application was not on file for all the grant applications received.		Low Risk	Implemented	
One of the acceptance slips received was not signed by the applicant to formally accept the grant offered. On the same slip, the value of grant was overstated, leading to a £20 overpayment.		Low Risk	Implemented	
Checks were not being undertaken to ensure that funds granted had been spent for the intended purpose, and where applicable, the correct amount of match funding had been received.		Low Risk	30/04/2020 Future Action	

Banking Services 2019-20				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
To ensure that the Council only has appropriateness and necessary of bank accounts in operation.	5	4	1	0
To ensure that there adequate controls around checking the validity of bank transactions.	10	9	1	0

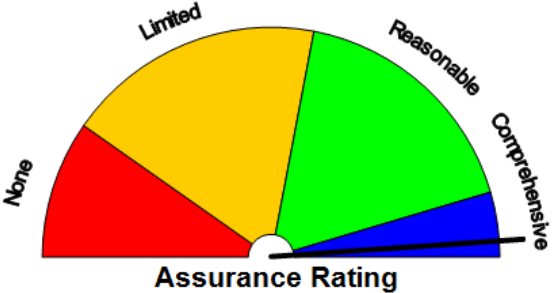
## South Derbyshire District Council – Audit Progress Report

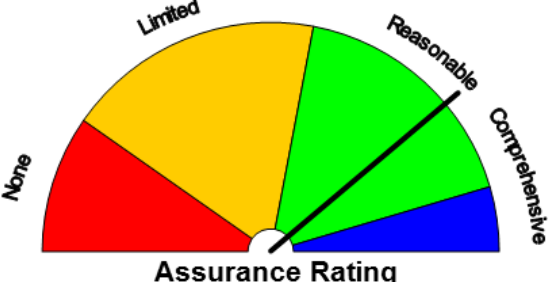
To ensure there are adequate controls around the Paypoint contract.	2	2	0	0
<b>TOTALS</b>	<b>17</b>	<b>15</b>	<b>2</b>	<b>0</b>
<b>Summary of Weakness</b>		<b>Risk Rating</b>	<b>Agreed Action Date</b>	
A copy of the current bank mandate was not available in Finance.		Low Risk	Implemented	

<h3>Development Management 2018-19</h3>		 <p><b>Assurance Rating</b></p>		
<b>Control Objectives Examined</b>	<b>Controls Evaluated</b>	<b>Adequate Controls</b>	<b>Partial Controls</b>	<b>Weak Controls</b>
Planning applications are processed appropriately within prescribed timescales, and decisions are supported by evidence and made in accordance with delegated responsibilities.	21	17	4	0
Planning application fees are collected and adequately processed, with a clear structure of fees and charges in operation.	7	4	2	1
<b>TOTALS</b>	<b>28</b>	<b>21</b>	<b>6</b>	<b>1</b>
<b>Summary of Weakness</b>		<b>Risk Rating</b>	<b>Agreed Action Date</b>	
Extensions to planning deadlines were frequently granted and no analysis had taken place to understand the reasons for this and identify potential process improvements.		Low Risk	01/01/2020 Future Action	
Responses to consultations and notifications were not always effectively recorded in the planning software.		Low Risk	01/09/2020 Future Action	
An application had been called in by Committee, however it was decided under delegated powers, but there was no evidence retained on file to support this.		Low Risk	01/03/2020 Future Action	
The fee for one of the 20 planning applications tested had not been calculated correctly, resulting in an overcharge of £366.		Low Risk	01/03/2020 Future Action	
Regular reconciliations between the planning system and Agresso were not being performed.		Low Risk	01/03/2020 Future Action	



## South Derbyshire District Council – Audit Progress Report

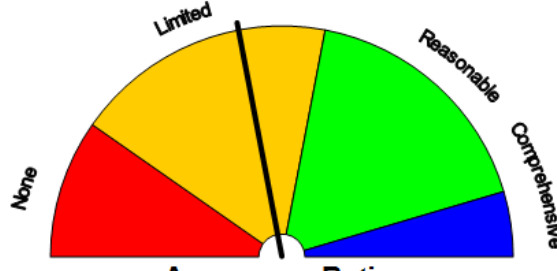
Fixed Assets 2019-20				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Policies and procedures are in place detailing the management of fixed assets.	4	2	1	1
Maintenance of the Fixed Asset Register.	9	9	0	0
The valuation and depreciation of capital assets.	3	3	0	0
Physical verification of assets.	2	2	0	0
Reconciliation of the Fixed Asset Register to the financial system.	1	1	0	0
<b>TOTALS</b>	<b>19</b>	<b>17</b>	<b>1</b>	<b>1</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
We found that Asset Management Policy referred to in the Financial Procedure Rules was not in place, and the Council's policies for the management of fixed assets were not clearly and concisely defined.		Low Risk	31/03/2020 Future Action	

Information Governance				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
The Council has taken sufficient action to be able to demonstrate compliance with the General Data Protection Regulations.	14	11	2	1
Appropriate policies and procedures are in place to ensure records are effectively managed and organised.	12	3	7	2
<b>TOTALS</b>	<b>26</b>	<b>14</b>	<b>9</b>	<b>3</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
Not all policies relating to the Council's Information Governance practices had been: <ul style="list-style-type: none"> <li>Updated to incorporate the changes brought about by GDPR.</li> <li>Approved by the relevant Committee.</li> <li>Appropriately version controlled.</li> </ul>		Low Risk	01/08/2020 Future Action	
The monthly meetings held and attended by senior officers to discuss the Council's GDPR compliance were not being minuted, so there was no documentation available to evidence		Low Risk	Implemented	



## South Derbyshire District Council – Audit Progress Report

the nature of the discussions taking place.		
The Council had not developed a formal Data Breach Response Plan.	Low Risk	31/12/2019 Future Action
Service areas were not complying with the Council's Records Management and Document Retention Policies in respect of some of the policies basic requirements. Furthermore, information contained in the Record Retention Schedule was found to be ambiguous.	Low Risk	31/12/2019 Future Action
Not all personal data collected by the Council was being stored securely, in locked facilities. This rendered this data accessible by parties who did not have a genuine business need to view the information. There was also a limited regime of checking in place to ensure the data remained safe and secure.	Moderate Risk	31/12/2019 Future Action
Council officers, in their roles as information owners or authors, were not categorising all information assets in accordance with the Information Security Classification Policy.	Low Risk	29/02/2020 Future Action
Checks with customers, to ensure that the information held about them was accurate and up-to-date, were not being undertaken on a periodic basis, nor were they being undertaken consistently between Council service areas.	Low Risk	31/12/2019 Future Action
There was no regular, established timeframe for service areas to review the information it held in respect of personal sensitive information.	Low Risk	Risk Accepted

Council House Sales - Right To Buy		 <p>Assurance Rating</p>		
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Applications are processed promptly and in accordance with Right To Buy legislation	17	13	2	2
Properties are only sold to those eligible to purchase under Right to Buy	9	6	1	2
Valuations and discounts are applied correctly	8	5	1	2
Right to Buy transactions are correctly reflected in council records	7	7	0	0
<b>TOTALS</b>	<b>41</b>	<b>31</b>	<b>4</b>	<b>6</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
There was no overall process map to ensure that officers were fully aware of their responsibilities, and the procedure notes followed by Business Support did not fully reflect current practice or government guidance.		Moderate Risk	01/02/2020 Future Action	
Section 125 offer notices issued by the Council did not include all the required information.		Low Risk	01/02/2020 Future Action	

## South Derbyshire District Council – Audit Progress Report

Specified court orders were not being reviewed as part of the eligibility checking process.	Moderate Risk	Implemented
The Council did not carry out identity checks, confirm residence, or perform its own anti-money laundering checks on Right To Buy applications.	Moderate Risk	Implemented
There was insufficient consideration of the potential for fraud throughout the Right To Buy process.	Significant Risk	01/02/2020 Future Action
Only one Right To Buy valuer had been utilised for over 10 years during which time there had been no procurement exercise, and the valuer did not hold the expected professional qualification.	Moderate Risk	01/02/2020 Future Action
The cost floor figure was not calculated correctly, because adequate processes and training were not in place.	Moderate Risk	01/02/2020 Future Action

# South Derbyshire District Council – Audit Progress Report

## RECOMMENDATION TRACKING

Final Report Date	Audit Assignments with Open Recommendations	Assurance Rating	Recommendations Open		
			Action Due	Being Implemented	Future Action
22-Nov-19	Council House Sales - Right To Buy 2019-20	Limited			5
20-Nov-19	Information Governance	Reasonable			6
20-Nov-19	Fixed Assets 2019-20	Comprehensive			1
13-Nov-19	Development Management 2018-19	Reasonable			5
15-Oct-19	Community Safety Partnership 2018-19	Comprehensive			1
11-Sep-19	Data Quality & Perf. Mgmt 2019-20	Reasonable			7
24-Jul-19	Rent Accounting 2019-20	Reasonable		1	2
16-Sep-19	Officers Expenses & Allowances 2019-20	Comprehensive			2
16-May-19	Housing Benefit & Council Tax Support 2018-19	Comprehensive		1	1
31-Mar-19	Orchard IT Application	Limited	4	3	3
26-Mar-19	Fleet Management	Reasonable	2		2
23-Jul-19	Payroll 2018-19	Reasonable	1	1	
16-Apr-19	Revenue Systems 2018-19	Comprehensive		3	
29-Aug-19	Corporate Governance 2018-19	Reasonable			1
08-May-19	Creditors 2018-19	Reasonable		1	
08-Apr-19	File Server Security	Reasonable			2
03-Jul-19	Housing Safety Inspections	Limited	1	1	5
21-Aug-19	Maintenance of Public Buildings	Limited			7
12-Feb-19	PCI Compliance 2018-19	Reasonable		5	1
19-Dec-18	Sheltered Housing / Careline	Reasonable		2	1
14-Feb-19	Allocations & Homelessness 2018-19	Reasonable		3	
25-Jan-19	Section 106 Agreements 2018-19	Reasonable		2	
25-Apr-18	Organisational Culture & Ethics	Reasonable		1	
10-Jan-19	Health & Safety	Reasonable	1		
06-Mar-18	Tenants Arrears 2017-18	Reasonable		3	
19-Jan-18	Rent Accounting 2017-18	Reasonable		1	
13-Nov-17	Officers Expenses & Allowances	Reasonable		1	
07-Aug-17	Parks & Open Spaces	Reasonable		2	
		<b>TOTALS</b>	<b>9</b>	<b>31</b>	<b>52</b>

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

**Being Implemented** = The original action date has now passed and the agreed actions have yet to be completed. Internal Audit has obtained status update comments from the responsible officer and a revised action date.

**Future Action** = The agreed actions are not yet due, so Internal Audit has not followed the matter up.

## South Derbyshire District Council – Audit Progress Report

Audit Assignments with Recommendations Due	Action Due			Being Implemented		
	Significant Risk	Moderate Risk	Low Risk	Significant Risk	Moderate Risk	Low Risk
Rent Accounting 2019-20						1
Housing Benefit & Council Tax Support 2018-19						1
Orchard IT Application		2	2			3
Fleet Management			2			
Payroll 2018-19			1		1	
Revenue Systems 2018-19						3
Creditors 2018-19						1
Housing Safety Inspections		1				1
PCI Compliance 2018-19					1	4
Sheltered Housing / Careline						2
Allocations & Homelessness 2018-19						3
Section 106 Agreements 2018-19						2
Organisational Culture & Ethics					1	
Health & Safety			1			
Tenants Arrears 2017-18						3
Rent Accounting 2017-18						1
Officers Expenses & Allowances					1	
Parks & Open Spaces						2
<b>TOTALS</b>		<b>3</b>	<b>6</b>		<b>4</b>	<b>27</b>

## South Derbyshire District Council – Audit Progress Report

### HIGHLIGHTED RECOMMENDATIONS

#### Being Implemented – Significant or Moderate Risk Recommendations

The following significant or moderate risk rated recommendations, that have not yet been implemented, are detailed for Committee's scrutiny.

PCI Compliance 2018-19	Rec No. 8
Summary of Weakness / Recommendation	Risk Rating
<p>The Council was not PCI Compliant and was paying non-compliance fees to a third party. Further management fees were being paid to the financial system provider for PCI and they were also charging the Council for a verbal assessment that no-one at the Council knew anything about.</p> <p>We recommend that the Council establishes a PCI Compliance Action Plan which should take account of the non-compliance fees being paid and should look to work with the third party to ensure that they are able to provide compliance to them and remove the non-compliance fee. The Council should also determine what benefits the Council receives for the PCI DSS Management Fee and verbal assessment.</p>	<b>Moderate Risk</b>
Management Response/Action Details	Action Date
This matter has been raised with Capita360 and there are several issues that have been raised previously about responsibility for the various elements of PCI DSS compliance and which appear to affect compliance. Following the meeting with Capita on 15 <sup>th</sup> February 2019 a compliance action plan will be drafted for agreement by each team.	01/04/2019
Status Update Comments	Revised Date
The Council are looking to implement 'call secure' which will ensure telephone payments taken via paye.net are handled securely. Following the appointment of a new Head of Customer Services in October 2019, this is currently underway. This will be completed by next audit review date.	31/12/2019

Organisational Culture & Ethics	Rec No. 3
Summary of Weakness / Recommendation	Risk Rating
<p>The Council had not undertaken a staff survey which was specifically geared towards the Council's culture, ethics and values.</p> <p>We recommend that the Council consider undertaking a specific Cultural Survey aimed at assessing officer opinions on the Council's culture, ethics and values. The results of the survey could then be used to make improvements where necessary should any common specific themes or patterns result.</p>	<b>Moderate Risk</b>
Management Response/Action Details	Action Date
A survey will be undertaken following research with the Council's Communications section.	31/10/2018
Status Update Comments	Revised Date
There is some work planned that will lead up to the survey which is to be explained to the Committee in December.	30/04/2020

## South Derbyshire District Council – Audit Progress Report

Orchard IT Application	Rec No. 1
Summary of Weakness / Recommendation	Risk Rating
<p>A number of issues were identified with share and directory access control lists on both the live and test servers, which may expose sensitive or critical information to unauthorised access or amendment.</p> <p>We recommend that management ensures share permissions do not grant unauthorised or elevated access to everyone groups, in line with the consultant's report.</p>	Moderate Risk
Management Response/Action Details	Action Date
Housing to review role definitions to ensure that the systems share permissions does not grant unauthorised or elevated access to everyone groups, in line with the consultant's report. IT to then carry out the implementation on those drives for Housing.	30/09/2019
Status Update Comments	Revised Date
No Update Received	

Orchard IT Application	Rec No. 4
Summary of Weakness / Recommendation	Risk Rating
<p>A significant number of stale accounts existed in in both the live and test systems.</p> <p>We recommend that management ensures stale accounts are reviewed and where appropriate removed or disabled, in line with the consultant's report.</p>	Moderate Risk
Management Response/Action Details	Action Date
Housing will review all stale accounts from the Orchard live and test systems and work with IT to be given permission to remove all unnecessary accounts from the Orchard live and test systems.	30/09/2019
Status Update Comments	Revised Date
No Update Received	

Officers Expenses & Allowances	Rec No. 2
Summary of Weakness / Recommendation	Risk Rating
<p>The review of essential user allowances process, which was due to be carried out annually, had not been carried out.</p> <p>We recommend that the Council considers a root and branch review of its approach to the payment of travel expenses, with a view to reducing the number of uneconomic payments made through the essential user scheme.</p>	Moderate Risk
Management Response/Action Details	Action Date
The payments are contractual for employees and therefore formal consultation will need to be undertaken. The Council is completing a job evaluation project and it is planned to commence discussions with the Trade Unions as part of a wider review of employment conditions and to fit in line with negotiations being completed on a national basis. Position to be reviewed 30 <sup>th</sup> September 2019.	30/09/2018
Status Update Comments	Revised Date
The Head of Organisational Development advised that the date for this has action has now been moved to 31/03/2020 as part of a wider corporate approach being considered by the Council.	31/03/2020

## South Derbyshire District Council – Audit Progress Report

Payroll 2018-19	Rec No. 1
Summary of Weakness / Recommendation	Risk Rating
<p>There was no process in place to check that all changes made on the Resource Link Payroll system were valid and supported by appropriate documentation.</p> <p>We recommend that a standard report should be setup on the Resource Link system that produces a listing of all changes made to Payroll records by all users within the period. This should then be used to ensure that appropriate documentation is held to support all changes made, and that they have been accurately input. Furthermore, the Checked by column in the HR spreadsheet should be regularly completed to evidence each item listed has been checked.</p>	<b>Moderate Risk</b>
Management Response/Action Details	Action Date
A number of options are being explored to address this issue with the software provider and will subsequently eradicate the level of risk. There is already a report developed that can be used to run reports on all users from Resource Link. The process of running reports was agreed in the previous audit 2017/18. Subject to the implementation of a new reporting tool, reports will be run on all users to identify any new starters and changes made to the system. In addition, the previously agreed arrangements will continue and this will include the exchange of information between HR and payroll to clarify any other changes that impact on an employee's salary. This will include the completion of the checked by column.	01/10/2019
Status Update Comments	Revised Date
The existing arrangements are to remain in place as the Council has now started a formal process of changing its software provider. The requirements of this recommendation will be configured and implemented as part of the new audit reporting tools.	01/07/2020

Housing Safety Inspections	Rec No. 14
Summary of Weakness / Recommendation	Risk Rating
<p>Contract opportunities for the inspection and maintenance of water systems had not been advertised on the Contracts Finder website, in line with the requirements of the Public Contract Regulations 2015, and there was no current contract in place.</p> <p>We recommend that the Council pursues one of the following actions:</p> <ul style="list-style-type: none"> <li>• A corporate contract may be required for the area of spend and as such a formal tender exercise should be undertaken.</li> <li>• The area of spend may be relevant to an existing or new framework agreement/contract which should be used to formalise the process.</li> <li>• The organisation may be required to undertake limited work where a tender exercise would not be beneficial to the Council or where the particular organisation is required for a specific reason, should this be the case then a formal exemption from the Contract Procedure Rule should be put in place.</li> </ul>	<b>Moderate Risk</b>
Management Response/Action Details	Action Date
We have identified the frame work efficiency east midlands Framework ref EEM0007 (Water services management).	30/11/2019
Status Update Comments	Revised Date
No Update Received	



## South Derbyshire District Council – Audit Progress Report

### Being Implemented - Low Risk Recommendations Over 12 Months

The following low risk rated recommendations, that have not yet been implemented and have exceeded their original action date by more than 12 months, are also detailed for Committee's scrutiny.

Tenants Arrears 2017-18	Rec No. 1
Summary of Weakness / Recommendation	Risk Rating
<p>The Income Management Policy had not been reviewed in line with criteria laid down in the policy itself.</p> <p>We recommend that the Income Management Policy be reviewed as soon as is practically possible to ensure that it reflects current legislation and best practice. Future reviews should be scheduled every 2 years in line with the policy or sooner in the event of significant legislative changes.</p>	Low Risk
Management Response/Action Details	Action Date
The policy and associated procedures will be reviewed in preparation for the implementation of Universal Credit in South Derbyshire.	30/09/2018
Status Update Comments	Revised Date
Once the review of all workflows is complete, it will be 'practically possible' to review the Procedures and to also incorporate information on the impact of Universal Credits in our District. The section plan to submit a draft policy to Committee by November 2019 with implementation by the end of January 2020.	01/04/2020

Tenants Arrears 2017-18	Rec No. 2
Summary of Weakness / Recommendation	Risk Rating
<p>A number of procedure manuals were identified and there was confusion as to which procedures were current for the service.</p> <p>We recommend that management review the various procedures and processes available to determine which manuals reflect the current processes, legislation and best practice concerning the recovery of rent arrears. Outdated procedures should be archived and clearly marked as such or removed from the system to ensure there is no confusion over which procedures to use.</p>	Low Risk
Management Response/Action Details	Action Date
Current procedure and process documents will be clearly identified for team members. Obsolete documents will be removed from common folders. This action is included as part of a corporate review of Policies & Procedures.	01/06/2018
Status Update Comments	Revised Date
Once the review of all workflows is complete, it will be 'practically possible' to review the Procedures and to also incorporate information on the impact of Universal Credits in our District. The section plan to submit a draft policy to Committee by November 2019 with implementation by the end of January 2020.	01/04/2020



## South Derbyshire District Council – Audit Progress Report

Rent Accounting 2017-18	Rec No. 3
Summary of Weakness / Recommendation	Risk Rating
<p>Control totals from housing benefit files imported into the Orchard Housing system, on a weekly basis, were not being matched to those from the system, following import.</p> <p>We recommend that, as part of the weekly reconciliation, the Business Support Team Leader source the batch file totals from the Senior Benefit Officer, who produces the housing benefit files for import. The expected total value of postings, and the number of transactions being posted, can then be checked to the import report from the Orchard Housing system to confirm that the information has been successfully transferred.</p>	Low Risk
Management Response/Action Details	Action Date
Housing has requested the batch files totals from Housing Benefit. They have advised that they cannot provide us these totals at the moment without incurring significant expense in terms of an interface/reporting solution between the Orchard and Academy.	31/08/2018
Status Update Comments	Revised Date
The reconciliation of the Academy housing benefit import files to the Orchard Housing system, will now be picked up as part of the wider interface issues identified in the 2019-20 Rent Accounting audit. A decision concerning the implementation of the interface by March 2020 will be taken shortly, so that the Council is able to address both matters together.	01/04/2020

Parks & Open Spaces	Rec No. 5
Summary of Weakness / Recommendation	Risk Rating
<p>Files and documentation confirming compliance with safety standards was not held centrally, but rather in separate project files in the Cultural Services Department.</p> <p>We recommend that the documentation held by the Council in respect of play equipment and playground surfacing which demonstrates compliance with the relevant safety standards, should be held centrally. Ideally, the relevant documents confirming compliance for each play area should be scanned and stored on separate electronic files, headed up for each play area. Access to the files should be allowed for both the Open Space and Facilities Development Manager and the Street Scene Manager. This would allow all officers involved in the process to access the information as necessary (i.e. for ordering parts) and would serve to ensure that the information was complete and easily accessible.</p>	Low Risk
Management Response/Action Details	Action Date
Central folder to be set up for all Play Equipment paperwork on S Drive. Scan in all relevant documents.	31/03/2018
Status Update Comments	Revised Date
<p>Our internal capacity to progress is temporarily limited but we are undertaking a district wide play audit of our own which will help to address the outstanding recommendations. We are currently engaged in a procurement exercise to secure external expertise to undertake the audit. To allow for the procurement, the audit and then remedial action suggest a revised date for implementing the outstanding recommendations of end September. Play audit nearing completion. To allow for digesting and acting upon recommendations suggest a revised date for implementing the outstanding recommendation of end March 2019.</p> <p>Open Space and Facility development team still suffering from significant capacity issues due to recruitment delays and long term sickness which means follow up on play audit has had to be delayed. Suggest further 4 month extension.</p>	31/07/2019

## South Derbyshire District Council – Audit Progress Report

Parks & Open Spaces		Rec No. 7
Summary of Weakness / Recommendation		Risk Rating
<p>Signs at play areas did not clearly identify the site operator, relying instead on a display of the Councils emblem, not necessarily identifiable with all users of the play areas. In addition, out of hours contact details differed on one sign compared to the other three we viewed.</p> <p>We recommend that the signs displayed at the children's play areas across the district clearly display, the name of the site operator, i.e. the district council or parish council as appropriate. This would allow users of the play areas to clearly identify the site operators in the event of accident or equipment failure. In addition, all the signs situated in the play areas should display the correct contact numbers, both in and out of office hours.</p>		Low Risk
Management Response/Action Details		Action Date
<p>Review of signage to be undertaken. New signage to be designed and approved.</p> <p>New signs to be installed on all Council operated play areas – NOTE: subject to budget/cost constraints</p>		31/03/2018
Status Update Comments		Revised Date
<p>Our internal capacity to progress is temporarily limited but we are undertaking a district wide play audit of our own which will help to address the outstanding recommendations. We are currently engaged in a procurement exercise to secure external expertise to undertake the audit. To allow for the procurement, the audit and then remedial action suggest a revised date for implementing the outstanding recommendations of end September 2018.</p> <p>Play audit nearing completion. To allow for digesting and acting upon recommendations suggest a revised date for implementing the outstanding recommendation of end March 2019.</p> <p>Open Space and Facility development team still suffering from significant capacity issues due to recruitment delays and long term sickness which means follow up on play audit has had to be delayed. Suggest further 4 month extension.</p>		31/07/2019

<b>REPORT TO:</b>	<b>AUDIT SUB COMMITTEE</b>	<b>AGENDA ITEM: 7</b>
<b>DATE OF MEETING:</b>	<b>11<sup>th</sup> DECEMBER 2019</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>EXTERNAL AUDIT</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>JASON BURGESS</b> <a href="mailto:Jburgess3@uk.ey.co">Jburgess3@uk.ey.co</a>	<b>DOC:</b> u/ks/audit/EY/committee briefings/quarterly update cover
<b>SUBJECT:</b>	<b>LOCAL GOVERNMENT AUDIT COMMITTEE BRIEFING: QUARTER 3 SEPTEMBER 2019</b>	
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: AS 01</b>

## **1.0 Recommendation**

- 1.1 That the Committee consider the key questions highlighted by the Council's External Auditors contained in their latest sector update.

## **2.0 Purpose of Report**

- 2.1 To provide the latest briefing from the Council's External Auditors. This is aimed at supporting the Council in an environment that is constantly changing and evolving. It covers issues which may have an impact on the Council, the wider local government sector and the audits that are undertaken.

## **3.0 Detail**

- 3.1 The Briefing is attached separately to the report. The key questions are detailed on Page 6 of the Briefing and include matters relating to:

- The Spending Review and Tax Reform
- Children's Services and Social Care pressures
- Consultation on the Code of Audit Practice
- Rise in delayed audit opinions

## **4.0 Financial Implications**

- 4.1 None

## **5.0 Corporate Implications**

5.1 None directly

## **6.0 Community Implications**

6.1 None directly





# Local Government Audit Committee Briefing

Quarter 3, September 2019



## Contents at a glance



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Find out  
more **7**



This sector briefing is one of the ways that we support you and your organisation in an environment that is constantly changing and evolving.

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It covers issues which may have an impact on your organisation and the Local Government sector as a whole.

Our national Government and Public Sector (GPS) team have produced this briefing using our public sector knowledge, and EY's wider expertise across UK and international business.

This briefing brings together not only technical issues relevant to the Local Government sector but also wider matters of potential interest to you and your organisation.

You can find out more about any of the articles featured by following the links at the end of the briefing.

We hope that you find the briefing informative and should this raise any issues that you would like to discuss further please contact your local audit team.





## Government and economic news

### Spending Review and Tax Reform

A local government think-tank, Local Government Information Unit, has warned the new prime minister has 100 days to save local government finance. Currently local authorities are facing a financial cliff edge because funding for local government beyond 31 March 2020 has not been finalised by central Government. This has hindered the ability of local authorities to effectively budget for the 2020/21 financial year. This may result in decisions being made based on a worst-case scenario such as redundancies, reducing services or selling valuable public assets. The research conducted by the think-tank was based on evidence provided by 254 senior local government figures, and its recommendation are that the new prime minister provides a one-year emergency settlement to enable local authorities to definitively plan for future years.

On the 8 August 2019, the new Chancellor of the Exchequer announced a one-year Spending Review of government departments. Usually Spending Reviews cover three year periods; however, the Chancellor stated that this one-year round will 'clear the ground' for government departments to focus on Brexit. The County Council's Network chairman-elect has called for the spending review to include emergency injection of resources to help councils plug the funding gap across the sector. The Local Government Association (LGA) has calculated the scale of the funding gap for the 2020/21 financial year to be £5bn, rising to £8bn by 2025.

The chief Executive of the Chartered Institute of Public Finance and Accountancy (CIPFA) commented that the Spending Review period of one year was too short to provide the certainty required for medium term financial planning that is critically required to alleviate the fiscal pressures faced by the sector. Reform of the Business Rates and Council Tax systems are seen as critical to achieving long term financial sustainability with the sector. Research conducted by the Institute for Public Policy reported that today's Council Tax resembles a poll tax that is regressive and inefficient. London Assembly member, Tom Copley, commented that the council tax system is 'out of control' to the extent that it is unfit for purpose. The research concluded that an official commission should be established to review and encourage a rethink of the council tax system.

In light of the Spending Review it is now thought unlikely that the fair funding review will be introduced in time to be implemented for the 2020/21 financial year.



## Children's Services and Social Care Pressures

Analysis conducted by the LGA has shown that local authorities overspent on children's social care during the 2018/19 financial year by £800m. This is despite an increase in the children's social care budgets by 6.8% compared to the prior year. The LGA commented that the demand and cost for child protection services is increasing at a faster rate than budgets and funding allow. In order to keep children at risk safe, many councils have been forced to find savings from non-statutory budgets, which include valuable early intervention and prevention support which ultimately stops families and children from reaching the crisis point and requiring child care protection services.

The government has yet to confirm whether grants previously given to local authorities to assist in funding social care will continue in 2020/21. Three temporary grants worth £2.4bn of social care funding, including the Better Care Fund grant, are due to finish at the end of the 2019/20 financial year. These temporary grants have allowed local authorities to bolster care services and help address pressures felt by the NHS. The Council County Network (CCN) has asked the Chancellor to confirm urgently whether this funding will continue as part of the Spending Review that is due to take place. Until confirmed, local authorities may need to plan to decommission services that are directly funded by these grants in order to present a balanced budget.

It is therefore unsurprising that, according to CIPFA's CFO Confidence Survey, 70% of respondents said they were either slightly less or much less confident in their Authority's financial position for 2020/21 compared to 2018/19. A similar percentage of respondents also said that they were less confident in their ability to deliver the same level of public services compared to 2018/19. The survey showed that the greatest pressure for top tier authorities remained children's social care, with adults' social care second place. For district authorities the greatest pressures were housing, environmental services and cultural services. CIPFA has stated that it wants to spend the next 12 months exploring the issues of long-term sustainable funding solutions, and to consider how the local government sector can come together to address the challenges of effective services delivery.

## Value of PWLB loans rises by 75%

The Public Works Loan Board (PWLB) is responsible for lending money to local authorities for capital projects at low rates of interest. According to the PWLB's annual report, the value of loans to local authorities has increased by 75% from £5.2bn at 31 March 2018 to £9.1bn at 31 March 2019. The increase was driven not only by the increased value borrowed, but also by an increase in the number of loans.

Over the last seven years the value of these loans has increased by 84% (£3.2bn 2012/13 to £9.1bn 2018/19). This amplified reliance on PWLB compares to central government funding falling by almost 50% since 2010/11.

### PWLB borrowing by local authorities

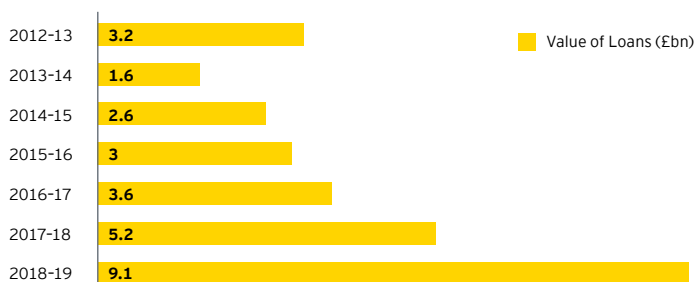


Chart: Dbrady; Source: PWLB annual accounts; Get the data; Created with Datawrapper

Another contributing factor to the increase in PWLB loans is the redemption of Lender Option Borrower Option (LOBO) loans. LOBO loans were popular following the financial crisis and meant that local authorities, including fire and rescue authorities, could take out loans with even lower rates of interest than the PWLB offered. However, lenders could alter the interest rates at certain points in the future. Local authorities, including fire and rescue authorities, refused to pay the higher interest rates and therefore had to pay the loan back in full. These were then replaced with PWLB loans.



## Accounting, auditing and governance

### NAO consultation on the Code of Audit Practice: Phase Two

Under the 2014 Local Audit and Accountability Act (the Act), a review of the Code of Audit Practice (the Code) is required every five years. The Code sets out what local auditors are required to do to fulfil their statutory responsibilities under the Act. This encompasses how audits of a local body's financial statements are conducted, including reporting, and also how assurance is gained on a local body's value for money arrangements. The current form of the Code came into force on 1 April 2015, so a revised Code will be required to take effect from 1 April 2020 for the audit of a local body's financial statements for 2020/21.

The National Audit Office (NAO) is responsible for the Code of Audit Practice and has launched Phase Two of its consultation. The key proposed key changes relate to value for money and include:

- ▶ Enhanced auditor reports on the financial statements. The Code includes the potential for audit reports to include more information on risks and key audit matters, mirroring the audit reports for NHS Foundation Trusts and large corporate entities.
- ▶ Separation of reporting on the audit of the financial statements and value for money and removing the conclusion on value for money arrangements. The Code proposes that the auditor will issue the audit report on the financial statements and then by no later than 30 September issue a separate Annual Auditors Report which will include a commentary on value for money.
- ▶ Revised Value for Money criteria, to cover:
  - ▶ Financial Sustainability – how the local authority plans and manages its resources to ensure it can deliver its services
  - ▶ Governance – how the local authority ensures that it makes informed decisions and manages its risks and finances
  - ▶ Improving economy, efficiency and effectiveness – how the local authority uses cost and performance information data to improve service delivery
- ▶ Mandatory procedures for the auditor to carry out an initial review of value for money arrangements. These procedures will enable the auditor to identify any risk based work and also provide a commentary at any emerging issues at a local body.

- ▶ Revised Value for Money reporting, including the timescales of reporting. Where a significant weakness in VFM arrangements are identified, the revised Code will require auditors to issue a recommendation to the body, setting out judgements made and evidence to support those judgements.
- ▶ Expectations on the speed auditors take on responding to formal objections to a local authority's accounts.

The consultation recognises that the proposed changes will likely alter the work needed to be done by auditors, the resources and skills auditors need to deploy and therefore possibly the fees required to fund the work.

External auditors provide independent assurance that local bodies are properly accounting for spending and that adequate value for money arrangements are in place to manage their affairs. This review of the Code is a valuable opportunity to shape the future of local authority audit. This second phase of the NAO's consultation of the Code is open until 22 November 2019. For more information on how to contribute to the NAO's Code consultation refer to the NAO website.

EY will be contributing to this consultation and playing its part to help shape the future sustainability of public sector audit. We believe the NAO has a critical role to lead and shape the future of local audit and through that role help to secure the future sustainability of the public audit profession. The Code and supporting auditor guidance notes present a significant opportunity to reform local public audit. We also recognise that the consultation comes at a time of significant scrutiny of the UK audit market and profession. We believe it is crucial that the Code is closely aligned with the outcome from various reviews.

## PSAA records rise in delayed audit opinions

Public Sector Audit Appointments Limited (PSAA) has released information that 40% of local authorities under its remit did not receive audit opinions on their 2018/19 accounts by 31 July. This is an increase of 27% in comparison to the prior year.

PSAA acknowledge a number of factors have led to the deterioration in performance, posing challenges for both auditors and local authorities across the country. They have called for the issues to be worked through and solutions implemented which will ensure a sustainable supply of audit services in the long term.







# Regulation News

## Independent Audit Quality Review

On 10 July 2019, at the CIPFA annual conference, the Communities Secretary, Rt Hon James Brokenshire MP, announced the launch of an independent review of the quality of local authority audits. This review will examine the effectiveness of the local authority financial reporting and audit regime, including whether auditors are using their reporting powers correctly and if local authorities are appropriately responding to recommendations raised. The review will also look at the expectation gap between what taxpayers believe an audit delivers and what is actually delivered.

The Communities Secretary stated "A robust local audit system is absolutely pivotal to work on oversight, not just because it reinforces confidence in financial reporting but also service delivery and, ultimately, our faith in local democracy."

Sir Tony Redmond, former President of CIPFA, will lead the review. Representatives from EY will be contributing to the review in October. We expect initial recommendations to the Communities Secretary in December 2019, with a final report published in March 2020.

The review of external audit and financial reporting follows the implementation of the Local Audit and Accountability Act 2014, which abolished the Audit Commission and put in place a new localised audit regime in order to improve transparency. This review will meet the Ministry of Housing, Communities and Local Government's commitment to undertake a post implementation review of the revised audit regime framework.

# Key Questions for the Audit Committee

## Spending Review and Tax Reform

What is the size of your authority's funding gap in the medium term? What processes does your authority have in place to address its funding gap?

As members how do you provide effective oversight and governance of these processes?

## Children's Services and Social Care Pressures

What is your authority's year to date performance of children's social care and adult social care services against budget? How is this performance being addressed and what are the implications for next year's budget?

If funding of the Better Care Fund grant (and related grants) is not renewed for 2020-21 what impact will this have on services for your authority?

## NAO consultation on the Code of Audit Practice

Will your authority contribute to Phase Two of the consultation conducted by the NAO?

## PSAA records rise in delayed audit opinions

Did your authority make the publication deadline?

## Find out more

### Spending Review and Tax Reform

<https://www.publicfinance.co.uk/news/2019/07/new-pm-given-stark-warning-over-future-local-councils>

<https://www.publicfinance.co.uk/news/2019/08/councils-call-spending-review-plug-their-funding-black-hole>

<https://www.publicfinance.co.uk/news/2019/06/council-tax-must-be-reformed>

### Children's Services and Social Care Pressures

<https://www.publicfinance.co.uk/news/2019/08/english-councils-overspend-nearly-ps800m-childrens-services>

<https://www.cipfa.org/about-cipfa/press-office/latest-press-releases/local-government-chief-finance-officers-losing-confidence-in-ability-to-deliver-services>

<https://www.publicfinance.co.uk/news/2019/08/umbrella-groups-make-spending-round-plea-social-care>

### Value of PWLB loans rises by 75%

<https://www.publicfinance.co.uk/news/2019/07/pwlb-loans-shoot-751>

### NAO consultation on the Code of Audit Practice

<https://www.nao.org.uk/code-audit-practice/code-of-audit-practice-consultation/>

<https://www.nao.org.uk/code-audit-practice/wp-content/uploads/sites/29/2019/03/Local-audit-in-England-Code-of-Audit-Practice-Consultation.pdf>

### PSAA records rise in delayed audit opinions

<https://www.publicfinance.co.uk/news/2019/08/psaa-records-dramatic-rise-delayed-audit-opinions>

<https://www.publicfinance.co.uk/news/2019/07/brookshire-reveals-independent-probe-local-government-audit>

### Independent Audit Quality Review

<https://www.gov.uk/government/news/audit-quality-of-councils-will-face-examination-in-new-independent-review>

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ED None

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<b>REPORT TO:</b>	<b>AUDIT SUB-COMMITTEE</b>	<b>AGENDA ITEM: 8</b>
<b>DATE OF MEETING:</b>	<b>11<sup>th</sup> DECEMBER 2019</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>STRATEGIC DIRECTOR (CORPORATE RESOURCES)</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>KEVIN STACKHOUSE (01283 595811)</b> <a href="mailto:Kevin.Stackhouse@southderbyshire.gov.uk">Kevin.Stackhouse@southderbyshire.gov.uk</a>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>COMMITTEE WORK PROGRAMME</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: G</b>

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## **1.0 Recommendations**

1.1 That the Committee considers and approves the updated work programme.

## **2.0 Purpose of Report**

2.1 The Committee is asked to consider the updated work programme.

## **3.0 Detail**

3.1 Attached at Annexe 'A' is an updated work programme document. The Committee is asked to consider and review the content of this document.

## **4.0 Financial Implications**

4.1 None arising directly from this report.

## **5.0 Background Papers**

5.1 Work Programme.

## Audit Sub-Committee: Work Programme 2019/20

Work Programme Area	Date of Committee meetings	Contact Officer (Contact details)
Reports Previously Considered By Committee		
Local Government Audit Committee Briefing	29 May 2019	Jason Burgess (Assistant Manager) EY <a href="mailto:Jburgess3@uk.ey.co">Jburgess3@uk.ey.co</a>
Internal Audit Progress Report	29 May 2019	Adrian Manifold (Audit Manager) <a href="mailto:Adrian.manifold@centralmidlandsaudit.co.uk">Adrian.manifold@centralmidlandsaudit.co.uk</a>
Internal Audit Annual Report 2018/19	29 May 2019	Adrian Manifold (Audit Manager) <a href="mailto:Adrian.manifold@centralmidlandsaudit.co.uk">Adrian.manifold@centralmidlandsaudit.co.uk</a>
Local Code of Corporate Governance Review 2019/20	29 May 2019	Ardip Kaur (Head of Legal and Democratic Services) <a href="mailto:Ardip.kaur@south-derbys.gov.uk">Ardip.kaur@south-derbys.gov.uk</a>
Annual Governance Statement 2018/19	29 May 2019	Ardip Kaur (Head of Legal and Democratic Services) <a href="mailto:Ardip.kaur@southderbyshire.gov.uk">Ardip.kaur@southderbyshire.gov.uk</a>
Anti-Fraud and Corruption Plan 2019/20	29 May 2019	Kevin Stackhouse (Strategic Director Corporate Resources) <a href="mailto:Kevin.stackhouse@southderbyshire.gov.uk">Kevin.stackhouse@southderbyshire.gov.uk</a>
Audit Results Report (ISA 260) for the year ending 31 <sup>st</sup> March 2019 ( <b>Note: This report has been deferred to later in the year as notified to the Committee on 29 May 2019</b> )	24 July 2019	Jason Burgess (Assistant Manager) EY <a href="mailto:Jburgess3@uk.ey.co">Jburgess3@uk.ey.co</a>



Internal Audit Progress Report	24 July 2019	Adrian Manifold (Audit Manager) <a href="mailto:Adrian.manifold@centralmidlandsaudit.co.uk">Adrian.manifold@centralmidlandsaudit.co.uk</a>
Internal Audit Progress Report	18 September 2019	Adrian Manifold (Audit Manager) <a href="mailto:Adrian.manifold@centralmidlandsaudit.co.uk">Adrian.manifold@centralmidlandsaudit.co.uk</a>
External Audit Report for the Year Ending	5 November 2019 (Special)	Jason Burgess (Assistant Manager) EY <a href="mailto:Jburgess3@uk.ey.co">Jburgess3@uk.ey.co</a>
Local Government Audit Committee Briefing	11 December 2019	Jason Burgess (Assistant Manager) EY <a href="mailto:Jburgess3@uk.ey.co">Jburgess3@uk.ey.co</a>
Internal Audit Progress Report	11 December 2019	Adrian Manifold (Audit Manager) <a href="mailto:Adrian.manifold@centralmidlandsaudit.co.uk">Adrian.manifold@centralmidlandsaudit.co.uk</a>
Local Code of Corporate Governance Review 2019/20	11 December 2019	Ardip Kaur (Head of Legal and Democratic Services) <a href="mailto:Ardip.kaur@southderbyshire.gov.uk">Ardip.kaur@southderbyshire.gov.uk</a>
Local Government Audit Committee Briefing	19 March 2020	Jason Burgess (Assistant Manager) EY <a href="mailto:Jburgess3@uk.ey.co">Jburgess3@uk.ey.co</a>
Internal Audit Progress Report	19 March 2020	Adrian Manifold (Audit Manager) <a href="mailto:Adrian.manifold@centralmidlandsaudit.co.uk">Adrian.manifold@centralmidlandsaudit.co.uk</a>

Certification of Claims and Returns Report 2018/19	19 March 2020	Jason Burgess (Assistant Manager) EY <a href="mailto:Jburgess3@uk.ey.co">Jburgess3@uk.ey.co</a>
External Audit Planning Report for the year ending 31 <sup>st</sup> March 2020	19 March 2020	Jason Burgess (Assistant Manager) EY <a href="mailto:Jburgess3@uk.ey.co">Jburgess3@uk.ey.co</a>
Internal Audit Plan 2019/20 and Audit Charter	19 March 2020	Adrian Manifold (Audit Manager) <a href="mailto:Adrian.manifold@centralmidlandsaudit.co.uk">Adrian.manifold@centralmidlandsaudit.co.uk</a>