



# South Derbyshire District Council – Internal Audit Progress Report

Audit Sub-Committee: 18<sup>th</sup> February 2015



## 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.

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# South Derbyshire District Council – Internal Audit Progress Report

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## Summary

### Role of Internal Audit

The Internal Audit Service for South Derbyshire District Council is 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 Public Sector Internal Audit Standards – PSIAS). CMAP also adheres to the Internal Audit Charter.

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

### Control Assurance Definitions

Summaries of all audit reports are to be reported to Audit Sub-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 Sub-Committee in Audit's progress reports.

## South Derbyshire District Council – Internal Audit Progress Report

### Audit Coverage

#### Progress on Audit Assignments

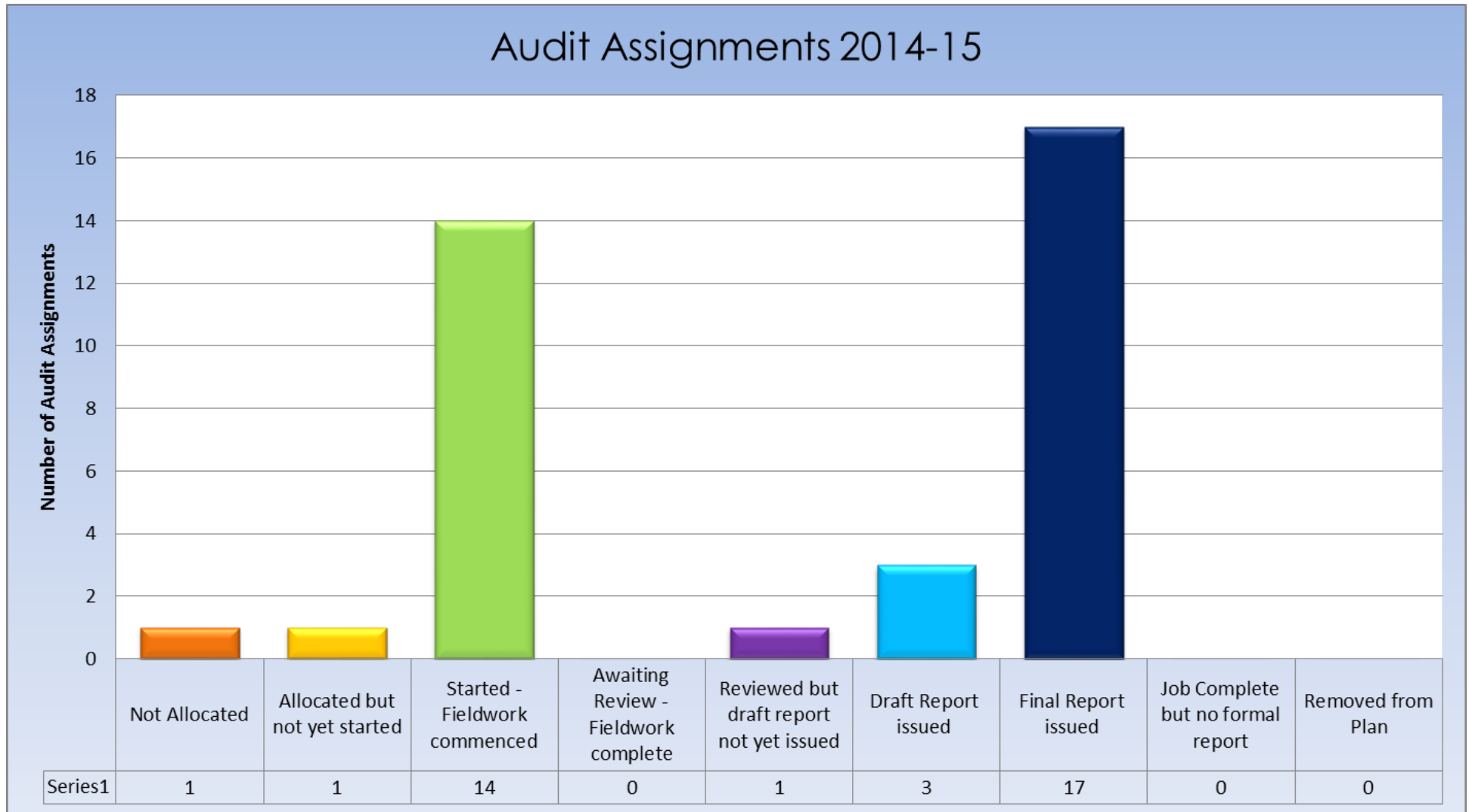
The following table provide Audit Sub-Committee with information on how audit assignments were progressing as at 31<sup>st</sup> January 2015.

2014-15 Audit Plan Assignments	Type of Audit	Current Status	% Complete
Main Accounting System 2014-15	Key Financial System	In Progress	75%
Treasury Management / Insurance 2014-15	Key Financial System	Not Allocated	0%
Council Tax / NNDR / Cashiering 2014-15	Key Financial System	In Progress	55%
Housing & Council Tax Benefit 2014-15	Key Financial System	In Progress	50%
Payroll / Officers Expenses & Allowances 2014-15	Key Financial System	In Progress	15%
Creditors / Debtors 2014-15	Key Financial System	In Progress	70%
Procurement - Transparency Code	Procurement/Contract Audit	In Progress	45%
PCI Compliance	Governance Review	Final Report	100%
Civica Security Assessment	IT Audit	In Progress	75%
Capacity Management	IT Audit	In Progress	60%
Risk Management 2014-15	Governance Review	In Progress	45%
Data Quality & Performance Management 2014-15	Governance Review	In Progress	25%
Fixed Assets 2014-15	Key Financial System	Allocated	15%
Electoral Services	Systems/Risk Audit	Draft Report	95%
Economic Development	Systems/Risk Audit	In Progress	20%
Section 106 Agreements	Systems/Risk Audit	Final Report	100%
Development Control	Systems/Risk Audit	Awaiting Review	80%
Waste Management	Systems/Risk Audit	In Progress	30%
Pollution Control	Systems/Risk Audit	Draft Report	95%
Depot Health & Safety	Governance Review	Final Report	100%
B/Fwd - Creditors / Debtors 2013-14	Key Financial System	Draft Report	95%
B/Fwd - Data Protection & Freedom of Information	Governance Review	In Progress	75%
B/Fwd - Business Continuity & Emergency Planning	Governance Review	In Progress	60%

# South Derbyshire District Council – Internal Audit Progress Report

## Audit Coverage

Progress on Audit Assignments Chart



# South Derbyshire District Council – Internal Audit Progress Report

## Audit Coverage

### Completed Audit Assignments

Between 1<sup>st</sup> December 2014 and 31<sup>st</sup> January 2015, the following audit assignments have been finalised since the last Progress Report was presented to this Committee:

- PCI Compliance.
- Service Contracts.
- Depot Health & Safety.

The following paragraphs summarise the internal audit work completed in the period.

#### PCI Compliance

Overall Control Assurance Rating: **Comprehensive**

This audit focused on the level of Payment Card Industry Data Security Standards (PCI DSS) awareness within the Council and what arrangements were in place in terms of the structure and PCI responsibilities of staff. It also sought to establish what progress had been made with the PCI self-assessment and the relationship with the banks and Third Party Service Providers in terms of what assurances they could provide as to their own PCI compliance and information to support the Council's own self-assessment.

From the 14 key controls evaluated in this audit review, 8 were considered to provide adequate control and 6 contained weaknesses. The report contained 5 recommendations, all of which were considered a low risk. The following issues were considered to be the key control weaknesses:

- The consequences of non-compliance with the PCI DSS had not been considered as part of the Council's risk management process. (Low Risk)
- The Council's ICT Section had not produced, or obtained from the Third Party Service Providers (TPSP), a diagram showing

current cardholder data flows or evidence to demonstrate that access points to cardholder data had been secured. (Low Risk)

- The Council had not received any correspondence from the Third Party Service Providers – Global Pay or Capita Business Services confirming their responsibilities for PCI compliance. (Low Risk)
- Reporting lines and responsibilities for ensuring PCI DSS compliance had not been defined within the Council. (Low Risk)
- The Third Party Service Provider, Global Payments, had not provided the Council with the results or any documentary evidence that penetration tests had been conducted. (Low Risk)

All 5 issues raised within this report were accepted. Positive action was agreed to address 2 of the issues raised by 31<sup>st</sup> January 2015 with action being taken to address the 3 other issues by the end of March 2015.

#### Section 106 Agreements

Overall Control Assurance Rating: **Comprehensive**

This audit focused on the process and procedures relating to setting up Section 106 agreements, examining the banking, allocation and management of income, ensuring the expenditure of funds is appropriate and to examine arrangements in place for non-financial contributions.

From the 30 key controls evaluated in this audit review, 28 were considered to provide adequate control and 2 contained weaknesses. The report contained 2 recommendations, both of which are considered a low risk. The following issues were considered to be the key control weaknesses:

- There was no process for ensuring that agreements were being monitored for early identification of payment trigger points and prompt action to collect funds due. (Low Risk)

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- Periodic reconciliations were not being done between the Land Charges records and the Planning Team's Section 106 agreement records to ensure that all agreements had been correctly registered as charges against the relevant land. (Low Risk)

Both issues were accepted and action was agreed to address one issue by 6<sup>th</sup> January 2015, with the remaining action to be taken by 1<sup>st</sup> April 2015.

### Depot Health & Safety

Overall Control Assurance Rating: **Reasonable**

This audit focused on ensuring that the Council had established adequate procedures and effective controls in respect of Health and Safety at the Council's Depot facility.

From the 20 key controls evaluated in this audit review, 12 were considered to provide adequate control and 8 contained weaknesses. The report contained 5 recommendations, all of which were considered a low risk. The following issues were considered to be the key control weaknesses:

- Procedural guidance/safety method statements had not been established for all duties undertaken by the Grounds Maintenance Operatives and signed records had not been kept to demonstrate when guidance had been issued and received. (Moderate Risk)
- A Code of Safe Working Practice for Grounds Maintenance had been prepared, but was not dated to evidence when it was produced, due for review or issued to operatives. In addition, the Code of Safe Working Practice for Street Cleansing was dated August 2004, making it nearly 11 years old. (Low Risk)
- Risk assessments for Waste and Cleansing had not been reviewed and updated since November 2012. (Low Risk)
- Limited Health and Safety training had been provided to Grounds Maintenance and Waste and Cleansing operatives during the last 3 years. (Moderate Risk)

- Not all managers had undergone Health and Safety training specifically geared towards managers and their responsibilities as the employer. (Low Risk)
- Risk management log sheets had not always been signed off by a Senior Officer to demonstrate that exposure levels had been monitored. Risk management log sheets were not being completed in respect of exposure to noise levels. (Low Risk)
- There was no documented timetable to demonstrate when equipment was due for testing the vibration and noise levels it produced, or when it was due for replacing. (Low Risk)
- The result of spot checks on refuse operatives working on site was not being documented. (Low Risk)
- Operatives based at the Council's Depot had very limited access to Health and Safety information. (Low Risk)

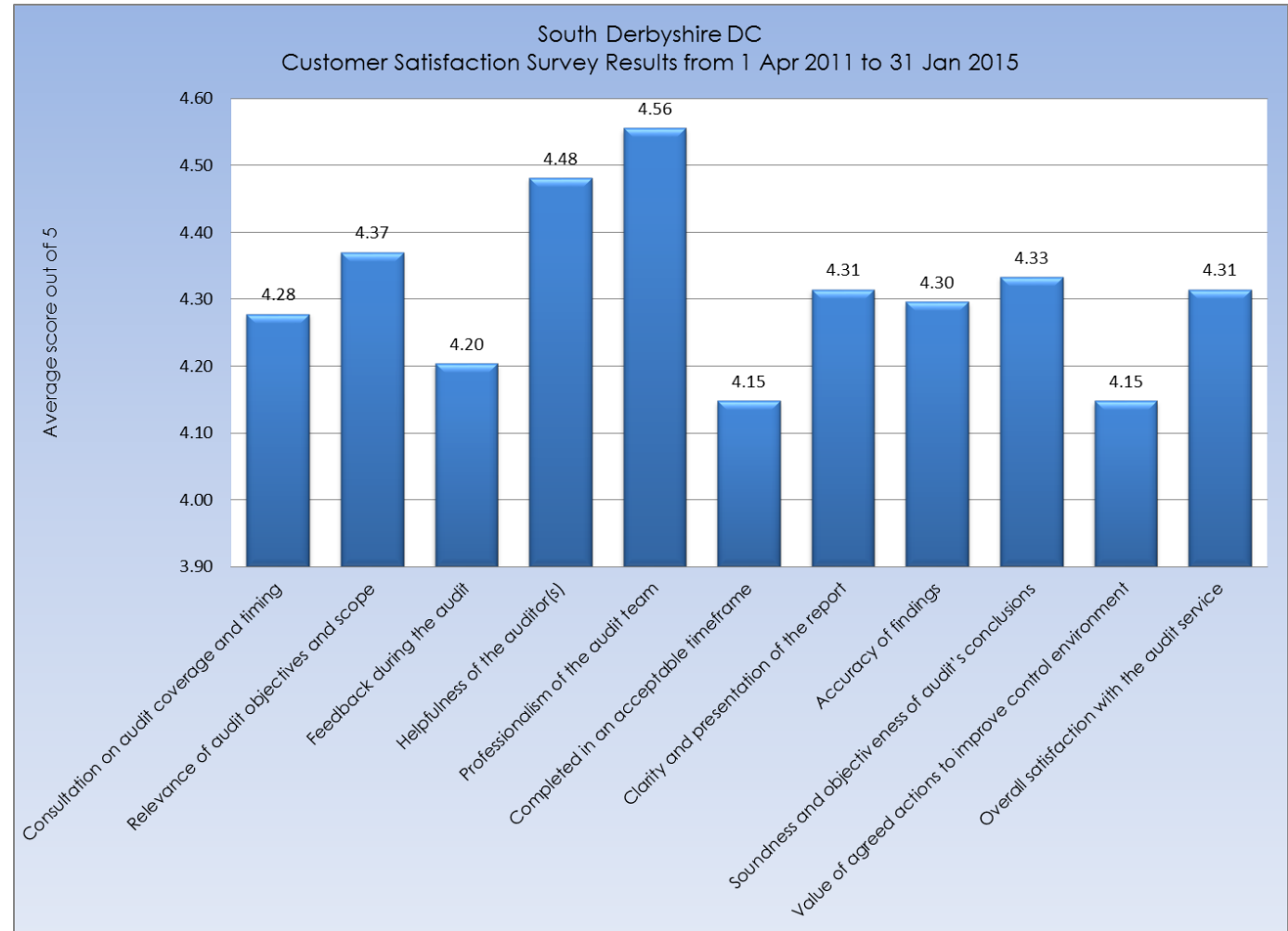
All 9 issues raised within this report were accepted. Positive action had already been taken to address 2 of the issues raised with action being taken to address another 4 issues by the 1<sup>st</sup> April 2015. Action was agreed to be taken to address the remaining 3 issues during the year with full implementation expected by 31<sup>st</sup> March 2016.

# South Derbyshire District Council – Internal Audit Progress Report

## Audit Performance

### Customer Satisfaction

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 chart across summarises the average score for each question from the 54 responses received between 1<sup>st</sup> April 2011 and 31<sup>st</sup> January 2015. The overall average score from the surveys was 47.4 out of 55. The lowest score received from a survey was 40, whilst the highest was 55 which was achieved on 3 occasions.





# South Derbyshire District Council – Internal Audit Progress Report

## Audit Performance

### Customer Satisfaction

Since 1<sup>st</sup> April 2011, we have sent 68 Customer Satisfaction Surveys (CSS) to the recipients of audit services. Of the 68 sent we have received 54 responses.

Seven Customer Satisfaction Surveys have not been returned which have already been reported to this Committee and relate to assignments undertaken in previous plan years. Responses to these surveys will no longer be pursued as responses are unlikely to be reliable after this length of time.

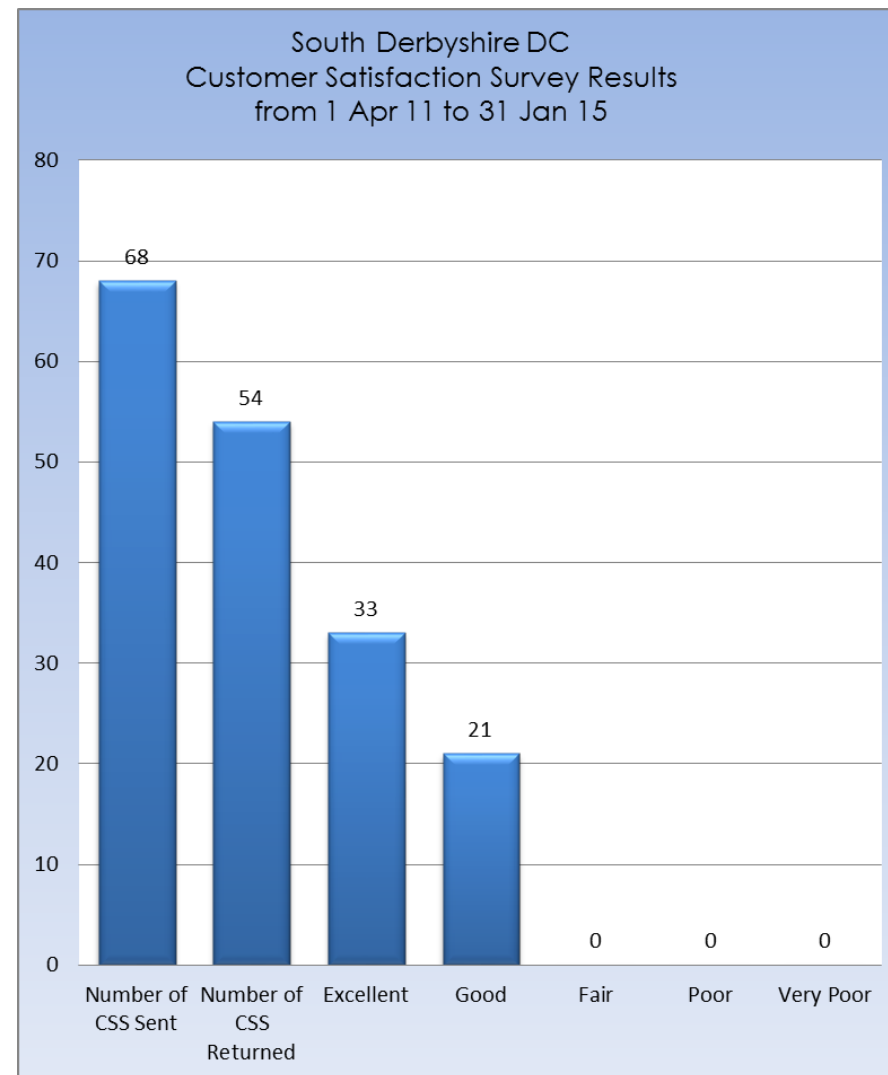
The following Customer Satisfaction Surveys have yet to be returned:

Job Name	CSS Sent	Officer
Data Quality 2013-14	04-Feb-14	Head of Policy and Communications
Main Accounting System 2013-14	12-Feb-14	Director of Finance & Corporate Services
Housing & Council Tax Benefit 2013-14	26-Feb-14	Client Services Manager
Licensing	12-Sep-14	Legal and Democratic Services Manager
Council House Sales	11-Nov-14	Performance and Policy Manager
PCI Compliance	5-Jan-15	Client Services Manager

The overall responses are graded as either:

- Excellent (scores 47 to 55)
- Good (scores 38 to 46)
- Fair (scores 29 to 37)
- Poor (scores 20 to 28)
- Very poor (scores 11 to 19)

Overall 33 of 54 responses categorised the audit service they received as excellent, another 21 responses categorised the audit as good. There were no overall responses that fell into the fair, poor or very poor categories.



# South Derbyshire District Council – Internal Audit Progress Report

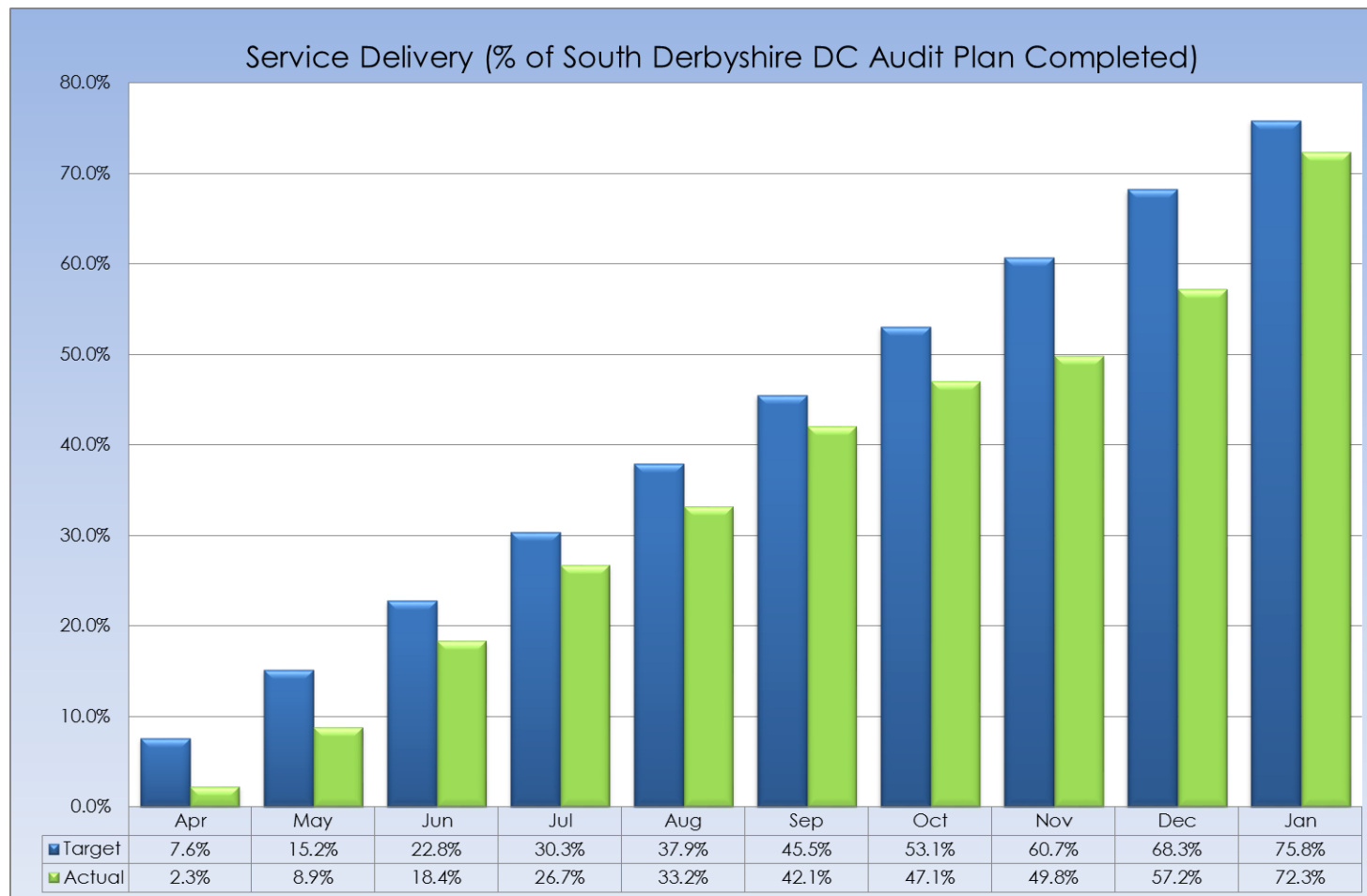
## Audit Performance

### Service Delivery (% of Audit Plan Completed)

At the end of each month, Audit staff provide the Audit Manager with an estimated percentage complete figure for each audit assignment they have been allocated. These figures are used to calculate how much of each Partner organisation's Audit Plans have been completed to date and how much of the Partnership's overall Audit Plan has been completed.

Shown across is the estimated percentage complete for South Derbyshire's 2014-15 Audit Plan (including incomplete jobs brought forward) after 10 months of the Audit Plan year.

The monthly target percentages are derived from equal monthly divisions of an annual target of 91% and do not take into account any variances in the productive days available each month.



# South Derbyshire District Council – Internal Audit Progress Report

## Recommendation Tracking

### Follow-up Process

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

Prior to the Audit Sub-Committee meeting we will provide the relevant Senior Managers with details of each of the recommendations made to their divisions 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** = Audit have been unable to ascertain any progress information from the responsible officer or it has yet to reach its agreed implementation date.
- **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.
- **Risk Accepted** = Management has decided to accept the risk that Audit has identified and take no mitigating action.
- **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 Details

The table below is 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 that have passed their agreed implementation dates.

	Implemented	Being implemented	Risk Accepted	Superseded	Due, but unable to obtain progress information	Hasn't reached agreed implementation dates	Total
Low Risk	222	21	4	5	1	30	<b>283</b>
Moderate Risk	51	5	1	3	0	6	<b>66</b>
Significant Risk	7	0	0	0	0	0	<b>7</b>
Critical Risk	0	0	0	0	0	0	<b>0</b>
	<b>280</b>	<b>26</b>	<b>5</b>	<b>8</b>	<b>1</b>	<b>36</b>	<b>356</b>

The table below shows those recommendations not yet implemented by Dept.

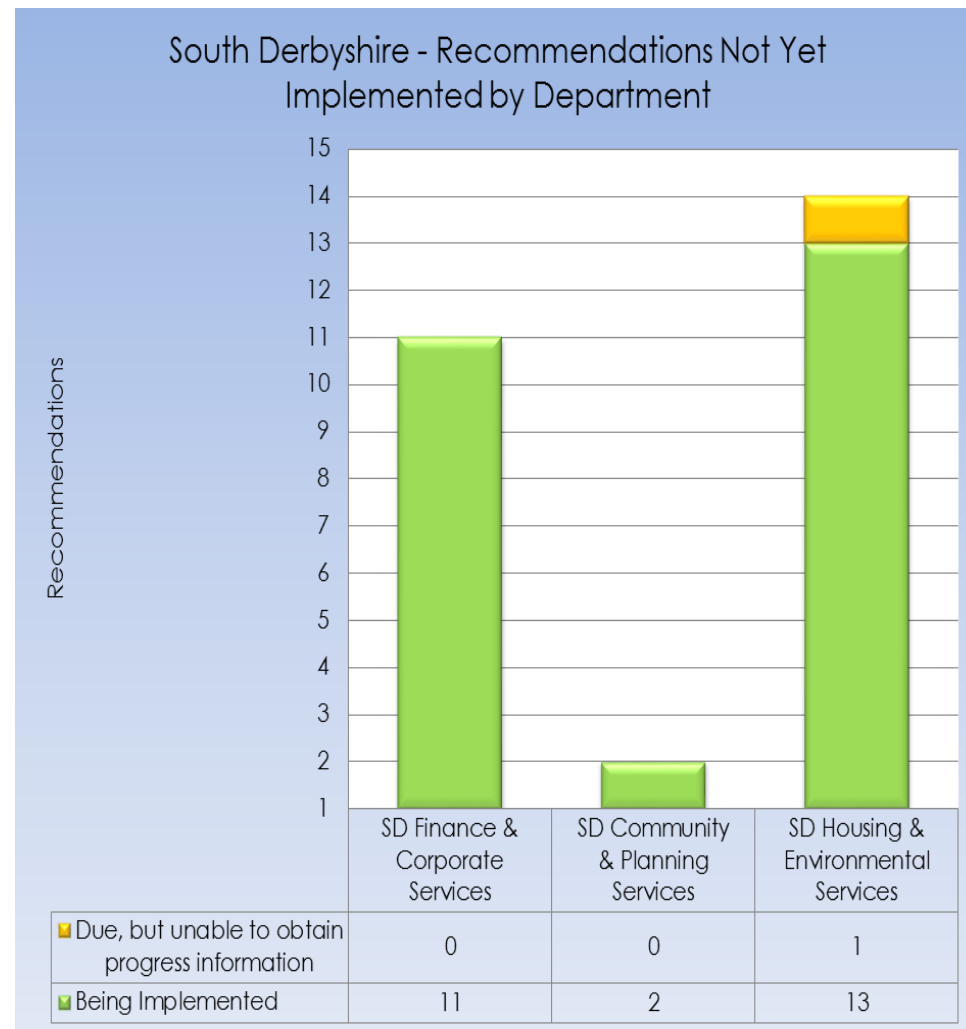
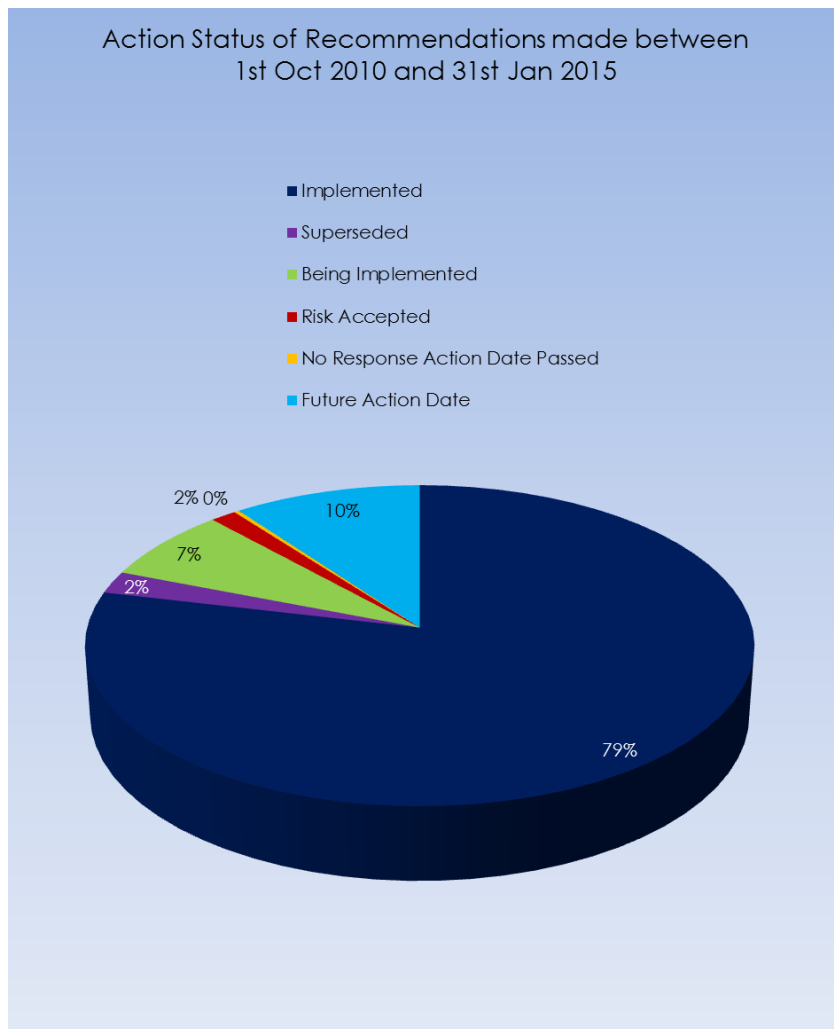
Recommendations Not Yet Implemented	Corporate Services	Community & Planning Services	Housing & Environmental Services	TOTALS
Being implemented	11	2	13	<b>26</b>
Due, but unable to obtain progress information	0	0	1	<b>1</b>
	<b>11</b>	<b>2</b>	<b>14</b>	<b>27</b>

Internal Audit has provided Committee with summary details of those recommendations still in the process of 'Being Implemented' and those that have passed their due date for implementation. We will provide full details of each recommendation where management has decided not to take any mitigating actions (shown in the 'Risk Accepted' category above). All 5 of the recommendations shown above, where management has chosen to accept the risk, have already been reported to this Committee.

# South Derbyshire District Council – Internal Audit Progress Report

## Recommendation Tracking

### Implementation Status Charts



# South Derbyshire District Council – Internal Audit Progress Report

## Recommendation Tracking

### Recommendations Not Yet Implemented

#### Corporate Services

##### Car Allowances

**Control Issue** - A neighbouring Authority has revised its car user allowance scheme and introduced a new scheme which has removed the essential user lump sum and pays one mileage rate to both types of user. This will enable the Authority to make significant savings in future years.

**Risk Rating** – Low Risk

**Status Update** - Following the Budget Round for 2013/14 and the Council Restructure, it was anticipated that the Single Status Steering Group would be reconvened in 2013. This item will be considered, as planned, as part of the pay and grading review. A revised review date of March 2014 was given, but no action was taken during the year. The Council has recently approved to review its approach during 2014/15.

**Original Action Date** 30 Jun 11      **Revised Action Date** 31 Mar 16

##### Legal & Democratic Services

**Control Issue** - Purchase orders were not being raised for goods and services required in respect of running the election.

**Risk Rating** – Low Risk

**Status Update** - Going forward we will now be raising purchase orders for all ordering. This was not undertaken for the County Council elections but will be undertaken going forward. The Elections process has recently been subject to an independent review commissioned by the Chief Executive. Changes to reporting lines have been made and a report will be considered by the Finance and Management Committee.

**Original Action Date** 30 Nov 12      **Revised Action Date** 31 Mar 15

##### Corporate Governance

**Control Issue** – The Member and Officer Relations protocol document did not include the responsibility of officers to provide training and development to Members and to respond in a timely manner to queries raised by Members. The document had not been reviewed since 2003.

**Risk Rating** – Low Risk

**Status Update** – This will be included in a wider review of the whole Constitution to bring it up to date. It was envisaged that this document would be brought up-to-date in advance of the May 2015 elections.

**Original Action Date** 1 Feb 14      **Revised Action Date** 31 May 15

##### Orchard IT Security

**Control Issue** – The policies and procedures that governed the overall management and administration requirements for the Orchard application had not been defined and documented. This made it hard to determine whether appropriate management and administration practices were being implemented.

**Risk Rating** – Low Risk

**Status Update** – This work is underway and will be finalised following the upgrade (recommendation 5) in February so that it can reflect the latest version of Orchard.

**Original Action Date** 28 Nov 14      **Revised Action Date** 31 Mar 15

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**Control Issue** – We found that the latest version of the Orchard application software had not been installed.

**Risk Rating** – **Low Risk**

**Status Update** – The upgrade is currently being installed and is due to go live on 16 Feb 15 subject to testing.

**Original Action Date** 31 Oct 14      **Revised Action Date** 28 Feb 15

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### PCI Compliance

**Control Issue** – The Council had not received any correspondence from the Third Party Service Providers – Global Pay or Capita Business Services confirming responsibilities for PCI compliance.

**Risk Rating** – **Low Risk**

**Status Update** – Financial Services Manager to speak to Client Services Manager (CSM) to get up to speed on PCI and her involvement/responsibility.

**Original Action Date** 31 Jan 15      **Revised Action Date** 31 Mar 15

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**Control Issue** – The Third Party Service Provider, Global Payments, had not provided the Council with the results or any documentary evidence that penetration tests had been conducted.

**Risk Rating** – **Low Risk**

**Status Update** – Fraud & Assurance Manager to speak to Client Services Manager (CSM) to get up to speed on PCI and his involvement/responsibility.

**Original Action Date** 31 Jan 15      **Revised Action Date** 31 Mar 15

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### Council Tax / NNDR / Cashiering 2013-14

**Control Issue** – The error reports and zero liability bills highlighted by the Council Tax billing runs had not been corrected.

**Risk Rating** – **Low Risk**

**Status Update** – Another 6 months has been requested to address this. Majority, if not all, relate to old converted accounts which have a void liability date i.e. 1.4.05 – 1.4.05 and therefore bills will not get printed as Academy believes there is no liability, or are below minimum print level - < £1.

**Original Action Date** 31 Dec 14      **Revised Action Date** 30 Jun 15

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### CRM Security Assessment

**Control Issue** – Each CRM user did not have an individually assigned account. We identified 4 generic accounts that could not be traced to an individual user. This ultimately causes accountability issues as well as limiting separation of duties and effective access control.

**Risk Rating** – **Low Risk**

**Status Update** – 1 of the generic accounts (compass) is a system account and is used for logging in and processing LLPG updates into the system. The user cannot log into Windows. We have begun the process of reviewing the other accounts with the system supplier - We are expecting a resolution (or statement of the applicability of the accounts).

**Original Action Date** 31 Jan 15      **Revised Action Date** 23 Feb 15

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## South Derbyshire District Council – Internal Audit Progress Report

**Control Issue** – There were a number of shares on the CRM application server that were openly accessible to every user in the Network, and in some cases granted the Everyone group full control. Ultimately these could be accessed by malicious parties to affect the availability integrity and confidentiality of the CRM application.

**Risk Rating** – Low Risk

**Status Update** – These will be reviewed with the supplier, with a view to tightening the security.

**Original Action Date** 31 Jan 15      **Revised Action Date** 23 Feb 15

**Control Issue** – There were a number of accounts which still had access to the CRM application despite either leaving the Council altogether, or moving on to different departments and roles where they no longer required access to the System. Ultimately this poses a privacy violation to the personal data processed by the System.

**Risk Rating** – Low Risk

**Status Update** – We have spoken to the supplier and been advised that there may be some issues with removing accounts that are linked to open cases. In respect of that the supplier has agreed that they will provide support for fixing issues arising from account deletion.

**Original Action Date** 31 Jan 15      **Revised Action Date** 23 Feb 15

### Community & Planning Services

#### Leisure Centres

**Control Issue** – The Leisure Management Contract was in draft form, despite Active Nation being in the third year of service delivery.

**Risk Rating** – Moderate Risk

**Status Update** – Revised and finalised documents were issued to Active Nation with a view to a formal signing. However, in the interim and further to VAT advice it came to light that a side agreement with a lease or licence relating to GBLC is required as well as an update to VAT related wording within the contract. Both parties are now working on drafting and

agreeing the wording and documentation. Formal signing now projected for end Feb 2015.

**Original Action Date** 25 Oct 13      **Revised Action Date** 28 Feb 15

#### Community Safety Partnership

**Control Issue** – The Terms of Reference for the key Boards, Groups and Committees were not reviewed and updated on a regular basis, and did not always reflect current membership of the group.

**Risk Rating** – Low Risk

**Status Update** – Strategic Group ToRs had been updated and approved. Other ToRs that required updating were VAL, ASB Tasking, Pub Watch and DAAG - no progress on these.

**Original Action Date** 31 Dec 14      **Revised Action Date** 15 Mar 15

### Housing & Environmental Services

#### Tenants Arrears

**Control Issue** – The Council did not have a formal rent arrears policy.

**Risk Rating** – Low Risk

**Status Update** – The review has now been delayed till after the appointment of the new Housing Operations Manager who will then take on the responsibility to undertake this review in February/March 15.

**Original Action Date** 31 Dec 14      **Revised Action Date** 30 Apr 15

**Control Issue** – The number of accounts with arrears had not been evenly allocated between the Housing Officers to ensure effective recovery.

**Risk Rating** – Moderate Risk

**Status Update** – The review has now been delayed till after the appointment of the new Housing Operations Manager who will then take on the responsibility to undertake this review in February/March 15.

**Original Action Date** 31 Oct 14      **Revised Action Date** 30 Apr 15

## South Derbyshire District Council – Internal Audit Progress Report

### Housing Repairs 2014-15

**Control Issue** – The inspectors were struggling to keep up with the workload due to technological issues and an increasing caseload.

**Risk Rating** – **Low Risk**

**Status Update** – New server built by IT - handhelds delivered but not yet implemented.

**Original Action Date** 30 Sep 14      **Revised Action Date** 15 Jan 15

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### Vehicles, Plant & Equipment

**Control Issue** – There was not a formally approved replacement policy in place that set the criteria for assessing the replacement of vehicles, plant and equipment to ensure the chosen option achieved optimum value for money.

**Risk Rating** – **Low Risk**

**Status Update** – No vehicles to be purchased between now and the end of the financial year, the policy will be in place for 1 Apr 2015

**Original Action Date** 31 Dec 14      **Revised Action Date** 1 Apr 15

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**Control Issue** – There was not an adequate information management system in place that provided up-to-date and accurate vehicle, plant and equipment data. The management information system in use was essentially the inventory record that audit testing revealed had not been appropriately updated.

**Risk Rating** – **Moderate Risk**

**Status Update** – The spreadsheet has been significantly improved but the view is to acquire a tracking system with fleet management functionality, revised target date to end of March 2015.

**Original Action Date** 30 Nov 14      **Revised Action Date** 31 Mar 15

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**Control Issue** – There was not a formal record maintained that logged when and to who the vehicle keys were issued and returned.

**Risk Rating** – **Low Risk**

**Status Update** – An allocations board has been ordered to record all daily allocation of vehicles against an individual and all keys will be returned at the end of shift to the supervisor. Except where vehicles are in the workshop for repair.

**Original Action Date** 31 Dec 14      **Revised Action Date** 16 Feb 15

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### Service Contracts

**Control Issue** – Contract Procedure Rules did not reflect the intended control procedures (i.e. pre-qualification questionnaire) for all expenditure with suppliers over £25K.

**Risk Rating** – **Low Risk**

**Status Update** – The Contract procedure rules are being drafted to reflect the EU Procurement Directives (which are still to be enacted in the UK). It will not be possible to finalise the Strategy until the UK Government enacts the EU Directives and the details can be confirmed. - Anticipated March 2015.

**Original Action Date** 30 Nov 14      **Revised Action Date** 31 Mar 15

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### Improvement Grants

**Control Issue** – There was no requirement within the office procedures for officers to declare any interests in respect of processing Empty Property Grants.

**Risk Rating** – **Low Risk**

**Status Update** – Since the review no further Empty Property Grants have been issued and there are none currently pending. We are currently reviewing the procedure and anticipate issuing a new procedure by the end of February 2015.

**Original Action Date** 31 Jan 15      **Revised Action Date** 28 Feb 15

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## South Derbyshire District Council – Internal Audit Progress Report

**Control Issue** – Checks were not being undertaken to confirm if the applicant had been in receipt of a previous grant award.

**Risk Rating** – Low Risk

**Status Update** – Since the review no further Empty Property Grants have been issued and there are none currently pending. We are currently reviewing the procedure and anticipate issuing a new procedure by the end of February 2015.

**Original Action Date** 31 Jan 15      **Revised Action Date** 28 Feb 15

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**Control Issue** – There was no formal/ approved protocol to inform officers wishing to make a decision outside of grant conditions for Empty Property grants.

**Risk Rating** – Low Risk

**Status Update** – We discussed this item following issue of the draft report and it was confirmed that a Protocol was in place. However, the procedure will be amended to reflect the comment regarding 'such decisions should be documented and approved by the Strategic Housing Manager'.

**Original Action Date** 31 Jan 15      **Revised Action Date** 28 Feb 15

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**Control Issue** – Information provided to the applicant within a grant approval letter did not correspond with the requirements of the Empty Property Grants office procedures.

**Risk Rating** – Low Risk

**Status Update** – Since the review no further Empty Property Grants have been issued and there are none currently pending. We are currently reviewing the procedure and anticipate issuing a new procedure by the end of February 2015.

**Original Action Date** 31 Jan 15      **Revised Action Date** 28 Feb 15

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**Control Issue** – Delays to works had not been approved by the Strategic Housing Manager and retained on the grant file.

**Risk Rating** – Low Risk

**Status Update** – No Response.

**Original Action Date** 31 Jan 15      **Revised Action Date** ?

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**Control Issue** – There was no evidence on file that building regulation implications had been considered as part of the grant process, as per the Empty Property Grant office procedures.

**Risk Rating** – Low Risk

**Status Update** – Since the review no further Empty Property Grants have been issued and there are none currently pending. We are currently reviewing the procedure and anticipate issuing a new procedure by the end of February 2015.

**Original Action Date** 31 Jan 15      **Revised Action Date** 28 Feb 15

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**Control Issue** – With respect to Empty Property Grants, the Land Charges Section was not being notified to record a charge against the property in a timely manner.

**Risk Rating** – Low Risk

**Status Update** – Since the review no further Empty Property Grants have been issued and there are none currently pending. We are currently reviewing the procedure and anticipate issuing a new procedure by the end of February 2015.

**Original Action Date** 31 Jan 15      **Revised Action Date** 28 Feb 15

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