

South Derbyshire District Council – Audit Progress Report

Audit Sub-Committee: 4th September 2024



Contents

Page

AUDIT DASHBOARD	3
AUDIT PLAN	4
AUDIT COVERAGE	6
RECOMMENDATION TRACKING	13
HIGHLIGHTED RECOMMENDATIONS	15

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

Richard Boneham CPFA
Head of Internal Audit (DCC) &
Head of Audit Partnership
c/o Derby City Council
Council House
Corporation Street
Derby, DE1 2FS
Tel. 01332 643280
richard.boneham@derby.gov.uk

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

Mandy Marples CPFA, CCIP
Audit Manager
c/o Derby City Council
Council House
Corporation Street
Derby
DE1 2FS
Tel. 01332 643282
mandy.marples@centralmidlandsaudit.co.uk

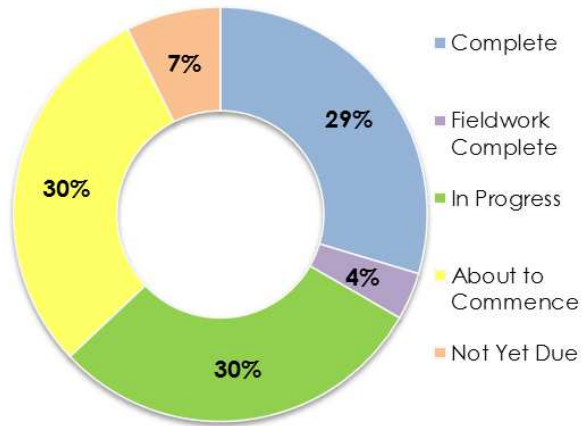
Linda Downes FCIIA ACMA
Audit Manager
c/o Derby City Council
Council House
Corporation Street
Derby
DE1 2FS
Tel. 024 7637 6260
Linda.downes@centralmidlandsaudit.co.uk



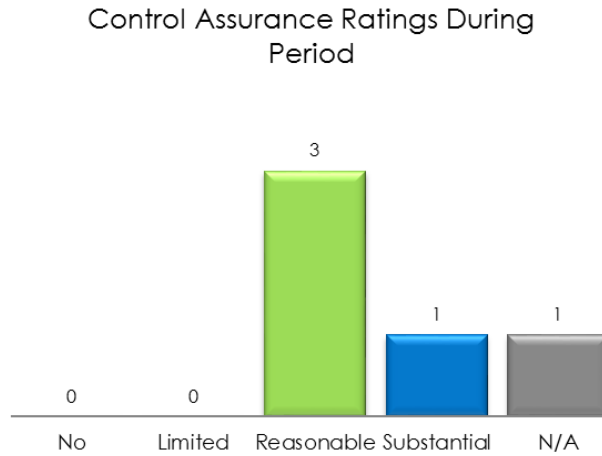
South Derbyshire District Council – Audit Progress Report

AUDIT DASHBOARD

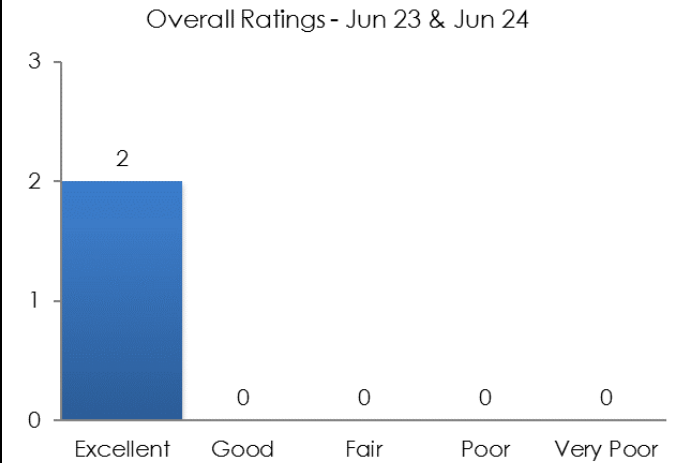
Plan Progress



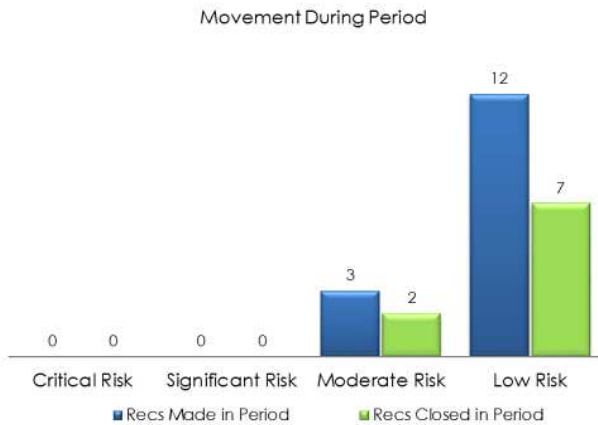
Jobs Completed in Period



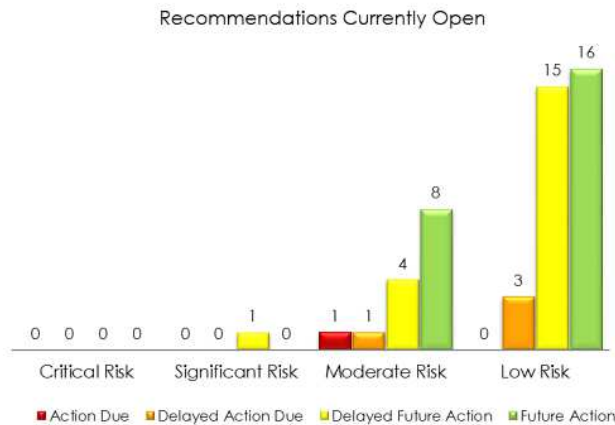
Customer Satisfaction



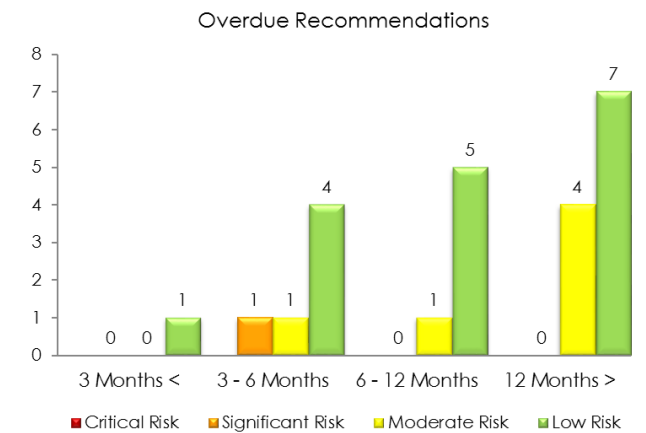
Recommendations Movement



Recommendations Open



Recommendations Overdue



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 31st July 2024.

2024-25 Assignments	Status	% Complete	Assurance Rating
Significant Contracts (Data Analytics)	Allocated	15%	
Strategic Transformation	In Progress	10%	
Grant Certification 2024-25	Allocated	15%	
Payroll	Allocated	0%	
Debit/Credit Cards	Final Report	100%	N/A
IT Infrastructure/Applications	Allocated	5%	
Business Change & Transformation	In Progress	15%	
Risk Management	Allocated	0%	
People Management (Policies)	In Progress	30%	
Pest Control	Not Allocated	0%	
Rosliston Forestry Centre 2024-25	Allocated	20%	
Rechargeable Repairs 2024-25	Allocated	20%	
Allocations & Homelessness	Allocated	20%	
Housing Consumer Standards	In Progress	70%	
Corporate Governance	Not Allocated	0%	

B/Fwd Assignments	Status	% Complete	Assurance Rating
Leisure Centre Management - Tender 2023-24	Final Report	100%	Reasonable
Revenue Systems 2023-24	Final Report	100%	Substantial
Housing Benefit & Council Tax Support 2023-24	Final Report	100%	Substantial
Health & Safety 2023-24	In Progress	70%	
Fleet Management 2023-24	In Progress	25%	
Trade Waste 2023-24	Final Report	100%	Reasonable
Planning & Building Control Fees 2023-24	Final Report	100%	Substantial
Climate Change 2023-24	Draft Report	95%	
Housing Repairs (Planned & Responsive Maintenance) 2023-24	Final Report	100%	Reasonable
Housing Safety Inspections 2023-24	In Progress	70%	
Improvement Grants 2023-24	In Progress	50%	
Visitor Centre	Final Report	100%	Reasonable

South Derbyshire District Council – Audit Progress Report

Plan Changes

None.

South Derbyshire District Council – Audit Progress Report

AUDIT COVERAGE

Completed Audit Assignments

Between 1st June 2024 and 23rd August 2024, the following audit assignments have been finalised.

Audit Assignments Completed in Period	Assurance Rating	Recommendations Made				% Recs Closed
		Critical Risk	Significant Risk	Moderate Risk	Low Risk	
Trade Waste 2023-24	Reasonable			1	2	33%
Planning & Building Control Fees 2023-24	Substantial				3	67%
Visitor Centre	Reasonable			1	3	25%
Leisure Centre Management - Tender 2023-24	Reasonable			1	4	0%
Debit/Credit Cards	N/A					n/a

Trade Waste 2023-24					
Control Objectives Examined		Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Robust operational and financial controls are in place in support of the Council's arrangements to collect Trade Waste.		5	2	3	0
Robust processes and procedures are in place to deter bribery, theft and/or fraud.		6	6	0	0
TOTALS		11	8	3	0
Rec No.	Summary of Weakness	Risk Rating	Original Action Date	Action Status	Revised Action Date
1	Controlled Waste Transfer Notes had not been completed by all customers in our sample and a significant number remained outstanding as per the Trade Data 2023-24 records.	Moderate Risk	01/09/2024	Future Action	

South Derbyshire District Council – Audit Progress Report

2	Trade Waste fees for 2023-24 had not been reported to the relevant Committee for approval, and the 2023-24 maximum charges, included for comparison purposes in the 2024-25 budget report, differed to the Council's internal Trade Data charge record.	Low Risk	19/08/2024	Risk Accepted	
3	An email to request that a Trade Waste invoice be raised and a direct debit set up had been sent to an external email address in error.	Low Risk	01/04/2025	Future Action	

Control Objectives Examined		Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Planning Application fees are collected and adequately processed, with a clear structure of fees and charges in operation.		7	4	3	0
TOTALS		7	4	3	0

Rec No.	Summary of Weakness	Risk Rating	Original Action Date	Action Status	Revised Action Date
1	Outstanding balances due were not being removed from the Planning system when refunds or transfers of payments were processed.	Low Risk	30/06/2024	Implemented	
2	An instance of an incorrect fee being charged was identified in testing, which has resulted in financial loss to the Council.	Low Risk	30/09/2024	Implemented	
3	There was no process for identifying when an application had met the conditions required for a refund under the Planning Guarantee, which forms part of the Town and Country Planning Regulations.	Low Risk	31/12/2024	Future Action	

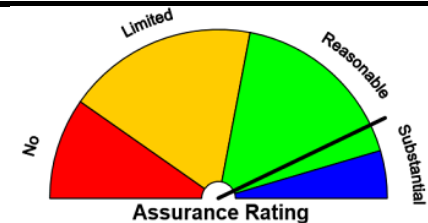
Planning & Building Control Fees 2023-24

The Assurance Rating pie chart shows the following distribution: No (red, 1/7), Limited (yellow, 3/7), Reasonable (green, 3/7), and Substantial (blue, 0/7). The chart is titled 'Assurance Rating'.

South Derbyshire District Council – Audit Progress Report

Visitor Centre					
Control Objectives Examined		Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Adequate arrangements are in place to aid the effective and efficient running of the service provided by the Visitor Information Centre.		11	10	1	0
Card payments received by the Visitor Information Centre were reconciled and taken according to the relevant policies and procedures.		7	3	2	2
Future operations and services of the Visitor Information Centre are planned for, documented and communicated with the relevant parties.		4	2	0	2
TOTALS		22	15	3	4
Rec No.	Summary of Weakness	Risk Rating	Original Action Date	Action Status	Revised Action Date
1	Team meetings held with the Visitor Information Centre team and the Economic team were not minuted.	Low Risk	30/06/2024	Implemented	
2	The reconciliation of the sales spreadsheets, total sales and payments to be made to third-party businesses were not being documented.	Low Risk	30/09/2024	Future Action	
3	There was no refund procedure available to Officers for the Visitor Information Centre.	Low Risk	30/09/2024	Future Action	
4	There was no mechanism in place to monitor the progress or performance of the Visitor Centre.	Moderate Risk	30/09/2024	Future Action	

South Derbyshire District Council – Audit Progress Report

Leisure Centre Management - Tender 2023-24					
Control Objectives Examined		Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Adequate research and preparation had been undertaken pre-tender to provide for an effective procurement exercise.		8	5	0	3
The invitation of tenders has followed due process.		7	6	1	0
The receipt of tenders and tender opening was transparent and accountable.		5	5	0	0
Tenders had been suitably evaluated in line with the tender instructions.		7	5	2	0
The award of contract followed due process.		5	5	0	0
TOTALS		32	26	3	3
Rec No.	Summary of Weakness	Risk Rating	Original Action Date	Action Status	Revised Action Date
1	Evidence was not supplied to confirm liaison with an appropriate Council officer had taken place to decide which tender process should be used in accordance with the Council's Contract Procedure Rules (CPR).	Moderate Risk	31/10/2024	Future Action	
2	The Council had not issued a Prior Information Notice to make their planned procurement intentions known.	Low Risk	31/10/2024	Future Action	
3	Incorrect contract start and end dates had been included in the advert published on the Government's Contracts Finder website.	Low Risk	31/10/2024	Future Action	
4	Arithmetic checks performed on compliant tenders had not been formally recorded.	Low Risk	31/10/2024	Future Action	
5	Documentary evidence in respect of checks on final evaluated scores was not supplied to Internal Audit.	Low Risk	31/10/2024	Future Action	

South Derbyshire District Council – Audit Progress Report

Debit/Credit Cards		Assurance Rating: N/A
Scope		
Management had identified some concerns around controls over the use of corporate credit and debit cards and requested that Internal Audit undertake a consultancy review to identify potential areas of improvement.		
Potential Risk	Mitigating Actions	
If the Financial Procedure Rules do not include reference to procurement cards and debit cards and clearly set out the responsibilities of officers regarding such cards, there is a risk that accountability for the key control measures required to manage them is unclear.	We suggest that reference to procurement cards and debit cards is made within the Financial Procedure Rules. This should include setting out the responsibilities of Executive Directors and Chief Officers and reference to the relevant policy.	
If the policy covering procurement cards and debit cards is not clear and comprehensive, there is a risk of uncertainty, which may lead to incorrect card usage and potential financial loss and, since transactions are published, reputational damage to the Council.	We suggest that a standalone policy covering procurement cards and debit cards is produced. The terminology used within this policy should be clear and consistent. Consideration should be given to the aspects listed above when developing this policy.	
If expenditure data is not published in line with the Local Government Transparency Code 2015 there is a risk that the Council is not complying with transparency best practise, which may lead to reputational damage.	We suggest that procedures are amended to ensure that data on debit card expenditure is published on the Council's website, alongside procurement card expenditure.	
If the total monthly credit limit across all cards exceeds the maximum limit set in the Credit/Debit Card Security Policy and Procedure, there is a risk that the Council is exposed to a greater level of financial risk than it is prepared to accept, which may result in financial loss to the Council.	We suggest that the Credit/Debit Card Security Policy and Procedure is reviewed to ensure that the maximum credit limit across all cards remains appropriate.	
If sequential transactions are used to circumvent individual transaction limits, there is a risk that unauthorised expenditure is being incurred, which may result in reduced value for money or reduced accountability.	<p>We suggest that cardholders are reminded that splitting a single purchase over more than one transaction, to avoid exceeding their single transaction limit, is specifically prohibited under the Procurement Card Guidelines and Responsibilities.</p> <p>Alongside this, the single transaction limits set for cards should be reviewed to ensure they remain appropriate.</p> <p>We further suggest that the Council may wish to consider removing cards from officers who have made transactions which are clearly in contravention of the Procurement Card Guidelines and Responsibilities and/or taking disciplinary action accordingly.</p>	

South Derbyshire District Council – Audit Progress Report

<p>If transactions involving cash are taking place, there is a risk that cash could be lost or misappropriated, leading to financial loss to the Council.</p>	<p>We suggest that alternatives to the physical topping up of gas and electricity meters by procurement card or debit card are explored, for example use of a void energy management service. This would improve the audit trail and cash controls, together with releasing officer time.</p>
<p>If the debit card is surplus to requirements, the Council is unnecessarily open to the risk of cash withdrawals and subsequent loss or misappropriation of cash, leading to financial loss to the Council.</p>	<p>We suggest that Accountancy establishes whether there is an operational requirement for the debit card currently in issue. The card should be cancelled if it is no longer required.</p>
<p>If the Accountants Procurement Card Process does not include all the checks required on the monthly reconciliations and queries on transactions are not consistently recorded, there is a risk that the Council is unable to demonstrate robust checking of transactions taking place. Since procurement card transactions are published on the Council's website this could lead to challenge over the validity of transactions and reputational damage.</p>	<p>We suggest that the Accountants Procurement Card Process should be updated to reflect that validity checks are taking place. Where Accountancy have challenged the validity of a transaction, we suggest that the monthly reconciliation is annotated accordingly and any related emails are stored with the reconciliation documents on the shared S drive, to ensure an audit trail is retained.</p>
<p>If cardholders are making purchases not in adherence with the Credit/Debit Card Security Policy and Procedure or Procurement Card Guidelines and Responsibilities, there is a risk of financial loss to the Council and of reputational damage, since procurement card transactions are published on the Council's website.</p>	<p>We suggest that a reminder of valid card usage is sent by Accountancy to all cardholders. This could include a copy of the Debit/Credit Card Policy and Procurement Card Guidelines and Procedures together with anonymised examples of improper practise. Cardholders could also be required to read and sign the Procurement Card Guidelines and Responsibilities annually.</p> <p>Consideration could also be given to restricting cardholder expenditure to specific merchant category codes.</p> <p>We further suggest that the Council may wish to consider removing cards from officers who have made transactions clearly in contravention of the Procurement Card Guidelines and Responsibilities and/or taking disciplinary action accordingly.</p>
<p>If cardholders are making purchases for items which would normally be claimed back under the Expenses Policy, there is a risk that this bypasses the usual expenses approval process, which could lead to reduced value for money or reduced accountability.</p>	<p>We suggest that the Procurement Card Guidelines and Procedures should be revised to include a statement that procurement cards are not to be used as an alternative to claiming back expenses under the Expenses Policy.</p>
<p>If purchases are being made by card when there is an existing procurement route available, there is a risk that the Council will be in breach of procurement legislation and its own internal procurement rules and regulations, which may lead to reduced value for money or reduced accountability.</p>	<p>We suggest that when cards are issued, cardholders are provided with a copy of the contract register and supplier list to ensure they are aware of existing procurement routes which may be utilised. Cardholders should also be reminded of the existence of the corporate Amazon account.</p>
<p>If there is no central record of officers utilising cards, and all card users are not aware of the Credit/Debit Card Security Policy and Procedure or the Procurement Card Guidelines and Responsibilities, there is a risk that cards cannot be effectively controlled and officers may not be aware of their responsibilities while using cards. This could lead to incorrect use or handling of cards, resulting in reduced value for money or reduced accountability.</p>	<p>We suggest that, where cardholders allow use of their procurement card by other officers, this is documented on a central register and all card users are asked to read and agree to the Credit/Debit Card Security Policy and Procedure and the Procurement Card Guidelines and Responsibilities to ensure they are clear on their responsibilities for using and securing the card while in their possession.</p>
<p>If a full audit trail is not maintained for payments made by card, there is a risk that purchases may not be in line with the Credit/Debit Card Security Policy and Procedure and the Procurement</p>	<p>We suggest that departments are asked to submit a Barclaycard Payment Request Form to Accountancy in support of each transaction made. This would act two-fold to ensure that:</p>

South Derbyshire District Council – Audit Progress Report

<p>Card Guidelines and Responsibilities. This could lead to reduced value for money or reduced accountability.</p>	<ol style="list-style-type: none">1. Full consideration is given by the card user as to whether this is the most appropriate method of procurement.2. Accountancy can take an informed view over the validity of the transaction and offer appropriate advice where necessary. <p>Guidance and procedure documents should be updated to ensure this requirement is clear.</p>
--	--

South Derbyshire District Council – Audit Progress Report

RECOMMENDATION TRACKING

Final Report Date	Audit Assignments with Open Recommendations	Assurance Rating	Recommendations Open			
			Action Due	Delayed Action Due	Delayed Future Action	Future Action
19-Aug-24	Trade Waste 2023-24	Reasonable				2
14-Aug-24	Planning & Building Control Fees 2023-24	Substantial				1
05-Aug-24	Leisure Centre Management - Tender 2023-24	Reasonable				5
10-Apr-24	Housing Repairs (Planned & Responsive Maintenance)	Reasonable			1	2
14-Dec-23	Rent Accounting 2023-24	Reasonable	1			
25-Mar-24	Bank House-Sabines Yard Project	Limited				6
21-Mar-24	Community Safety Enforcement 2023-24	Substantial			1	
07-Jun-24	Visitor Centre	Reasonable				3
09-Feb-24	IT Key Controls 2023-24	Reasonable		1	1	
17-Aug-23	Street Cleansing 2022-23	Substantial			1	2
23-Aug-23	Procurement 2022-23	Limited			1	
02-Aug-23	Organisational Culture & Ethics 2022-23	Reasonable			1	
18-Aug-23	Revenue Systems 2022-23	Substantial			1	
22-Nov-23	Land Charges 2022-23	Reasonable			1	2
22-Nov-23	Development Management 2022-23	Substantial		1	2	
14-Aug-23	Parks & Open Spaces 2022-23	Reasonable			1	
31-Oct-22	Rosliston Forestry Centre 2022-23	Reasonable		1		
24-Oct-22	Officers Expenses & Allowances 2022-23	Reasonable			2	
02-Aug-22	Income Streams	Reasonable			1	
22-Aug-22	Homelessness 2021-22	Substantial			1	
10-Mar-22	Rent Accounting 2021-22	Reasonable			3	
15-Sep-21	Insurance	Substantial				1
08-Mar-23	Electoral Services 2020-21	Reasonable		1		
06-Aug-20	Bereavement Services 2019-20	Reasonable			1	
22-Oct-20	Grounds Maintenance 2019-20	Reasonable			1	
		TOTALS	1	4	20	24

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

Delayed Action Due = The original action date has now passed and Internal Audit has obtained status update comments from the responsible officer and a revised action date. This revised action date has now passed, but Internal Audit has been unable to ascertain any progress information from the responsible officer.

South Derbyshire District Council – Audit Progress Report

Delayed Future Action = The original action date has now passed and Internal Audit has obtained status update comments from the responsible officer and a revised action date which is in the future.

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

Audit Assignments with Recommendations Due	Action Due				Delayed Action Due				Delayed Future Action			
	Critical Risk	Significant Risk	Moderate Risk	Low Risk	Critical Risk	Significant Risk	Moderate Risk	Low Risk	Critical Risk	Significant Risk	Moderate Risk	Low Risk
Housing Repairs (Planned & Responsive Maintenance) 2023-24												1
Rent Accounting 2023-24			1									
Community Safety Enforcement 2023-24												1
IT Key Controls 2023-24								1				1
Street Cleansing 2022-23												1
Procurement 2022-23										1		
Organisational Culture & Ethics 2022-23												1
Revenue Systems 2022-23												1
Land Charges 2022-23											1	
Development Management 2022-23								1				2
Parks & Open Spaces 2022-23												1
Rosliston Forestry Centre 2022-23								1				
Officers Expenses & Allowances 2022-23											1	1
Income Streams												1
Homelessness 2021-22												1
Rent Accounting 2021-22											1	2
Electoral Services 2020-21							1					
Bereavement Services 2019-20											1	
Grounds Maintenance 2019-20												1
TOTALS			1				1	3		1	4	15

South Derbyshire District Council – Audit Progress Report

HIGHLIGHTED RECOMMENDATIONS

Critical, Significant or Moderate Risk Recommendations Past Original Action Date

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

Job Name	Procurement 2022-23	Original Action Date	01/03/2024
Risk Rating	Significant Risk	Revised Action Date	01/10/2024
Recommendation Number	4	Recommendation Status	Delayed Future Action
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
It could not be demonstrated that the contract with the Procurement Service Provider provided an effective procurement function, which sought genuine competition.	We recommend that the contract is evaluated by management and compared with other options available for service delivery. The most effective procurement function for the Council should be selected, that not only ensures compliance with relevant laws and regulations but saves the authority both time and money in the long term, through seeking genuine competition from procurement activities. Any decision taken should be clearly documented and follow the correct governance process, as per the Council's Constitution.	The current contractual arrangements ended on 31/03/2023 and a 12-month extension was agreed by the previous Strategic Director (Corporate Resources) to 31/03/2024. Alongside the need to undertake a competitive process to ensure the future procurement solution represents value for money, a review of the organisational requirements in respect of procurement support will be undertaken.	Due to some issues with the engagement of temporary resource which prevented the implementation of the procurement timetable. As a result, the current contract is extended on a rolling basis to 30 September 2024. Re-procurement is now planned to commence in June, via a formal tender route.

Job Name	Bereavement Services 2019-20	Original Action Date	01/01/2021
Risk Rating	Moderate Risk	Revised Action Date	01/04/2025
Recommendation Number	2	Recommendation Status	Delayed Future Action
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
Contract opportunities for the provision of a grave digging service 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.	We recommend that the Council pursues one of the following actions: <ul style="list-style-type: none"> A corporate contract may be required for the area of spend and as such a formal tender exercise should be undertaken. Engage the Council's DSO to provide the service at the rural cemeteries as well as the urban cemeteries. The area of spend may be relevant to an existing or new framework agreement/contract which should be used to formalise the process. If no competitive market is available this should be demonstrated and a formal exemption from the Contract Procedure Rule should be put in place. 	All options will be assessed and taken forward after the Covid-19 pandemic is over as the risk of any changes to the service are too great at the present time.	Contract provision has been reviewed. Issues with compliance identified. Proposal to create an additional post. Report be taken to E&DS & F&M in November 2024. If approved new role will be advertised and recruited to.

South Derbyshire District Council – Audit Progress Report

Job Name	Rent Accounting 2021-22	Original Action Date	31/03/2022
Risk Rating	Moderate Risk	Revised Action Date	31/12/2024
Recommendation Number	7	Recommendation Status	Delayed Future Action
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
Energy costs paid by the Council for individual properties were not consistently recharged to tenants and there was a large outstanding debt relating to this.	We recommend that the Council writes off outstanding ground source heating debts where there is insufficient legal basis to pursue recovery. Furthermore, for existing tenants, appropriate action should be taken to obtain agreement to future energy cost charges, which should be invoiced as soon as possible to prevent further financial loss to the Council.	<p>Agreed, the Former Tenant Arrears Officer will prepare the documentation for write off where recovery cannot be pursued against former / current tenants for ground source heating charges at Brook Street, Hartshorne.</p> <p>A third-party agent is currently being procured to take meter readings and prepare figures for consumption costs to the responsible tenant for payment. At this point it is the Councils intention for the third-party agent to read meters and invoice tenants, however this may change in so far as Business Support may invoice tenants and collect the payments which are due.</p> <ul style="list-style-type: none"> Once procured, all existing tenants will be required to re-sign a contract indicating their agreement to be responsible for and pay their ground source heating charges to the Council. All new tenants will sign a separate contract/letter when they sign their new Tenancy Agreement indicating their agreement to be responsible for and pay their ground source heating charges. The Former Tenant Arrears Officer and the Tenancy Services Manager will have operational responsibility for implementing this recommendation. 	Outstanding debts have now been written off. Housing Review in place and new Head of Housing to be recruited. Process for heating costs to be recharged monthly at Carnegie House and Brook Street. Meter readings for Carnegie House are now being taken and billed monthly. Service Charge which includes energy costs for those under licence agreement in temporary accommodation. Still issues at Brook Street that the Asset team are working on with Raleigh Instruments. Hoping to resolve 12/02/2024.

Job Name	Land Charges 2022-23	Original Action Date	30/11/2023
Risk Rating	Moderate Risk	Revised Action Date	30/09/2024
Recommendation Number	6	Recommendation Status	Delayed Future Action
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
There was no current signed agreement in place with Lichfield District Council for the provision of a Land Charges service.	We recommend that the Council determines the preferred option for future provision of the Land Charges service and enters into a formal agreement to reflect this.	The agreement was with the service provider for approval. A recent signed copy has been received for completion.	We have finally managed to set up a meeting with our partner in this matter, that is taking place on 22/08/2024. It is hoped we can progress signature of the agreement after that date.

South Derbyshire District Council – Audit Progress Report

Job Name	Electoral Services 2020-21	Original Action Date	31/03/2023
Risk Rating	Moderate Risk	Revised Action Date	31/03/2024
Recommendation Number	4	Recommendation Status	Delayed Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
There was no current contract in place for the provision of election printing services.	<p>We recommend that the Council pursues one of the following actions:</p> <ul style="list-style-type: none"> A corporate contract may be required for the area of spend and as such a formal procurement exercise should be undertaken. The area of spend may be relevant to an existing or new framework agreement/contract which should be used to formalise the process. Where a tender exercise would not be beneficial to the Council or where the particular organisation is required for a specific reason, a formal exemption from the Contract Procedure Rules should be sought. 	<p>A tender exercise may not be suitable due to the specialist nature of this contract.</p> <p>A formal exemption under the Contract Procedure Rules will be explored.</p>	This matter is currently with NHS Chesterfield to make a direct award from a framework

Job Name	Officers Expenses & Allowances 2022-23	Original Action Date	31/07/2023
Risk Rating	Moderate Risk	Revised Action Date	31/03/2025
Recommendation Number	2	Recommendation Status	Delayed Future Action
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The Council's expenses policy did not support the Council's Staff Travel Plan, adopted to reduce the environmental impact of the journeys made by Council employees, and the mileage expenses paid were considered to be uneconomic and did not offer efficiency or value for money for the residents in the District.	We recommend that the Council considers the savings that could be made by adopting the HMRCs (or a hybrid) scheme for paying mileages expenses. Pool cars could also be considered to reduce the need for paying lump sums for essential users (electric ones would also contribute to the Council's Staff Travel Plan.)	An options appraisal will be undertaken as part of the Council's recruitment and retention package.	Following on from work at recommendation 1, further work on an options appraisal will form part of the workstreams to be progressed under the People Strategy, which has been rescheduled and is being reported to Finance and Management Committee in September 2024.

South Derbyshire District Council – Audit Progress Report

Job Name	Rent Accounting 2023-24	Original Action Date	31/03/2024
Risk Rating	Moderate Risk	Revised Action Date	
Recommendation Number	2	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The reconciliation of housing benefits report was not being reviewed and authorised by a senior officer and discrepancies were not being fully explained when identified.	We recommend that discrepancies identified through the housing benefits reconciliation are fully investigated with a reason provided and recorded for the discrepancy. Where possible, action should be taken to prevent future reoccurrence of any issues identified. The reconciliation should then be reviewed and formally authorised by a senior experienced officer. This could be formally recorded on the reconciliation spreadsheet or by exchange of emails between officers to evidence this process.	Procedure to be written. Any discrepancies between Agresso and Orchard are noted and queried with Housing Benefits (Elaine Garnham) by the Business Support Team, ensuring the issue is investigated and a response received from Benefits. If no response received from Benefits. If no response received the issue is to be escalated to a Senior Manager.	

South Derbyshire District Council – Audit Progress Report

Low Risk Recommendations Over 12 Months Past Original Action Date

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.

Job Name	Homelessness 2021-22	Original Action Date	31/12/2022
Risk Rating	Low Risk	Revised Action Date	16/11/2024
Recommendation Number	1	Recommendation Status	Delayed Future Action
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The Homelessness and Rough Sleeping Strategy 2020-2025 had not been formally published on the Council's website in its final version and the current draft did not have a version control log or a record of responsible officers for actions detailed in the action plan.	We recommend that the Homelessness and Rough Sleeper Strategy 2020-25 is updated to include a version control log and that the action plan within is updated to include the responsible officers for each action. The final version should then be made available on the Council's website in accordance with the Homelessness Act 2002.	A version control log will be added to the Strategy. Responsible officers will be assigned to the actions in the action plan further to the start -up of the Homelessness & Rough Sleeper Strategy Working Group. Housing to liaise with the Communications Team around the final version being published on the website.	Consulting with Policy to see if the Strategy can be formatted to a SDDC Policy Document with a Version Control and whether a photograph & signature needs adding to the Leaders Strategy foreword. The responsible officers are already included in internal action plans. Clarifying with Policy whether responsible officers needs to be published. The Strategy will then be uploaded to the SDDC website. The Countywide Strategy is already uploaded to the SDDC website.

Job Name	Officers Expenses & Allowances 2022-23	Original Action Date	01/04/2023
Risk Rating	Low Risk	Revised Action Date	31/10/2024
Recommendation Number	1	Recommendation Status	Delayed Future Action
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The Expenses Policy was considered to be out-of-date, and no longer provided a comprehensive guide for claiming expenses.	We recommend that the Expenses Policy should be reviewed and updated, to ensure it includes: <ul style="list-style-type: none"> The Councils policy on using environmentally friendly modes of transports. Guidance for claiming expenses for staff using electric vehicles. Clarification of where to find mileage rates payable. Payment of expenses to volunteer staff. Also, the Pay Policy Statement should clearly define what mileage rates are payable for employees using electric vehicles.	Policy to be reviewed as recommended.	The Expenses Policy has been reviewed to consider introducing allowances different modes of transport using HMRC rates. This is subject to consideration by Leadership Team.

South Derbyshire District Council – Audit Progress Report

Job Name	Rent Accounting 2021-22	Original Action Date	31/03/2023
Risk Rating	Low Risk	Revised Action Date	31/12/2024
Recommendation Number	3	Recommendation Status	Delayed Future Action
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The Council did not have a Rent Setting Policy in place.	We recommend that a Rent Setting Policy is established to ensure that rent is set with due consideration to the relevant legislation.	A rent policy will be compiled and reviewed in line with the Rent Standard 2020. Consultation and Member input will be required therefore a longer time frame to implement. The Head of Housing and the Head of Finance will be responsible for implementing this recommendation.	External expert being sought to assist with the preparation of a Rent Setting Policy.

Job Name	Rent Accounting 2021-22	Original Action Date	31/03/2023
Risk Rating	Low Risk	Revised Action Date	31/12/2024
Recommendation Number	5	Recommendation Status	Delayed Future Action
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The Council did not have a Service Charges Policy in place.	We recommend that a Service Charges Policy is established. In producing this policy, careful consideration should be given to the equitability of the approach, and how it might best align with the financial risks facing the Council.	A service charge policy will be compiled and reviewed in line with the Rent Standard 2020. Consultation and Member input will be required therefore a longer time frame to implement. The Head of Housing and the Head of Finance will be responsible for implementing this recommendation.	Initial review of possible items that are eligible for service charges complete. Further legal advice required as to the nature of any policy around service charges.

Job Name	Rosliston Forestry Centre 2022-23	Original Action Date	01/04/2023
Risk Rating	Low Risk	Revised Action Date	30/06/2024
Recommendation Number	3	Recommendation Status	Delayed Future Action
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The lodge booking system was not intuitive, did not make costs clear and relied on manual intervention to collect payment.	We recommend that alternative booking systems are explored and considered by management to provide a better booking experience for the customer. Ideally, any such system should clearly identify the availability of lodges by date and should secure payment at the point of booking. Alternatively, the use of third-party sites to manage bookings on the Council's behalf should also be considered and evaluated in a cost-benefit analysis.	The Council are looking at new booking systems.	A new lease has been agreed with Forestry England for 30 years. A 'Revitalising Rosliston' consultation has started which will help create the future vision for the site and identify where investment is best placed.

South Derbyshire District Council – Audit Progress Report

Job Name	Grounds Maintenance 2019-20	Original Action Date	01/10/2021
Risk Rating	Low Risk	Revised Action Date	31/10/2025
Recommendation Number	2	Recommendation Status	Delayed Future Action
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The specification and associated bills of quantities were out-of-date, having not been updated since 2011.	We recommend that resources should be identified to review and update the specification and associated bills of quantity to reflect the current situation, to ensure better clarity over the areas covered within the 'contract' and the detailed requirements.	Previous detailed specification to be reviewed for Housing land and Cultural and Community Service land. Timing will depend on when restructures are in place. Officers with operational responsibility are the Parks and Green Space Manager and the Housing Improvement and Asset Manager.	Permission has been granted by Council for the procurement of a grounds maintenance management IT system. This system will form part of a broader digitisation program for Operational Services with the introduction of a waste collection and trade waste IT systems during 24/25 and the street cleansing and grounds maintenance IT systems commencing from April 2025. The bills of quantities information/data that was available already was transferred to the Operational Services GIS system during 2023. For the commissioning of the new IT system, the grounds paper-based processes will be migrated into a digitised system. This will create a revised specification, schedule of frequencies and bills of quantities for the grounds service, work will begin on the transfer to a digitised systems during the end of 2024.

Job Name	Income Streams	Original Action Date	28/02/2023
Risk Rating	Low Risk	Revised Action Date	16/11/2024
Recommendation Number	3	Recommendation Status	Delayed Future Action
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
There had been no use of the guest bedrooms located at the Council's supported housing sites for several years, but the charge continued to remain within the approved Fees and Charges schedule.	We recommend that management consider a review of the use of the guest bedrooms located at the Council's supported housing sites in order to determine whether these facilities can be put to an alternative use which can be of some benefit to the residents and the Council.	Review of the use of the rooms to consider alternative use.	Consulting with Finance to see if the guest bedroom charge can be removed from the Housing Fees & Charges for 25/26 as it is no longer utilised. Future usage will be considered post stock condition survey.