

**Audit Services Unit
Progress Against Audit Plan 2021-22
31st December 2021**

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Background to the Progress Report

At the meeting of this Committee held on 23 March 2021, Members approved the Audit Services Plan for 2021-22, which had been formulated from our risk assessment drawn from a wide range of sources including:

- the Council Plan;
- the Council’s Strategic Risk Register;
- Departmental Risk Registers;
- Service Plans; and
- meetings with Executive Directors and Directors.
(including Executive Director of Commissioning, Communities and Policy (Head of Paid Service), Director of Finance & ICT (Section 151 Officer) and Director of Legal and Democratic Services (Monitoring Officer).

In accordance with the Audit Committee’s Terms of Reference this report updates Members on progress against the Plan for the nine months to 31 December 2021 and represents work undertaken during that period which is detailed in **Appendix 1**. An analysis of the priority criteria for Audit recommendations and assurance levels is also included in **Appendix 1**.

In common with previous years, elements of work forming part of last year’s approved Audit Services Plan were completed and reported in the current year. Where appropriate, Audit staff routinely follow up progress against agreed recommendations as part of subsequent work, in the area under review.

All work undertaken by Audit Services is conducted in accordance with the standards required by the PSIAS and in conformance with the International Standards for the Professional Practice of Internal Auditing. The work of the Unit complies with the Council’s Audit Charter, Internal Audit Strategy and Quality Assurance and Improvement Programme which are subject to regular review.

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Current Progress

As we enter the last quarter of 2021-22, the Covid-19 pandemic remains a challenge to the delivery of the approved Plan and my ability to provide an assurance across the Council's key services. After the Government's announcement on 8 December 2021 that England would move to Plan B following the increased spread of the Omicron variant, it became clear that other than the desktop review outlined in my previous Progress Report, it would not be possible to undertake the audits of schools (174 days) and establishments (64 days) before the end of 31 March 2022.

However, despite these challenges Audit staff have worked diligently with senior management and responsible officers to agree suitable arrangements to enable reviews to be undertaken across a broad range of the current Audit Plan. As a result, the Unit is currently on track to have either reported or undertaken significant elements of the fieldwork by the end of March 2022 in the following areas:

- Key financial systems including Treasury Management, Accounts Payable and Accounts Receivable;
- The Council's four Departments;
- The majority of Departmental projects within the approved plan or other areas notified by senior management during the year.

There are however areas within the Plan where coverage will not be possible in this period. Whilst there are a number of factors that have affected this decision, the main issues relate to the availability of Departmental staff or service pressures. These include Business Continuity arrangements, Major Incident Planning, Direct Care, Procurement of Public Transport and Taxis and the Corporate Database review. Further comments on the individual reviews and progress is included within **Appendix 1**.

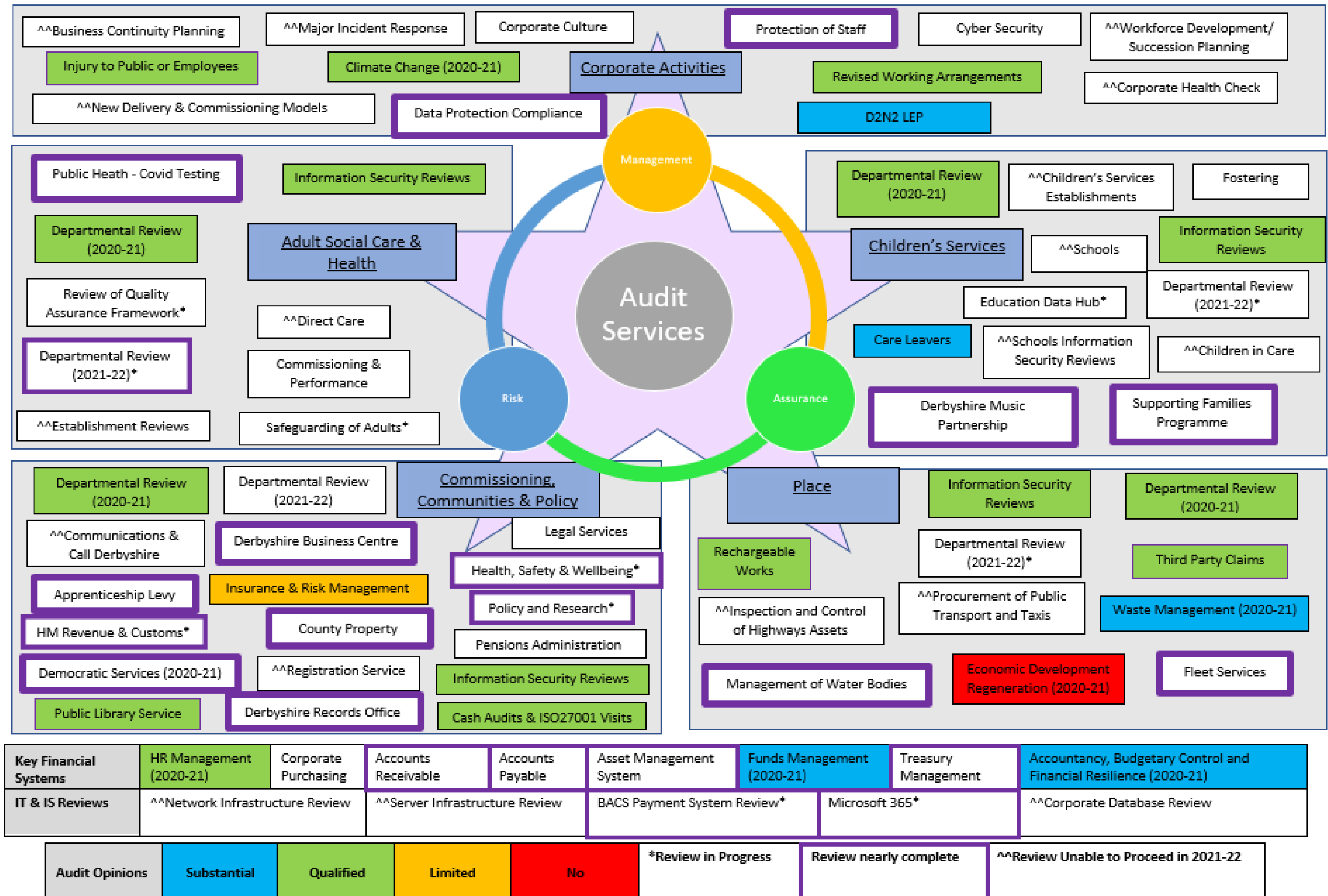


The current Audit performance against the 2021-22 approved Plan is shown below:

2021-22 Progress	At 31 December 2021
Approved Audit Plan (2,723)	2,042
Actual Productive Days	1,789
Shortfall in Productive Days Delivered	253

Analysis of Audit work including a summary of Reports and Memoranda issued up to 31 December 2021, is provided at **Appendix 1**, with more detailed comments on individual reviews within the main body of this Report.

Summary of Audit Opinions (Reports Issued up to 31 December 2021)



Audit Resources and Activities

Staffing

During my previous Progress Report, I informed the Committee of the recruitment exercise that was underway to fill the two Principal Auditor vacancies and a six-month temporary Principal Auditor post to cover maternity leave. Following two days of interviews at the end of December 2021, I am extremely pleased to inform the Committee that two individuals with local government experience have accepted job offers. Whilst it will take a number of months for the individuals to work their respective notice periods, we are hopeful that they will join the Unit by Spring 2022. Unfortunately, the other candidates did not have the required experience or skills to allow an offer to be made for the vacant six-month temporary post. A copy of the current staffing structure for the Audit Services' Unit is included at **Appendix 2**.

Key Performance Indicators (KPIs)

Details of the Unit's KPIs are summarised in **Appendix 3**. As previously reported the percentage of draft audit memoranda issued within 15 working days of fieldwork completion remains below target and has remained static since the last audit Committee update. It is disappointing that improvements have not been made in this period, although it is anticipated that there will be significant improvements in 2022-23 as the Unit's structure looks to become more stable. Unfortunately, the return of Audit client satisfaction questionnaires remains low when compared to the number of reports issued throughout the year. As part of my wider review of the Unit's Quality Assurance and Improvement Program (QAIP) that I am currently working on, I will discuss this issue with senior management.

Audit Plan 2022-23

I have already commenced work on collating the information, identifying key risks and arranging meetings with senior management to support the preparation of the Audit Services Plan for 2022-23, which will be considered by the Audit Committee on 22 March 2022. Whilst the Plan will be formulated in accordance with the Internal Audit Strategy and Audit Charter, the Plan will have a wider focus on risk and start the process of integrating assurance mapping across the audit universe to help maximise the Audit output from the resources available.



Detailed Analysis - Corporate Activities

Departmental Performance	2020-21	2021-22	Departmental Opinions	2020-21	2021-22
Days within the Approved Audit Plan	1,060	980	Substantial	-	1
Actual days delivered	546	508	Qualified	6	3
Percentage of Audit Days Delivered	51.5%	52%	Limited	2	-
Number of Reports/ Memoranda Issued	11	8	No	-	-
			Other (including letters)	3	4

Outcome reported to the Audit Committee on 7 December 2021

- ✓ Revised Working Arrangements

Meetings and Support

Ongoing as reported to the Audit Committee on 21 September 2021.

Injury to Public or Employees

This Audit was a follow-up of the Injury to Public or Employees review. The audit confirmed that action had been taken to action the previously agreed recommendations relating staff awareness of risk assessments for certain activities and locations, in addition to increasing the number of first aid trained staff at sites visited during the audit. Further improvements were required to ensure risk assessments are continually updated.

Audit Investigations

During this period two audits were concluded and reported to management, which involved the review of financial management arrangements within one of the Council's service areas and an assessment of a potential misconduct issue.

Detailed Analysis - Commissioning, Communities and Policy*

Departmental Performance	2020-21	2021-22	Departmental Opinions	2020-21	2021-22
Days within the Approved Audit Plan	705	785	Substantial	5	2
Actual days delivered	679	674*	Qualified	12	10
Percentage of Audit Days Delivered	96%	86%	Limited	2	2
Number of Reports/ Memoranda Issued	21	14	No	-	-
			Other (including letters)	2	-

(*The Commissioning, Communities and Policy Department was renamed Corporate Services and Transformation in December 2021)

Outcome reported to the Audit Committee on 7 December 2021

- ✓ Insurance & Risk Management

Apprenticeship Levy Scheme

In April 2017, the Government introduced a levy on employers (including the Council) with annual pay bills in excess of £3m to fund new apprenticeships through the Digital Apprenticeship Service (DAS). The levy must be spent on the Council's apprenticeship training within 24 months of receipt or risk the funds expiring and being withdrawn. The review confirmed that procedures were in place to ensure that eligible training was funded via the Apprenticeship Levy, with work being undertaken to develop internal monitoring arrangements. The Council's commitment to increasing the number of apprenticeships was incorporated within core guidance and policy documents, with funding requests appropriately prioritized. Improvements in the governance and controls procedures relating to the reconciliation of levy payments, enhancements to Council's apprenticeship scheme communications and enhancements to performance measures, were recommended for senior management action.

Public Library Service

The Library Service was previously under the Council's Community, Commissioning and Policy (CCP) Department's remit but transferred to Place during 2021. The scope of the audit included an assessment of the governance framework within the library service, budget and financial management of the function and development of the library strategy for Derbyshire moving forward. The controls considered as part of this review were predominantly found to be operating effectively with the library provision actively seeking to comply with the Council's policies, procedures and best practice. There were a small number of areas in which potential improvements to processes could be made, although most were not significant. The area in which the highest priority recommendations were made related to financial management and budget setting.

Commissioning, Communities and Policy IT Systems and Information Security

Ongoing as reported to the Audit Committee on 21 September 2021.

Meetings and Support

Ongoing as reported to the Audit Committee on 21 September 2021.

Audits in Progress

Work on the Audit of Human Resources Management and review of the Council's implementation of Microsoft Office 365 suite has recently commenced, which will proceed throughout January 2022. The reviews of the Policy and Research Section and Bankers' Automated Clearing System (Bacs) are nearing completion of the fieldwork. The Audits of the Derbyshire Business Centre, County Property, Data Protection, Accounts Receivable, Accounts Payable and HM Revenue & Customs Compliance are either in review or have an exit meeting with senior management arranged to discuss the findings. Whilst exit meetings for the review of the Democratic Services and Treasury Management have been held, completed action plans are still outstanding.

Detailed Analysis – Children’s Services

Departmental Performance	2020-21	2021-22	Departmental Opinions	2020-21	2021-22
Days within the Approved Audit Plan	650	475	Substantial	1	1
Actual days delivered	390	157	Qualified	19*	2
Percentage of Audit Days Delivered	60%	33%	Limited	1*	-
Number of Reports/ Memoranda Issued	22*	3	No	-	-
			Other (including letters)	1	-

(*2020-21 - Includes 11 primary school ‘virtual’ audits).

Outcome reported to the Audit Committee on 7 December 2021

- No updates were included within the Children’s Services Departmental section of the Audit Committee Progress Report.

Children’s Services IT Systems and Information Security

Ongoing as reported to the Audit Committee on 21 September 2021.

Audits in Progress

Work on the Audit of the Education Data Hub is at an early stage, with the main Departmental review only starting towards the end of December 2021. An exit meeting with senior management has been arranged to discuss the findings of the Derbyshire Music Partnership review. As reported previously, Audit staff continue to undertake assurance work on the Supporting Families Programme as and when sufficient claims require review.

Detailed Analysis – Adult Social Care and Health

Departmental Performance	2020-21	2021-22	Departmental Opinions	2020-21	2021-22
Days within the Approved Audit Plan	299	303	Substantial	0	-
Actual days delivered	245	199	Qualified	5	4
Percentage of Audit Days Delivered	82%	66%	Limited	3	-
Number of Reports/ Memoranda Issued	9	4	No	-	-
			Other (including letters)	1	-

Outcome reported to the Audit Committee on 7 December 2021

- No updates were included within the Adult Social Care and Health Departmental section of the Audit Committee Progress Report.

Adult Social Care and Health IT Systems and Information Security

Ongoing as reported to the Audit Committee on 21 September 2021.

Audits in Progress

Work on the Departmental review for 2021-22 is nearing completion of the fieldwork, with the audit of the Covid-19 Community Testing arrangements currently being reviewed ahead of an exit meeting being arranged to discuss the key findings. The Review of Quality Assurance Framework and Derbyshire Shared Care Record is still at an early stage of the fieldwork, with an assessment of the Social Worker Arrangements at the Audit scoping stage.

Detailed Analysis – Place

Departmental Performance	2020-21	2021-22	Departmental Opinions	2020-21	2021-22
Days within the Approved Audit Plan	170	180	Substantial	-	2
Actual days delivered	132	251	Qualified	3	5
Percentage of Audit Days Delivered	77%	139%	Limited	-	-
Number of Reports/ Memoranda Issued	4	8	No	-	1
			Other (including letters)	1	-

Outcome reported to the Audit Committee on 7 December 2021

- ✓ Departmental Review (2020-21)

Parking Enforcement IT System

This Audit was a follow-up review of the Chipside Parking Enforcement – IT System. As part of the previous exit meeting with senior management the six recommendations within the report were agreed. During the current review, three of the recommendations were found not to have been fully actioned. The outstanding matters including the production of the car parking annual reports and staff updates relating to certain information security procedures.

Third Party Claims

The review focused on the administration of third-party actions for property damage and liability claims relating to highways and footpaths under the control of the Council. Claims are considered by a specialist team who assess the information submitted to support a claim and investigate irregularities. The majority of areas subject to review were found to be operating in accordance with agreed procedures and working effectively. Good practice was identified within the service provision, together with a small number of areas for improvement that will strengthen the current internal control environment.

Rechargeable Works

The review of the Rechargeable Works function focused on the core processes in place monitor and manage damage caused to the Derbyshire highway network and seek to recover payments from individuals or their respective representatives (i.e. insurance companies) where appropriate. The service was found to have clear procedural guidance in place which supports the claims process, with claims supported by the appropriate evidence and management review. A number of recommendations were made to strengthen the current governance arrangements including enhanced performance monitoring, independent review of cost calculations and improvements to current reconciliation procedures. *(Note - During the review period, the staff transferred to the Corporate Services and Transformation Department under the responsibility of the Risk and Insurance Manager).*





Place IT Systems and Information Security


Ongoing as reported to the Audit Committee on 21 September 2021.

Audits in Progress

Currently the Place Departmental review is at the Audit scoping stage, with an exit meeting arranged to discuss the outcome of the Fleet Services review. Additional feedback following the exit meeting of the Management of Water Bodies review is due shortly, which should enable this audit to be finalised. Since the last Progress Report, audit have supported the Community Renewal Fund project team to implement a governance framework.

Appendix 1 - Progress Against the 2021-22 Audit Plan



Name	Planned Days	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments		
		20-21	21-22				Critical	High	Medium	Low				
Corporate Activities – The 2021-22 Audit Plan included an allocation of 980 days over the following areas														
Corporate Projects														
➤ VP018 East Midlands Broadband (emPSN)	-	-	2	-	-	-	-	-	-	-	-	-		
VP037 Workforce Development/ Succession Planning	30	-	2	-	-	-	-	-	-	-	-	-	2021-22 attendance at Agency Group Mtgs. Will review as part of 2022-23 Audit Planning to assess future Audit work.	
VP044 D2N2 LEP	45	-	37	Qualified	Substantial	↑	0	0	3	0	(1H)			
➤ VP050 Review of Grants Admin	-	-	9	-	-	-	-	-	-	-	-	-		
VP053 Cyber Security Review	20	-	-	-	-	-	-	-	-	-	-	-		
VP055 Corporate Culture	30	-	-	-	-	-	-	-	-	-	-	-		
VP058 Serious & Organised Crime	10	-	1	-	-	-	-	-	-	-	-	-		
➤ VP060 Protection of Staff	-	-	12	-	-	-	-	-	-	-	-	-		
➤ VP061 Injury to Public or Employees re. Use of Land, Buildings & Assets	-	-	6	N/A	N/A	-	0	1	0	0	(1H)	Follow-up Audit Review.		
VP062 Data Protection Compliance	20	-	-	-	-	-	-	-	-	-	-	-		
VP064 New Delivery & Commissioning Models/Partnership Working	30	-	3	-	-	-	-	-	-	-	-	-	Will review as part of 2022-23 Audit Planning to assess future Audit work.	
VP067 Climate Change	30	20	5	N/A	Qualified	↔	0	1	3	2	-	Memo relates to 2020-21		
VP068 Major Incident Response	30	-	3	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to service pressures. Will review as part of 2022-23 Audit Planning to assess future Audit work.	
VP070 Revised Working Arrangements	30	-	36	N/A	2 x Qualified	↔	0	7	8	1	-			
➤ VP071 Asset Optimisation (Corporate Landlord)	-	-	1	-	-	-	-	-	-	-	-	-		
Total	275	20	117	-	1 x Substantial 3 x Qualified	-	0	9	14	3	2			
Corporate Governance														
CO002 Business Continuity Planning	20	-	9	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to service pressures. Will review as part of 2022-23 Audit.	



Name	Planned Days	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments	
		20-21	21-22				Critical	High	Medium	Low			
												Planning to assess future Audit work.	
CR001 Embedding Corporate Governance	70	-	51	-	-	-	-	-	-	-	-		
CR006 Corporate Health Check	20	-	-	-	-	-	-	-	-	-	-	Work has been undertaken as part of other Audits throughout 2021-22.	
CR007 Information Governance Group & Support	20	-	31	-	-	-	-	-	-	-	-		
CR009 Data Protection Compliance	20	-	35	-	-	-	-	-	-	-	-		
Total	130	-	126	-	-	-	-	-	-	-	-		
Corporate Fraud Prevention													
CZ100 External Audit Liaison	5	-	1	-	-	-	-	-	-	-	-		
CZ200 National Fraud Initiative	20	-	68	-	-	-	-	-	-	-	-		
CZ300 National Anti-Fraud Network	10	1	8	-	-	-	-	-	-	-	-		
CZ400 RIPA Management & Admin	10	1	-	-	-	-	-	-	-	-	-		
ZZ000 Internal Audit-Special Investigations General*	280	27	68	N/A	2 x Reports 2 x Letters	N/A	0	8	7	2	(5 H) (2 M)		
Total	325	29	145	-	2 x Reports 2 x Letters	-	0	8	7	2	7		
Strategic Management													
VW001 Strategic Management	50	-	57	-	-	-	-	-	-	-	-		
VW002 Strategic Management (Risk)	-	-	14	-	-	-	-	-	-	-	-		
Total	50	-	71	-	-	-	-	-	-	-	-		
Audit Planning Contingency													
XX000 Audit Planning Contingency	200	-	-	-	-	-	-	-	-	-	-		
Total	200	-	-	-	-	-	-	-	-	-	-		
Corporate Activities Total	980	49	459	-	2 x Reports 1 x Substantial 3 x Qualified 2 x Letters	-	0	17	21	5	9		


Name	Planned Days	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments	
		20-21	21-22				Critical	High	Medium	Low			
Commissioning, Communities and Policy Department - The 2021-22 Audit Plan included an allocation of 785 days over the following areas													
Departmental Review - Management & Administration (CCP)													
CA100 Commissioning, Communities and Policy Departmental Review	60	7	5	Qualified	Qualified	↔	0	4	12	2	(6H, 4M, 2L)	Memo relates to 2020-21 Audit.	
CA102 External Grants and Certifications		-	26	-	-	-	-	-	-	-	-		
Total	60	7	31	-	1 x Qualified	-	0	4	12	2	12		
CCP Operational Reviews													
CO003 Derbyshire Business Centre	20	-	23	-	-	-	-	-	-	-	-		
CO006 Public Library Service (Transferred to Place wef 1 July 2021)	20	-	24	N/A	Qualified	↔	0	1	0	5	-		
➤ CO007 Democratic Services	-	29	-	-	-	-	-	-	-	-	-		
CO008 Communications and Call Derbyshire	25	-	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to service pressures. Will review as part of 2022-23 Audit Planning to assess future Audit work.	⚠
CO010 Policy and Research	25	-	15	-	-	-	-	-	-	-	-		
CO011 Legal Services	25	-	-	-	-	-	-	-	-	-	-		
➤ CO012 Derbyshire Records Office & Records Management	-	-	21	-	-	-	-	-	-	-	-		
CO013 Apprenticeship Levy	10	-	14	N/A	Qualified	↔	0	1	6	2	-		
Total	125	29	97	-	2 x Qualified	-	0	1	6	7	-		
Divisional Activity – Major Systems													
MA100 Core Financial Systems – General Queries	5	-	14	-	-	-	-	-	-	-	-		
MB100 Human Resources Management	40	19	7	Substantial	Qualified	↓	0	1	6	6	(1M,3L)	Memo relates to 2020-21 Audit.	
MC100 Accounts Payable	40	-	43	-	-	-	-	-	-	-	-		
MD100 Corporate Purchasing	40	22	-	Qualified	Qualified	↔	0	2	6	5	(3M)		
ME100 Accounts Receivable	35	-	37	-	-	-	-	-	-	-	-		
MG100 Accountancy, Budgetary Control and Financial Resilience	45	-	-	Qualified	Substantial	↑	0	0	9	6	(5M,1L)	Memo relates to 2020-21 Audit.	
MK100 Asset Management System	30	-	41	-	-	-	-	-	-	-	-		





Name	Planned Days	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments	
		20-21	21-22				Critical	High	Medium	Low			
ML100 Funds Management	50	2	-	Substantial	Substantial	↔	0	0	2	3	(1M,1L)	Memo relates to 2020-21 Audit.	
➤ MM100 Treasury Management	-	-	30	-	-	-	-	-	-	-	-		
Total	285	43	172	-	2 x Substantial 2 x Qualified	-	0	3	23	20	15		
Divisional Activity – Probity and Compliance													
DC200 HM Revenue & Customs Compliance	20	-	24	-	-	-	-	-	-	-	-		
DC300 Health, Safety & Wellbeing	20	-	26	-	-	-	-	-	-	-	-		
DC400 Financial Regulations & Standing Orders	5	-	-	-	-	-	-	-	-	-	-		
DE101 Cash Audit & ISO 27001 Visits	20	-	16	N/A	Qualified	↔	0	0	0	0	-		
DE400 Pensions Administration	25	-	-	-	-	-	-	-	-	-	-		
DE500 Insurance & Risk Management	30	-	30	Qualified	Limited	↓	1	1	3	2	(1H,5M,1L)		
Total	120	-	96	-	1 x Qualified 1 x Limited	-	1	1	3	2	7		
Divisional Activity – Corporate/ Departmental IT Systems													
CK002 Corporate Database Review	15	-	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to service pressures. Will review as part of 2022-23 Audit Planning to assess future Audit work.	⚠
CK003 Network Infrastructure Review	20	-	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to service pressures. Will review as part of 2022-23 Audit Planning to assess future Audit work.	⚠
CK004 Server Infrastructure Review	20	-	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to service pressures. Will review as part of 2022-23 Audit Planning to assess future Audit work.	⚠
CK005 Microsoft 365 Implementation	20	-	9	-	-	-	-	-	-	-	-		
CK006 Bacs Payment System Review	20	-	28	-	-	-	-	-	-	-	-		
Information Security and Follow Up Reviews	60	1	103	N/A	4 x Qualified 1 x Limited	↔	0	17	23	5	0	Including existing corporate IT solutions and	

Name	Planned Days	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
		20-21	21-22				Critical	High	Medium	Low		
												new IT systems or information security reviews, which require approval by the Director of Finance & ICT. Audit worked on a number of different projects throughout in this period: <ul style="list-style-type: none"> • AVC Wise IT solution • Member Self Service IT solution • Mobile Device Management IT solution.
Total	135	1	140	-	4 x Qualified 1 x Limited	-	0	17	23	5	0	
Divisional Activity – County Property Division												
DV100 Property Services Review	30	-	57	-	-	-	-	-	-	-	-	
➤ DV101 Concertus Derbyshire	-	-	1	-	-	-	-	-	-	-	-	
Total	30	-	58	-	-	-	-	-	-	-	-	
Regulatory												
QE100 Registration Service Audit Review	20	-	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to service pressures. Will review as part of 2022-23 Audit Planning to assess future Audit work.
Total	20	-	-	-	-	-	-	-	-	-	-	
Departmental Total	785	80	594	-	2 x Substantial 10 x Qualified 2 x Limited	-	0	26	67	36	34	


Name	Planned Days	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
		20-21	21-22				Critical	High	Medium	Low		
Children's Services Department – The 2021-22 Audit Plan included an allocation of 475 days over the following areas												
Departmental Review – Management & Administration (CS)												
AA001 Children's Services – Departmental Review	45	1	19	Qualified	Qualified	↔	0	3	9	3	(2H,4M,3L)	Memo relates to 2020-21 Audit.
AA002 Children's Services Department - General Support	-	-	4	-	-	-	-	-	-	-	-	
AA004 Information Security and Follow Up Reviews	35	-	7	N/A	Qualified	↔	0	1	5	0	0	Including new and enhanced IT systems or information security reviews, which require approval by the Director of Finance & ICT. Audit worked on a number of different projects throughout in this period: <ul style="list-style-type: none"> • S4S Traded Services IT solution.
External Grants and Certifications	15	-	18	-	-	-	-	-	-	-	-	
Total	95	1	48	-	2 x Qualified	-	0	4	14	3	9	
Primary, Nursery & Special Schools												
Primary, Nursery & Special Budget	160	-	8	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to pressures in schools. Will review as part of 2022-23 Audit Planning to assess future Audit work. 
Total	160	-	8	-	-	-	-	-	-	-	-	
Secondary Schools												
Secondary Schools	14	-	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to pressures in schools. Will review as part of 2022-23 Audit Planning to assess future Audit work. 
Total	14	-	-	-	-	-	-	-	-	-	-	
Schools General Support												
Schools General Support	30	-	8	-	-	-	-	-	-	-	-	
Total	30	-	8	-	-	-	-	-	-	-	-	
School - Information Security Reviews												
Information Security Reviews	35	-	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to staff resourcing pressures within Audit Services. Will review as part of 2022-23 Audit Planning to assess future Audit work.

Name	Planned Days	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments	
		20-21	21-22				Critical	High	Medium	Low			
Total	35	-	-	-	-	-	-	-	-	-	-		
Children's Homes													
Children's Homes	16	-	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to pressures in establishments. Will review as part of 2022-23 Audit Planning to assess future Audit work.	
Total	16	-	-	-	-	-	-	-	-	-	-		
Themed and Operational													
AO009 Care Leavers	25	-	32	Qualified	Substantial	↑	0	0	3	3	(2M,1L)		
AO013 Supporting Families	30	-	25	-	-	-	-	-	-	-	-		
AO005 Fostering	25	-	-	-	-	-	-	-	-	-	-		
AO020 Derbyshire Music Partnership	20	-	32	-	-	-	-	-	-	-	-		
AO022 Impact of Children in Care	25	-	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to service pressures. Will review as part of 2022-23 Audit Planning to assess future Audit work.	
➤ AO030 Education Data Hub	-	-	3	-	-	-	-	-	-	-	-		
Total	125	-	92	-	1 x Substantial	-	0	0	3	3	3		
Departmental Total	475	1	156	-	1 x Substantial 2 x Qualified	-	0	4	17	6	12		

Name	Planned Days	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
		20-21	21-22				Critical	High	Medium	Low		
Adult Social Care and Health Department – The 2021-22 Audit Plan included an allocation of 303 days over the following areas												
Departmental Management and Administration Review												
BA001 Departmental Review Management and Administration	45	1	33	Qualified	Qualified	↔	0	4	12	10	(5H,3M,5L)	Memo relates to 2020-21 Audit.
BA002 Adult Social Care and Health Department - General Support	-	-	9	-	-	-	-	-	-	-	-	
Total	45	1	42	-	1 x Qualified	-	0	4	12	10	13	
Public Health												
BD001 Public Health	25	-	49	-	-	-	-	-	-	-	-	
Total	25	-	49	-	-	-	-	-	-	-	-	
Information Security and Follow Up Reviews												
Information Security and Follow Up Reviews	70	9	51	-	3 x Qualified	↔	0	2	10	0	0	Including new and enhanced IT systems or information security reviews, which require approval by the Director of Finance & ICT. Audit worked on a number of different projects throughout in this period: <ul style="list-style-type: none"> Welfare Rights Mosaic Client Management IT solution S12 Solutions App Stakeholder Engagement Family Weight Management Project Derbyshire Health Trainers Project Relationship & Sexual Education Project.
Total	70	9	51	-	3 x Qualified	-	0	2	10	0	0	
External Grants and Certifications												
External Grants and Certifications	15	-	33	-	-	-	-	-	-	-	-	
Total	15	-	33	-	-	-	-	-	-	-	-	
Social Care – Elderly Residential												
Elderly Residential	16	-	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to pressures in establishments. Will review as part of 2022-23 Audit Planning to assess future Audit work. 

Name	Planned Days	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments	
		20-21	21-22				Critical	High	Medium	Low			
Total	16	-	-	-	-	-	-	-	-	-	-		
Social Care - Day Care - Physical/Mental Disability													
Day Care - Physical/Mental Disability	12	-	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to pressures in establishments. Will review as part of 2022-23 Audit Planning to assess future Audit work.	
Total	12	-	-	-	-	-	-	-	-	-	-		
Social Care - Day Care & Hostels													
Day Care & Hostels	12	-	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to pressures in establishments. Will review as part of 2022-23 Audit Planning to assess future Audit work.	
Total	12	-	-	-	-	-	-	-	-	-	-		
Social Care - Community Care Centres													
Community Care Centres	8	-	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to pressures in establishments. Will review as part of 2022-23 Audit Planning to assess future Audit work.	
Total	8	-	-	-	-	-	-	-	-	-	-		
Themed and Operational													
➤ BO017 Disabled Facilities Grants Administration	-	4	-	-	-	-	-	-	-	-	-	Preliminary enquiries undertaken. A more detailed review of the service will be considered as part of the planning for the 2022/23 Audit Plan.	
BO026 Review of Quality Assurance Framework	25	-	4	-	-	-	-	-	-	-	-	Fieldwork for the Audit is due to start shortly.	
BO010 Commissioning and Performance	25	-	-	-	-	-	-	-	-	-	-		
BO028 Safeguarding of Adults	25	-	3	-	-	-	-	-	-	-	-	The outcome of the Quality Assurance Framework review (BO026) will inform the scope of the Safeguarding of Adults Audit.	
BO029 Direct Care	25	-	3	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to service pressures. Will review as part of 2022-23 Audit Planning to assess future Audit work.	
Total	100	4	10	-	-	-	-	-	-	-	-		
Departmental Total	303	14	185	-	4 x Qualified	-	0	6	22	10	13		

Name	Planned Days	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
		20-21	21-22				Critical	High	Medium	Low		
Place Department – The 2021-22 Audit Plan included an allocation of 180 days over the following areas												
Departmental Management & Administration Review												
HA100 Place – Departmental Review	45	14	-	Qualified	Qualified	↔	0	1	10	4	(2M,4L)	Memo relates to 2020-21 Audit.
HA101 Place – General Support Review	-	-	4	-	-	-	-	-	-	-	-	
Total	45	14	4	-	1 x Qualified	-	0	1	10	4	6	
Information Security and Follow Up Reviews												
HA103 Information Security and Follow Up Reviews	15	-	46	N/A	3 x Qualified	↔	0	3	8	2	0	Including new and enhanced IT systems or information security reviews, which require approval by the Director of Finance & ICT. Audit worked on a number of different projects throughout in this period: <ul style="list-style-type: none"> Fuel Card Procurement Chipside Parking Enforcement Highways Materials Laboratory DHART Project Asset Management Solution.
Total	15	-	46	-	3 x Qualified	-	0	3	8	2	0	
External Grants and Certifications												
External Grants and Certifications*	20	-	59	-	-	-	-	-	-	-	-	
Total	20	-	59	-	-	-	-	-	-	-	-	
Themed and Operational												
HO001 Waste Management	10	23	-	Substantial	Substantial	↔	0	0	1	3	(1L)	Memo relates to 2020-21 Audit.
➤ HO013 Third Party Claims Review	-	-	24	Qualified	Substantial	↑	0	0	3	2	(1M)	
HO020 Procurement of Public Transport and Taxis (including Home to School Transport and Vetting Contractors)	25	-	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to service pressures. Will review as part of 2022-23 Audit Planning to assess future Audit work.
➤ HO024 Economic Development Regeneration	-	4	-	Qualified	No Assurance	↓	0	4	10	3	(4H,10M,3L)	Memo relates to 2020-21 Audit.
HO025 Fleet Services	25	-	31	-	-	-	-	-	-	-	-	

Name	Planned Days	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments	
		20-21	21-22				Critical	High	Medium	Low			
HO030 Inspection and Control of Highway Assets	20	-	-	-	-	-	-	-	-	-	-	Unable to deliver in 2021-22 due to staff resources. Will review as part of 2022-23 Audit Planning to assess future Audit work.	
HO032 Management of Water Bodies	20	-	29	-	-	-	-	-	-	-	-		
➤ HO034 Rechargeable Works	-	-	17	N/A	Qualified	↔	0	0	7	4	-		
Total	100	27	101	-	2 x Substantial 1 x Qualified 1 x No Assurance	-	0	4	11	6	19		
Departmental Total	180	41	210	-	2 x Substantial 5 x Qualified 1 x No Assurance	-	0	8	29	12	25		

*Update - Time charged to HO033 Community Renewal Fund within the 31 August 2021 Progress Report has been reallocated to External Grants and Certifications.

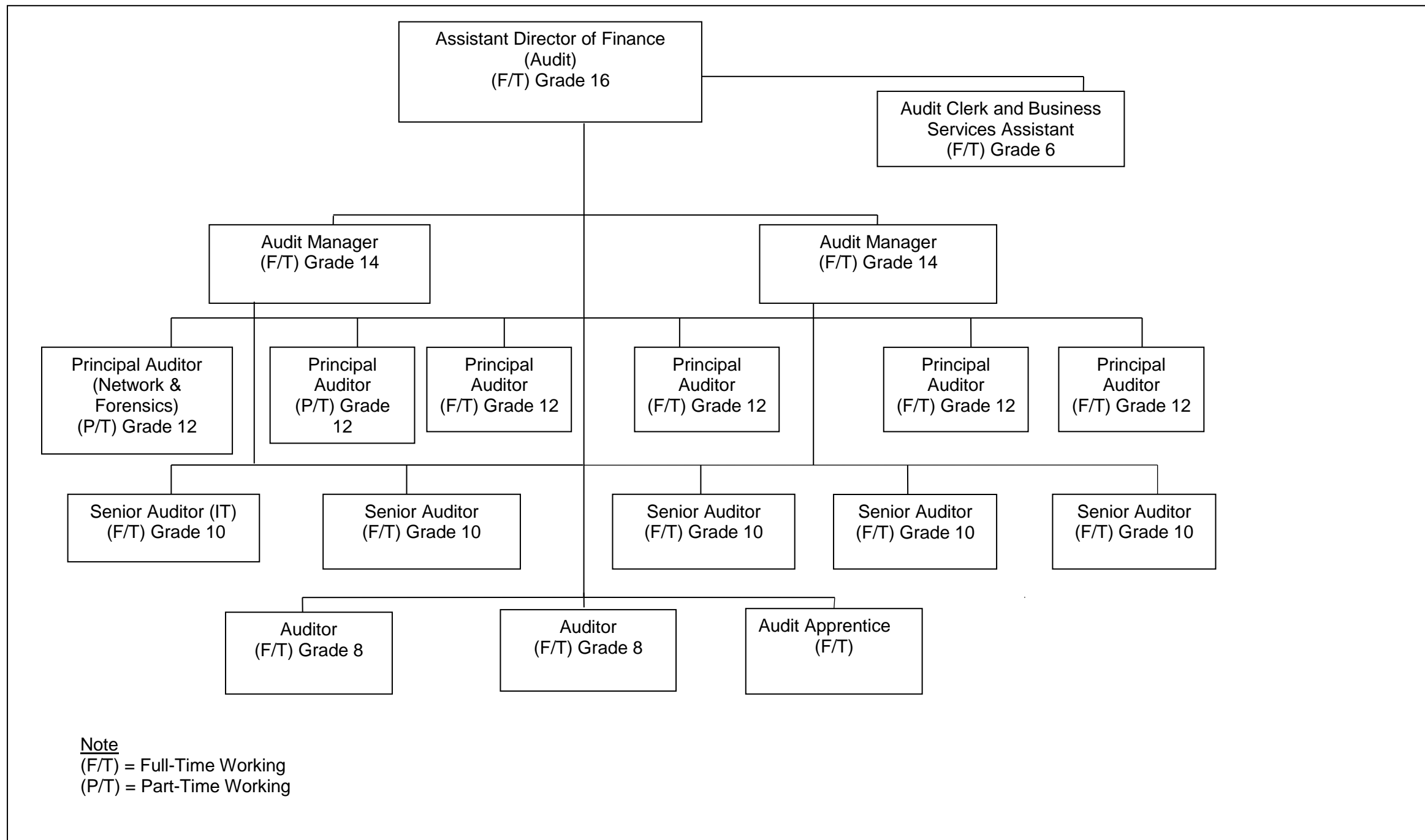
Audit Opinions are categorized based upon the assurance that Management may draw on the adequacy and effectiveness of the overall control framework in operation as follows:

Level of Assurance	Explanation and significance
Substantial Assurance	Whilst there is a sound system of governance, risk management and control minor weaknesses have been identified which include non-compliance with some control processes. No significant risks to the achievement of system/audit area objectives have been detected.
Qualified Assurance	Whilst there is basically a sound system of governance, risk management and control some high priority recommendations have been made to address potentially significant or serious weaknesses and/or evidence of a level of non-compliance with some controls or scope for improvement identified, which may put achievement of system/audit area objectives at risk. Should these weaknesses remain unaddressed they may expose the Council to reputational risk or significant control failure.
Limited Assurance	Significant weaknesses and/or non-compliance have been identified in key areas of the governance, risk management and control system which expose the system/audit area objectives to a high risk of failure, the Council to significant reputational risk and require improvement.
No Assurance	Control has been judged to be inadequate as systems weaknesses, gaps and non-compliance have been identified in numerous key areas. This renders the overall system of governance, risk management and control inadequate to effectively achieve the system/audit area objectives which are open to a significant risk of error, loss, misappropriation or abuse. Immediate remedial action is required.

Audit Recommendations are prioritized depending upon the level of associated risk and impact upon the management control framework as follows:

Level	Category	Explanation and significance
1	Critical	Significant strategic, financial or reputational risks where immediate remedial action is considered essential.
2	High	The absence of, significant weakness in, or inadequate internal controls over the operation of key systems or processes which compromise the integrity/probity of the client's operations. These would result in a potential significant increase in the level of risk exposure which may be financial, reputational or take the form of an increased risk of litigation.
3	Medium	Findings which identify poor working practices or non-compliance with established systems or procedures which result in increased risk of loss/inefficient operation and which expose the client to an increased level of risk.
4	Low	General housekeeping issues which require consideration and a planned implementation date within the medium term.

Appendix 2 – Audit Services Structure



Appendix 3 - Key Performance Indicators 2021-22

Indicator	Target	2019-20	2020-21	2021-22	Comments
Audit Plan – Achievement of planned Audit days	95%	84%	87%	-	Annual KPI
Staff Productivity – Achievement of target Audit days	95%	95%	104%	-	Annual KPI
Completion of Audit staff MyPlan reviews and training identified	100%	100%	100%	100%	
Undertake a risk based Annual Audit Plan formulation exercise	N/A	✓	✓	✓	
Undertake quality assurance reviews of Audits (1 for each Principal Auditor per year)	100%		100%	-	Annual KPI
Limited Audit Opinions reviewed by Assistant Director of Finance (Audit) within 10 days of completion of Draft Memorandum	100%		57%	100%	
Percentage of Draft Audit Memoranda issued within 15 working days of fieldwork completion	95%		49%	34%	No change on previous Progress Report
Percentage of Final Audit Memoranda issued within 28 working days of issue of Draft Audit Memorandum	95%		47%	74%	1% decrease on previous Progress Report
Percentage of Recommendations made which are implemented at the time of follow up Audit	90%		71%	66%	1% increase on previous Progress Report
Audit Assurance – To provide an assurance to the Authority on the adequacy and effectiveness of risk management, control and governance processes	N/A	✓	✓	-	Annual KPI
Client Satisfaction – Percentage of questionnaire responses rating the Audit Product as good or very good	90%	92.31%	87.50%	0%	2 Responses relating to schools with limited assurance in 2020-21
Annual Survey of Key Stakeholders	N/A	✓	✓	-	Annual KPI
Delivery of Audit Opinion to Management and Audit Committee in time to inform AGS	N/A	✓	✓	-	Annual KPI