

# **Audit Services Annual Report 2022-23**

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# Background to the Annual Report

The Annual Report provides a summary of the work undertaken by Audit Services during 2022-23 and the results of that work including details of audits undertaken, outcomes from assurance work and senior management actions.

The Annual Report has been prepared in accordance with the Public Sector Internal Audit Standards (PSIAS) to provide:

- An opinion on the overall adequacy and effectiveness of the Council’s framework of governance, risk management and control.
- Detail of the Audit Plan delivered throughout the year and overall outcomes to support the Audit Opinion.
- An opinion that can be used by the Council to inform its Annual Governance Statement (AGS).
- A statement on conformance with the PSIAS and the results of the Quality Assurance and Improvement Programme (QAIP).

Work undertaken by Audit Services is conducted in accordance with the standards required by the PSIAS. The Head of Internal Audit’s Annual Opinion records significant levels of conformity 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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# Regulatory Framework and Scope of Audit Operation

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes.

The Council has a duty to maintain an adequate and effective system of internal audit of its accounting records and system of internal control, together with a duty to prepare an Annual Governance Statement (AGS). The Audit Opinion on the Council's control environment contained within this report is included within the AGS, to provide independent assurance to the Council's stakeholders. There are two key pieces of relevant legislation:

- Regulation 5 of the Accounts & Audit Regulations 2015.
- Section 151 of the Local Government Act 1972, in relation to significant aspects of the Director of Finance & ICT's statutory duties.

To support Audit Services, the Council has an approved Audit Charter and Audit Strategy. The Unit's role and responsibilities are also documented in the Council's policies and procedures including Financial Regulations and Anti-Fraud and Anti-Corruption Strategy.

The independence of Audit Services is achieved by maintaining reporting lines which allow for direct and unrestricted access to the Council Leader, Audit Committee, Head of Paid Service, other Executive Directors, Section 151 Officer, Monitoring Officer, Directors and Members.







# Head of Internal Audit - Audit Opinion

We are satisfied that no conflicts of interest have occurred which would have any bearing on Audit Services independence or objectivity. In addition, our organisational independence and objectivity has not been impaired in any way whilst undertaking the 2022-23 Audit Plan.

The audit work undertaken during the year has enabled Internal Audit to provide an independent assessment of whether systems and controls are operating effectively. In giving an audit opinion it should be noted that assurance can never be absolute. Completion of the Audit Plan has been affected by several factors this year including audit staff vacancies (departure of the Assistant Director of Finance (Audit) on 24 February 2023), a number of complex audit investigations, changes in senior officers across the Council and the ability to progress certain reviews in a timely manner. The basis of our opinion has been drawn from:

- ongoing support and review of the Council's governance arrangements including the AGS.
- individual opinions in Audit Services reports arising from risk-based assignments within the Audit Plan.
- the implementation of recommendations in respect of previous years' internal audit work.
- assessment of risk management arrangements and assurance frameworks.
- management responses to findings and recommendations.
- the proportion of the Council's audit plan covered within the period.

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.
 Satisfactory 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, <u>misappropriation</u> or abuse. Immediate remedial action is required.

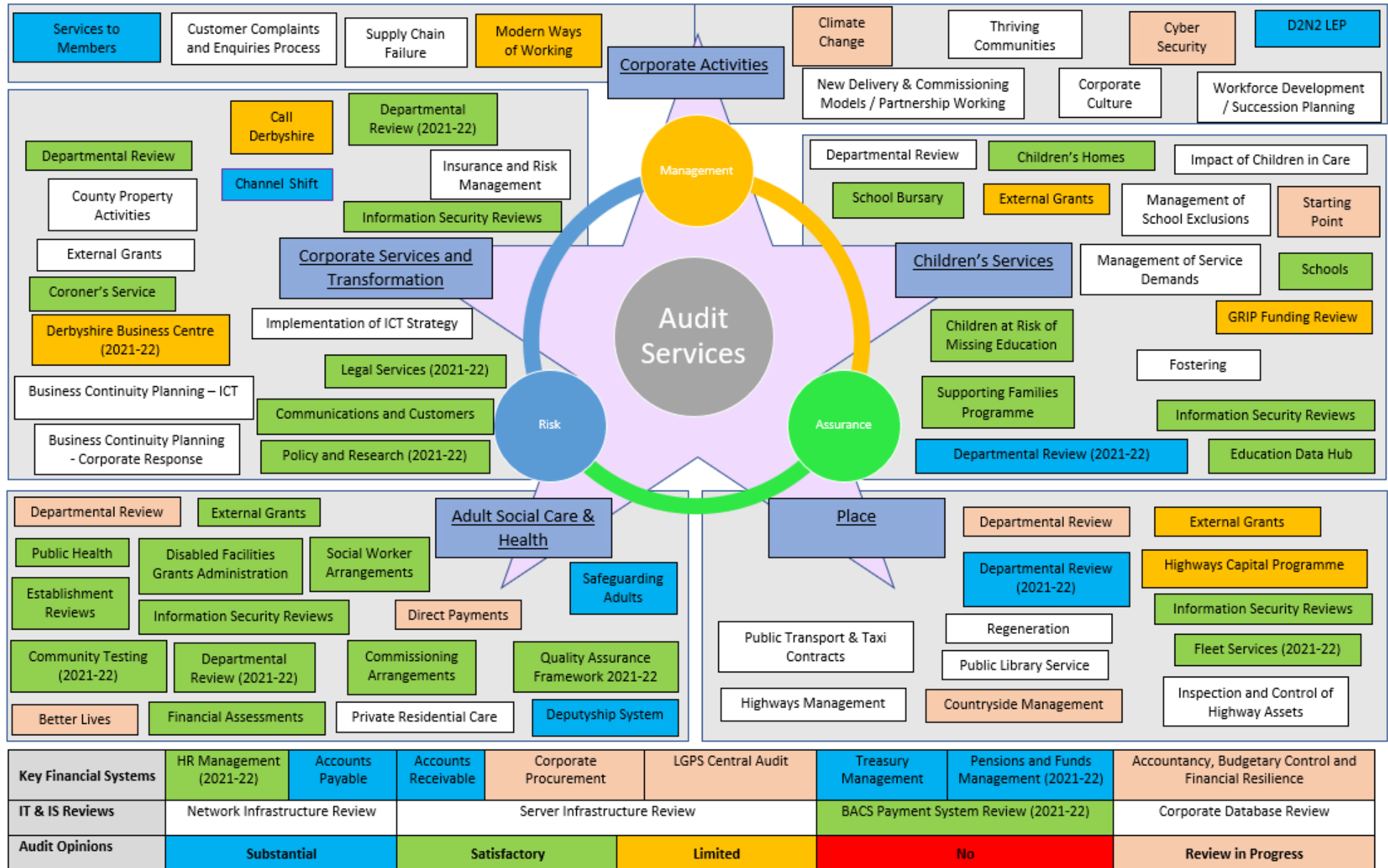
The results of the work undertaken by Internal Audit during the year, together with other sources of assurance, in the majority of instances support a **satisfactory annual opinion** on the Council's framework of governance, risk management and control. However, as some aspects of the Audit Plan could not be undertaken, management failings identified during audit investigations and the reduced audit coverage across elements of ICT systems, some caveats are placed on the overall opinion.

To avoid similar limitations in 2023-24 and beyond:

- Failings and weaknesses within the control framework will be reported to the Managing Director and other senior officers to ensure that management controls and governance arrangements are strengthened. Additional resources have been allocated within the 2023-24 Audit Plan to monitor progress and, where appropriate, assess whether improvements are embedded across all departments.
- The new Assistant Director of Finance (Audit) will work with senior management during this period of turbulence in the ICT service, to obtain satisfactory assurances from the service in 2023-24, with audit staff involved in the project groups that support the reconfiguration of the wider governance strategy. The Executive Director of Corporate Services and Transformation is the lead officer tasked with driving through the operational changes required to address the challenges faced by the Council's ICT team including the absence of a data management strategy, staff recruitment and retention and the delivery of business-as-usual services.
- Matters relating to reviews that have not progressed, are scheduled for further discussion with Executive Directors during the 2023-24 audit year, to obtain a clear commitment to enable resources to be allocated.

It is understood that improvements have been made within these areas since the end of 2022-23.

# Summary of Audit Opinions



# Available Audit Resources

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## Staffing

Members of the Audit Committee were provided with regular staff updates as part of the progress reports presented during 2022-23. In this period, the Assistant Director of Finance (Audit), two senior auditors and an auditor left the Authority to take up a variety of different roles mainly in the public sector. As a result of the Council's ongoing budget pressures and departmental savings targets, the Unit's overall staffing structure was reduced by two full-time equivalent posts (senior and auditor post). To accommodate the reductions within the Unit's resources that were approved towards the end of 2022-23, additional emphasis is to be placed upon the use of 'themed' reviews across areas including schools and establishments, together with developing further the Audit Assurance Mapping created during 2022-23.

During the period of the previous Assistant Director of Finance (Audit)'s leadership, the Unit had implemented a number of operational improvements. These focused on the introduction of a new Audit Report template that incorporated a shorter 'risk focused' executive summary and key findings, together with the initial transition from the Unit's current case management software to a new solution (due to be installed in Q2 of 2023-24). To support the work of Audit Committee, training updates were provided throughout the year including a Chartered Institute of Public Finance and Accountancy (CIPFA) session on the role and skills of the Audit Committee. Whilst several other development areas have been temporarily halted awaiting the arrival on 31 July 2023 of the new Assistant Director of Finance (Audit), Mark Lunn, further service improvements will be delivered in 2023-24.



In line with the Council's inspiring leaders programme and updated Performance Development Review (PDR) framework, the Unit continues to support staff to progress with identified future career aspirations. As part of this process, all Principal Auditors are being assigned responsibility to review/deliver specific areas of Audit strategy across the team and report the outcomes to Audit Committee. Further, investments are likely to be made in the apprenticeship scheme to provide resilience within the Audit team. The appointment of the Unit's first Audit Apprentice to the position of Auditor, is testament to the

significant value of the Council's apprenticeship scheme, which has allowed the Unit to develop its own internal staff with the support of the Chartered Institute of Internal Auditors.

### Assurance Mapping

The PSIAS require External Quality Assurance (EQA) assessments of Audit Services every five years. The last assessment was conducted by Chartered Institute of Public Finance and Accountancy (CIPFA) in 2019, and the EQA outcome report noted that the assessment team's view was that:

*"... the formulation and delivery of the Plan would benefit from a formal and coordinated 'assurance mapping exercise' that would, initially, provide clarity on what opportunities exist to take assurance on the control environment from third parties."*

Whilst the benefits of an assurance map were recognised by Audit Services, the impact of the pandemic meant that work to develop and compile an assurance map was delayed until 2022-23. Work to capture key activities and sources of assurance across the Council was completed within the year. As this is a critical piece of work for the Council, the outcomes informed the creation of the 2023-24 annual audit plan.

### Counter Fraud Arrangements

Work was undertaken throughout the year to assess the Council's fraud stance and level of staff awareness to inform the review and update the Council's Fraud Response Plan and Anti-Fraud and Anti-Corruption Strategy. The Report considered by the Audit Committee at its meeting on 20 September 2022, provided an update on the progress made with the self-assessment against the Fighting Fraud and Corruption Locally checklist. Whilst the new Strategy was not approved during the year, this is currently in the process of being considered by the Governance Group, with significant progress made by the Unit to reinvigorate the Council's counter fraud work.



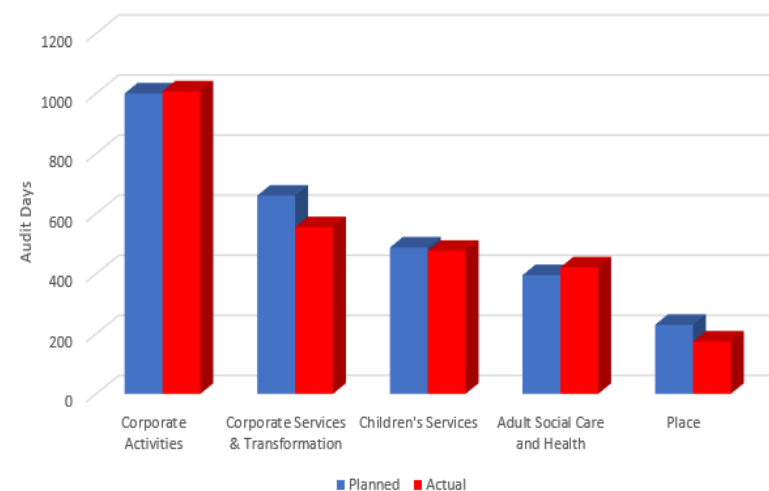
## Audit Services Outcomes

Reasonable coverage of the approved 2022-23 Audit Plan has been provided across a number of the key risk areas, although work in Corporate activities and the Children’s Services and Place departments were reduced. This was as a result of a number of factors including availability of staff within the respective departments, local acute service pressures and changes in senior staff involved in the initial audit scoping of the reviews.

A number of complex audit investigations were conducted during the year, which have either been reported or in some cases continue to be investigated. In the case of the matters that remain under investigation, these could potentially have an impact on the control framework. Assurance levels across the Council’s ICT service continues to be limited due to the availability of staff within the service to support the reviews. It has been agreed with senior management that reviews will commence, once the issues in respect of service priorities are seeing sustained progress.

A small number of school and establishment visits were undertaken in 2022-23. Caveats have been added to the overall opinion, to recognise the impact of audits not delivered. The outcome of the Audit Performance for 2022-23 is shown below, with 95% of planned days delivered (which includes time to complete 2021-22 audit reviews at the start of the year). Audit Services has undertaken work to certify 15 grants received by the Council with a value of almost £44m.

Planned Days against Actual Days for each Audit Area 2022-23



2022-23 Outcome	Days
Approved Audit Plan	2,772
Actual Productive Days	2,633
<b>Shortfall in Productive Days Delivered</b>	<b>139</b>

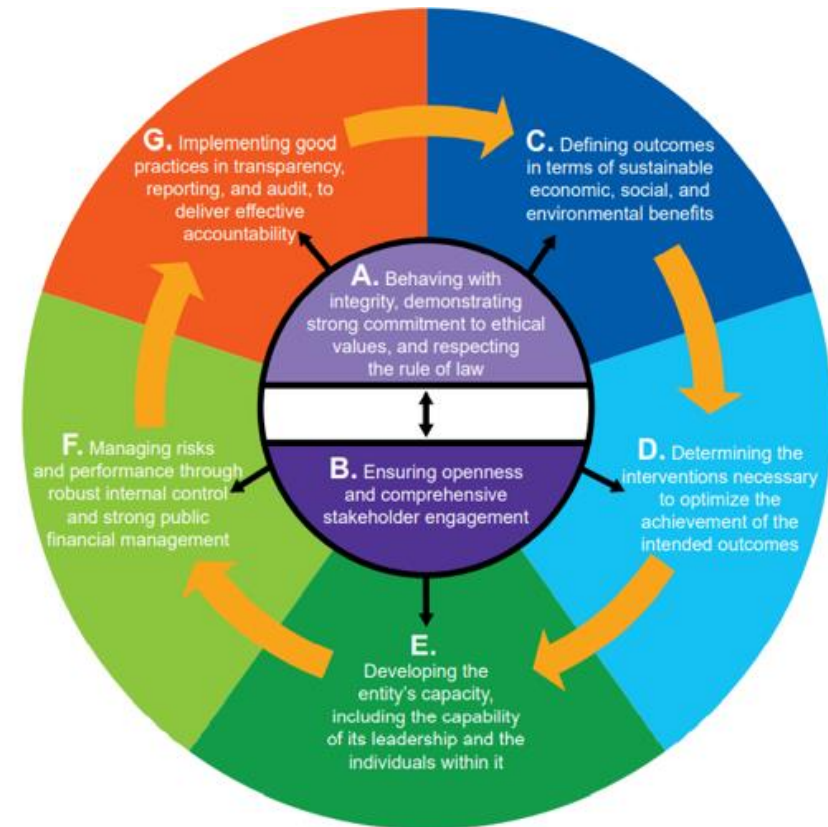
Analysis of Audit work including a summary of Reports issued throughout the year, is provided at **Appendix 1**, with more detailed comments on individual reviews within the main body of this Report. We would like to take this opportunity to express our thanks and appreciation to all those who provided support and assistance during the course of this year’s Audits.

# Governance Arrangements

Corporate governance includes the systems, processes and values by which councils operate and are held accountable to their communities and stakeholders. The importance of effective corporate governance is fundamental to underpinning credibility and confidence in public services. The Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, including the management of risk. The Council has a corporate governance framework in place that aligns with best practice and complies with the CIPFA/SOLACE (The Society of Local Authority Chief Executives) Framework Delivering Good Governance in Local Government. Audit Services staff contribute and help define the Council's Corporate Governance Framework and procedures.

The Council has procedures in place to monitor and review its corporate governance arrangements by:

- Holding regular meetings of the Governance Group.
- Reviewing the Council's governance arrangements against the CIPFA/SOLACE Delivering Good Governance in Local Government Framework.
- Assessing the effectiveness of its governance arrangements against the Local Code of Corporate Governance.
- The completion of Executive Director Assurance Matrices.
- Considering the impact of External Assessments and lessons learnt from Public Interest Reports.
- Preparing the AGS.
- Monitoring the progress against the recommendations in the AGS Action Plan.



Source: International Framework: Good Governance in the Public Sector (CIPFA)

In 2022-23, steps have been taken to raise the profile and activities undertaken by the Governance Group with the Executive Director for Corporate Services and Transformation taking over as Chairperson. Whilst this is seen as a positive step, there are opportunities for improved understanding of, and engagement with, the corporate governance framework across all departments.

The Council's systems of governance and internal control are based upon a framework which embraces regular management information, approved policies and procedures (including the Constitution, Financial Regulations and Standing Orders relating to Contracts), administrative procedures (including segregation of duties), management supervision and a structure of delegation and accountability.

## Detailed Analysis - Corporate Activities

Departmental Performance	2021-22	2022-23	Departmental Opinions	2021-22	2022-23
Days within the Approved Audit Plan	980	1,000	Substantial	1	2
Actual days delivered	660	1,007	Satisfactory	3	-
Percentage of Audit Days Delivered	67.3%	100%	Limited	-	1
Number of Reports Issued	8	15	No	-	-
			Other (including letters)	4	12

### Substantial Assurance Report

#### ✓ D2N2 Local Enterprise Partnership (LEP)

This Audit was undertaken in accordance with the service level agreement between the D2N2 LEP and Derbyshire County Council (Accountable Body), and examined the governance arrangements. The review reported an appropriate level of assurance on the adequacy and effectiveness of the control environment to support and monitor the funding and reporting arrangements.

The future of the D2N2 LEP will be impacted by the proposed £1.14 billion devolution deal covering the Derbyshire, Nottinghamshire, Derby and Nottingham authorities announced in August 2022. Plans for integration of the LEP with the new Combined Authority are still to be finalised.



## **Limited Assurance Report**



### **Modern Ways of Working (MWoW)**

Audit Services continued to support the work of phase two of the project and review information governance. During the year, Audit staff together with colleagues from legal services, undertook a site visit to the Council's off-site confidential waste management disposal premises. During the visit, compliance issues were noted in respect of the management of the Council's sensitive paper records with the matter referred to the Information Commissioner's Office (ICO).

### **Audit Investigations**

Throughout the year, the Unit continued to investigate fraud related matters referred to the Unit from within the Council and via the Whistleblowing Policy. In this period eleven investigations have either been reported upon or remain ongoing at the year end, two of which involved the deployment of significant resources due to the nature and complexity of the allegations raised. As in previous years, where fraudulent and inappropriate activities have been identified, the majority of these occur as a result of the failure by line managers to consistently apply the Council's staffing and financial procedures. In such instances, a Controls Report was produced and provided to management detailing the identified instances of non-compliance.

On 22 March 2022, the Audit Committee was provided with the outcome of a self-assessment against the 'Fighting Fraud and Corruption Locally' (FFCL) checklist, which assessed the effectiveness of the Council's current arrangements to counter fraud. Whilst confirming the majority of the Unit's arrangements aligned to best practice, there were gaps in the current provision with improvements required. Action has been taken to address these issues, which will remain ongoing through 2023-24.

### **Other Assurance Reviews**

#### **Cyber Security Incident**

Following a cyber incident, audit staff worked with ICT colleagues regarding the enhanced control framework being implemented to reduce the opportunity for future system compromise. However, there remains significant work to be undertaken to ensure that the Council has a clear strategy to deal with future incidents of this nature and a corporate

lessons learnt project has yet to be completed. A Cyber Security Working Group has not been formed, despite being agreed within the AGS. This has recently been escalated with the newly appointed Director of Finance & ICT to ensure action is taken.

### **Support and Consultancy Work**

In addition to our programme of Audits, the Unit assists management with the provision of ongoing support, advice, and grant certifications. Groups attended during 2022-23 include the Governance Group and Asset Optimisation, with assurance work provided to support the Council's allocation of over £5m in respect of the Household Support Fund. Audit Services also reviewed the process for making emergency payments under the Ukrainian Family scheme.

## Detailed Analysis - Corporate Services and Transformation

Departmental Performance	2021-22	2022-23	Departmental Opinions	2021-22	2022-23
Days within the Approved Audit Plan	785	660	Substantial	6	5
Actual days delivered	931	555	Satisfactory	13	8
Percentage of Audit Days Delivered	118.6%	84.1%	Limited	4	2
Number of Reports Issued	26	17	No	-	-
			Other (including letters)	3	2

### **Substantial Assurance Reports**

#### ✓ Services to Members

The Audit evaluated the adequacy and effectiveness of the systems and controls relating to Services to Members, which included a review of governance arrangements, Members' community leadership scheme, allowance payments, Chairman's fund and official cars. In the majority of instances, working practices were operating effectively, with minor improvements raised in relation to the scheme administration.

#### ✓ Accounts Receivable

This review assessed the adequacy and effectiveness of the Council's processes relating to invoice creation, income collection, suspense accounts and performance indicators, which are performed by the centralised Accounts Receivable function. As in previous years, the audit identified good practice in the majority of the areas subject of review.

## ✓ Pensions and Fund Management

The Audit considered the adequacy and effectiveness of systems, risk mitigations and control environment associated with the administration of Pensions and Funds Management. No significant weaknesses were identified during the review with no high priority recommendations being raised.

## ✓ Channel Shift Review

Some barriers to progress have been encountered in the form of implementation delays, departmental engagement and lack of agreed realised saving allocations. Responsible officers have actively sought resolution, adjusting processes and procedures to minimise the impact, and reduce the potential for similar issues in future.

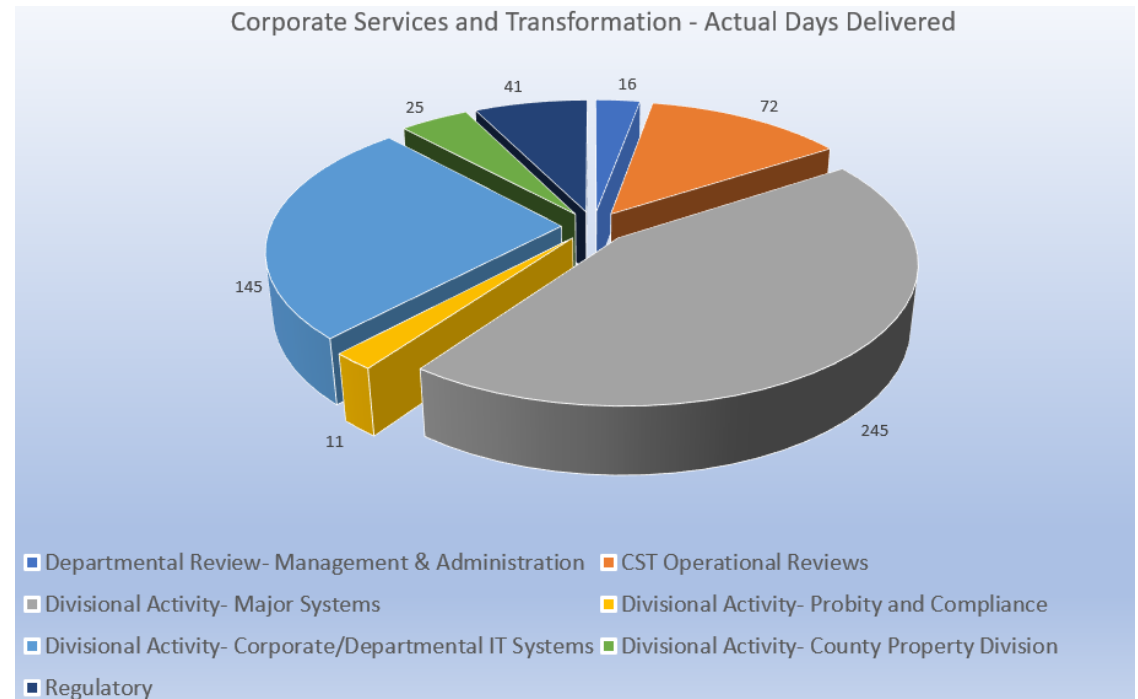
## ✓ Treasury Management Review

As in prior years, good practice has been noted in relation to the administration of the function with established systems and processes in place that are operating effectively. As a result, no critical or high priority recommendations were noted during this review.

## Satisfactory Assurance Reports

### ↗ BACS Payment System (2021-22) Review issued in 2022-23

The review considered the operational procedures and disaster recovery arrangements, which overall, confirmed that the BACS process is well established with only a small number of areas highlighted for improvement. No high priority recommendations were raised as part of this review.





### Policy and Research (2021-22) Review issued in 2022-23

Overall, the areas subject to review were found to be operating effectively with procedures in place to monitor assigned activities. The service is encountering significant problems in supporting the delivery of key Council objectives and projects, due to the availability of staff resources and pandemic related issues. Whilst steps have been taken to alleviate the resourcing issues including a recruitment process for new staff to support project delivery, this still is a challenge for the Service.

### Communications and Customers Review

The service was found to have a clear governance framework which contributed to effective stewardship, providing a stable foundation for the operations of the Communications Service. Areas of improvement were reported in connection with the shortfall in income generation and embedding of risk management across the service activities.

### Legal Services Review (2021-22) Review issued in 2022-23

The review identified several areas of good practice in relation to strategic planning, staff supervision and support, and the recording and actioning of comments and complaints. It also identified several systems and processes that require further development to ensure that they are operating efficiently and effectively.

### Accounts Payable

As with previous audits, the Accounts Payable function was deemed to be operating well in all areas subject of review. The team is well established and day to day operations are supported by an effective management structure. As a result, no high priority recommendations have been raised during this audit, with only a couple of low priority matters raised to improve the current control framework.

### Coroner Service Review

Since the previous Audit review, the controls surrounding purchasing of goods and services have been strengthened, with action taken in relation to the employment status of Assistant Coroners that was raised as a critical recommendation previously. Improvements are, however, required in relation to the retention of personnel files for Coroner staff, the

embedding of the MyPlan process and the retention of evidence to demonstrate the completion of the induction process by new starters.

## Corporate Services and Transformation

This annual review established that generally adequate and effective systems and controls are currently in place. Good practice was noted in all areas. One 'high' priority recommendation was raised relating to deficiencies in formal reporting and transparent information sharing with cabinet members.

### **Limited Assurance Reports**

#### Derbyshire Business Centre (2021-22) Review issued in 2022-23

Fundamental issues were identified in respect of the arrangements in place to maintain service continuity in the event of a serious incident occurring. These included undertaking an updated disaster recovery assessment and improvements within certain physical security controls and staff training arrangements.

#### Call Derbyshire Review

Many areas of good practice were noted during the review including well documented procedure notes, out of hours arrangements and local information security arrangements. Enhancements to the call management systems were recommended to improve customer experience and in keeping with other parts of the Council, staff recruitment and retention is an ongoing challenge for the service.

### **Support and Consultancy Work**

In addition to our programme of Audits, the Unit assists management with the provision of ongoing support, advice, and grant certifications. Groups attended during 2022-23 include Finance Officers and the Data Protection Working Group.

## Detailed Analysis – Children’s Services

Departmental Performance	2021-22	2022-23	Departmental Opinions	2021-22	2022-23
Days within the Approved Audit Plan	475	487	Substantial	1	2
Actual days delivered	238	476	Satisfactory	3	9
Percentage of Audit Days Delivered	50.1%	97.7%	Limited	-	4
Number of Reports Issued	4	22	No	-	-
			Other (including letters)	-	7

### **Substantial Assurance Reports**

#### ✓ Children’s Services Departmental Review (2021-22) Report issued

The annual departmental review of Children’s Services considered statutory and regulatory compliance, management and administration, budgetary control, risk, human resources and compliance with the ISO27001 standard. Despite a significant increase in the volume and complexity of service needs during the period under review, the Audit identified only minor recommended improvements in the areas of statutory compliance, staffing and the ISO27001 standard.

### **Satisfactory Assurance Reports**

#### ↗ Children at Risk of Missing Educaion

The review established that overall adequate and effective systems and controls were in place with areas of good practice noted across the service. Further work is required to ensure that guidance documents are regularly reviewed and that information management and performance monitoring arrangements are strengthened.

## ↗ Education Data Hub

There were several areas of good practice identified particularly surrounding the procedural guidance produced for staff, which was found to be comprehensive and subject to regular update and review. There were, however, a few areas where further work was required to ensure the service operating model is sustainable, these included implementing key performance indicators and management of service reductions in the event of changes in the current data protection requirements.

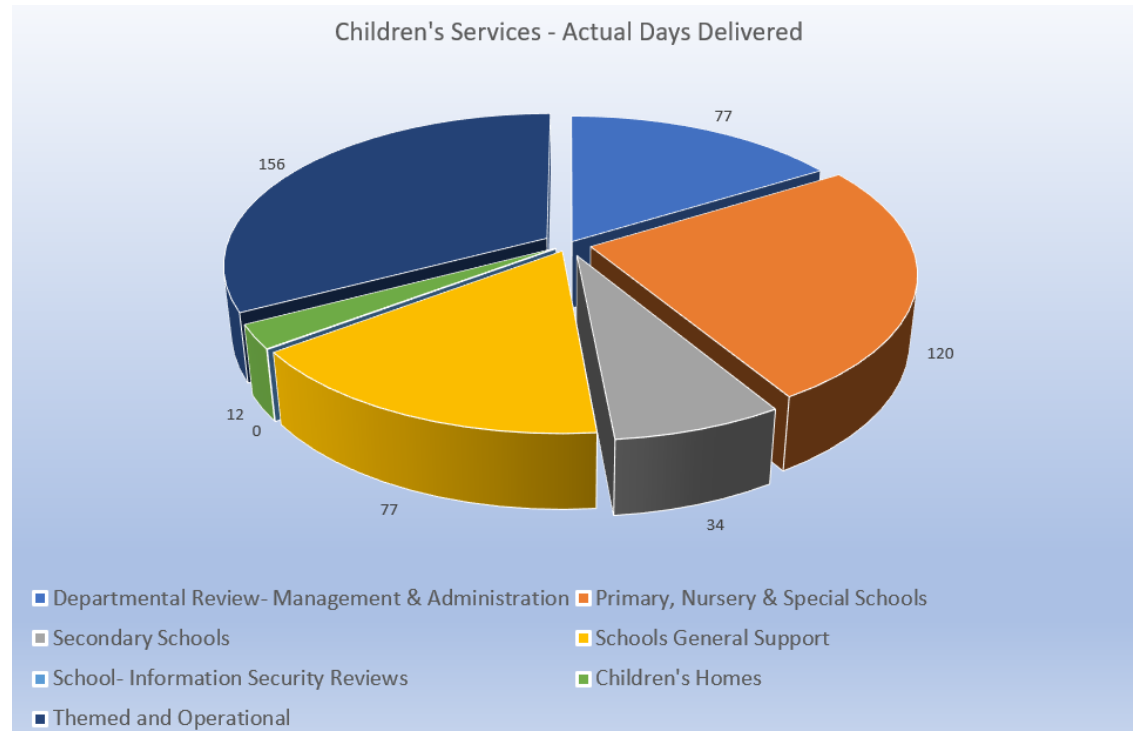
## ↗ CORE+ Youth Offending IT System Review

Overall, the review evidenced areas of good practice in relation to adherence to legal requirements and professional standards. A small number of areas for improvement were identified, which related to the security arrangements applied to the historical information held within the CORE+ development/test environment and a requirement to ensure that the business continuity arrangements were reviewed.

### Limited Assurance Reports

#### ⚠ Graduated Response for Individual Pupils (GRIP) Funding Review

The review noted that the GRIP Programme was unique to Derbyshire and introduced to try and ensure the prompt and targeted allocation of high needs funding to pupils in need of support. However, delays in the administration of GRIP applications meant that in practice, these objectives were not being achieved.



## **Other Assurance Reviews**

### **Bursary Fund Reviews**

Four secondary schools were visited which operate a Bursary Fund for pupils aged between 16-19 to assess compliance with the Education and Skills Funding Agency (ESFA) best practice. Adequate procedures were in place in relation to the management of the fund, with one school advised of the opportunity to recoup £2,400.

### **Schools**

Twelve school audit visits were undertaken to evaluate governance arrangements, human resources, property and information security. Of the reports issued, Audit Services provided two substantial, eight satisfactory and two limited assurance levels over the adequacy and effectiveness of their control environment. Common recommendations related to compliance with agreed spending limits, the creation of a formal Service Level Agreement with the School's IT provider and the proper administration of out-of-pocket expenses.

### **Schools Duplicate Payments Testing - Letter issued**

Using data extracted from the Council's systems, a total of 114 duplicate payments with a total value over £46k were identified and work is ongoing to seek to recover these overpayments. In addition, a further £70k of duplicate payments were identified and notified to schools for investigation.

## Support and Consultancy Work

In addition to our programme of Audits, the Unit assists management with the provision of ongoing support, advice, and grant certifications. These included:

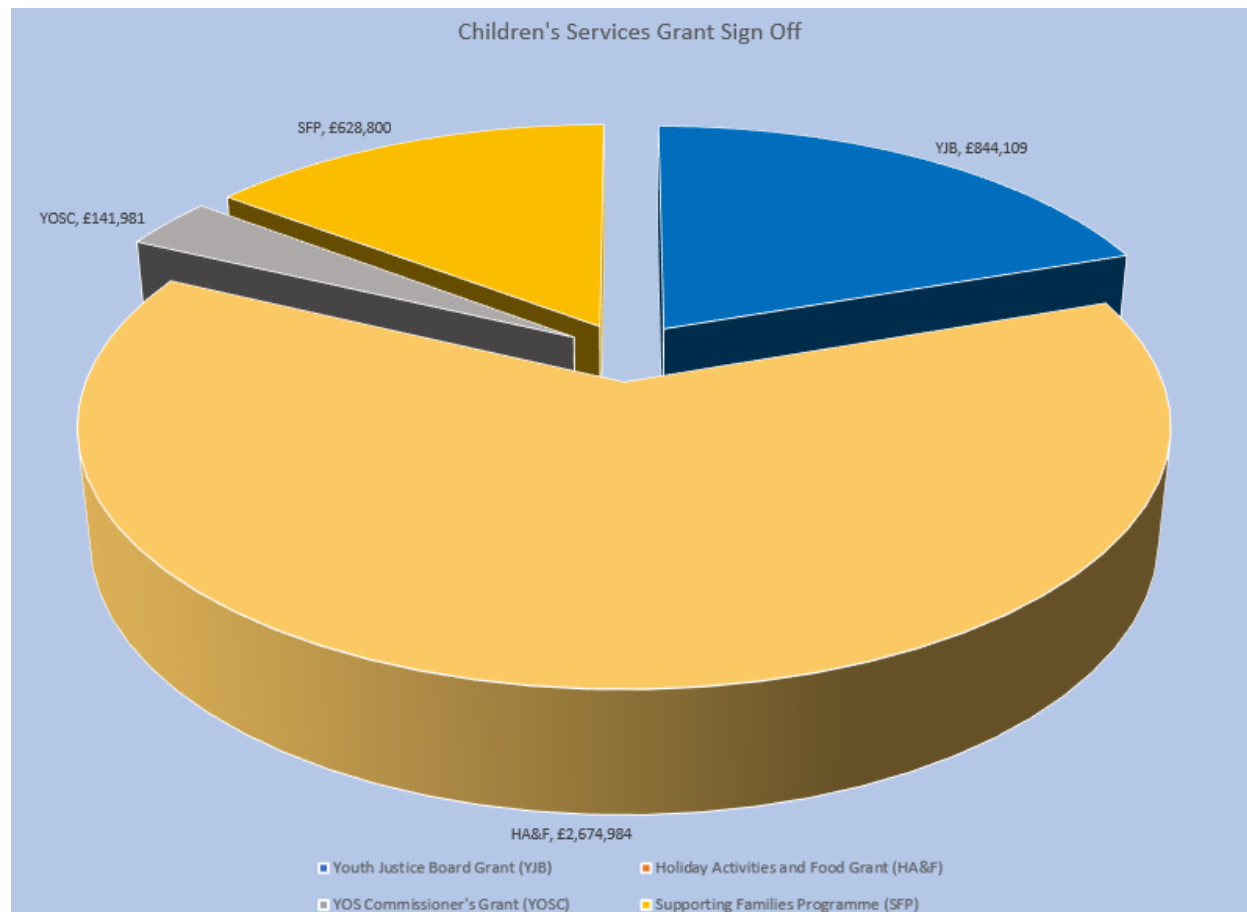
Holiday Activities and Food Programme (HAF) - Audit Services reviewed the expenditure which has been incurred for the HAF grant of approximately £2.67m.

Youth Justice Board Grant - Audit Services provided the Youth Justice Board with independent assurance that the grant funding of £844k had been used for delivery of the funded activities.

Derbyshire Youth Offending Service - The Council received £141k funding from the Derbyshire Police and Crime Commissioner Crime as part of the Disorder Reduction Grant.

Supporting Families - Audit staff undertake assurance work in order to review claims as part of the Supporting Families Programme. The value of the claims submitted was £628k.

Schools - Throughout the year, Audit Services provided ongoing support and guidance to the Council's maintained schools on a wide range of matters.



## Detailed Analysis – Adult Social Care and Health

Departmental Performance	2021-22	2022-23	Departmental Opinions	2021-22	2022-23
Days within the Approved Audit Plan	303	395	Substantial	-	3
Actual days delivered	302	421	Satisfactory	6	19
Percentage of Audit Days Delivered	99.7%	106.6%	Limited	-	1
Number of Reports Issued	6	25	No	-	-
			Other (including letters)	-	2

### **Substantial Assurance Reports**

#### ✓ Deputyship Service

The Audit concluded that Deputyship staff were knowledgeable, experienced and supported by policies and procedures which provide clear guidance to officers and stakeholders. Although the service has experienced resource shortages in recent years, these have now been addressed following the completion of a recruitment exercise.

#### ✓ Establishment Visit

A visit was performed to one of the Council's care establishments. The review provided substantial assurance and noted a strengthening of the control environment since the previous Audit visit in 2018-19.

#### ✓ Safeguarding Adults

The Council has a statutory responsibility to safeguard adults as determined by the Care Act 2014. A number of areas of good practice were identified which included the procedural guidance produced by the Derbyshire Safeguarding Adults Board (DSAB), which was found to be regularly updated and publicly available via their dedicated website. The safeguarding responsibility also forms a significant part of the Department's Quality Assurance Framework.

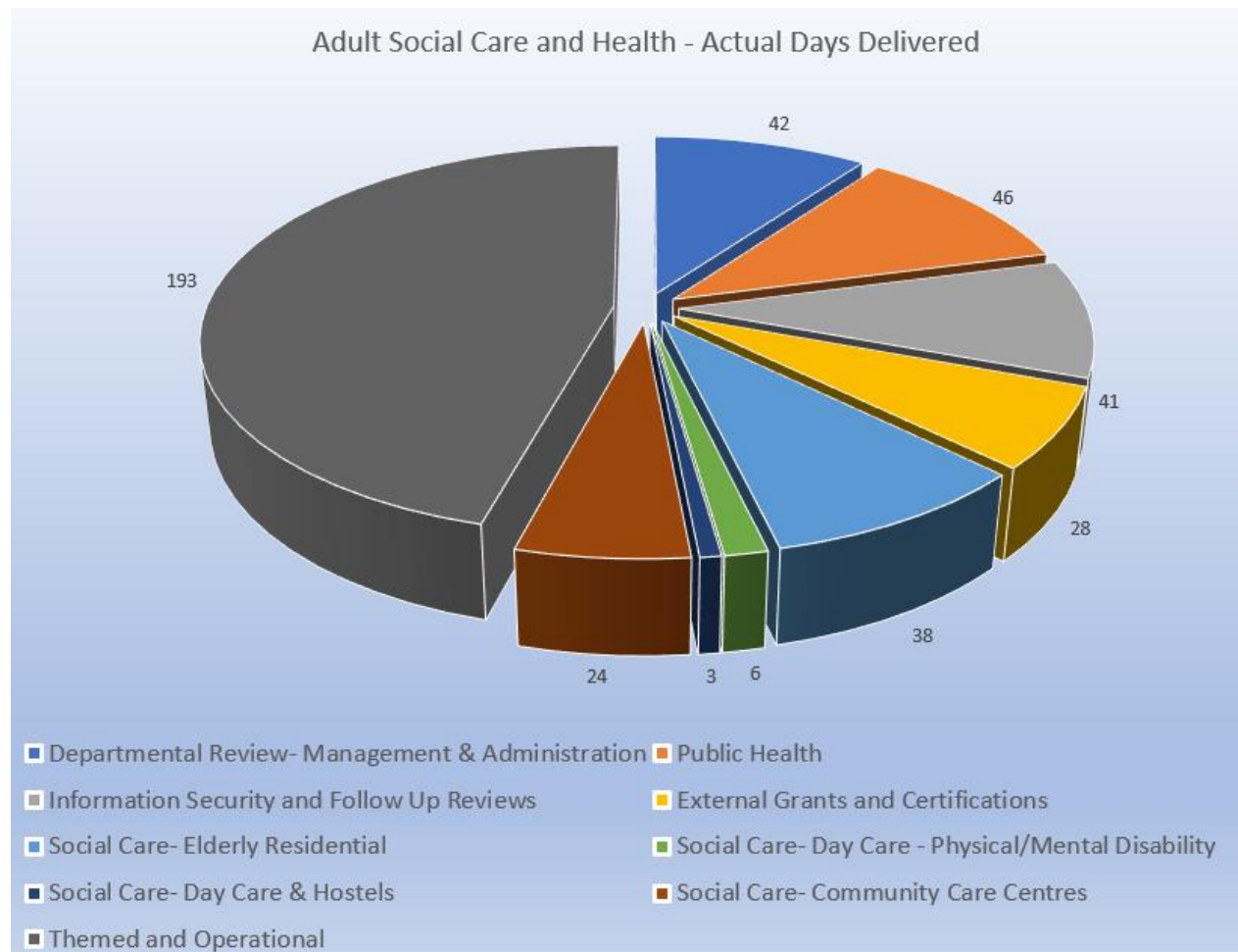
## Satisfactory Assurance Reports

### ↗ Departmental Review (2021-22) Review issued in 2022-23

The Audit concluded that throughout the pandemic, the Department has adapted its service provision, working practices and governance arrangements to respond to national and local guidance and to safeguard the wellbeing of both service users and Departmental staff.

### ↗ Derbyshire Shared Care Record

Implementation of the Derbyshire Shared Care Record (DSCR) will enable enhanced data sharing within a controlled environment. The purpose of this review was to evaluate the adequacy and effectiveness of systems, risk mitigations and the control environment associated with the DSCR. Work has been undertaken to ensure the Council's processes are compliant including the completion and review of a data protection impact assessment to support the project.





## Community Testing

The Community Testing programme was introduced at pace following a successful submission of a plan to the Department of Health and Social Care to identify individuals with Covid-19 who were asymptomatic. The review identified some weaknesses in governance arrangements for ensuring conflicts of interest were promptly identified, recorded and reviewed and action taken to reduce the associated risks. There are other lessons to be learnt from the implementation of this programme that may be applied to any future activity.

## Review of Quality Assurance Framework

As part of the Council's response to the findings and recommendations of the Local Government and Social Care Ombudsman (LGSCO) in November 2019 following an incident at The Grange (2016), the Council established a Quality Assurance Strategy. Although significant progress has been made in terms of implementing Quality Assurance into normal working practices, governance arrangements have evolved since key documents were first introduced and these now require review and update to reflect current arrangements.

## Disabled Facilities Grant (DFG) Funding Administration

The review provided satisfactory assurance over the systems and controls in place with good practice noted in the allocation of DFG monies to local housing authorities and the recovery of Disability Design Team costs. The impact of national resource shortages within Occupational Therapy on the timely evaluation of DFG applications was however recognised. The Council was also encouraged to work with partners to create a single regional Adaptations Policy for Derbyshire and a DFG Information Sharing Agreement between health, social care and housing partners to ensure a consistent and coordinated approach to DFG across the region.

## Social Worker Arrangements (2021-22) – Report issued in 2022-23

The review provided satisfactory assurance over the controls in place with good practice noted around the allocation of cases to social workers and compliance with the Local Government Association's Standards for Employers of Social Workers in England. Social workers did, however, report significant workload pressures which impacted upon their ability to undertake training courses and to complete case notes within their core working hours.

### Due diligence review of the new Deputyship Case Management System

The Deputyship Case Management System holds confidential and sensitive personal and financial information relating to the Council's deputyship clients. As part of the procurement of the new Deputyship Case Management System (Caspar Cloud), Audit Services performed due diligence on a test version of the application to consider whether it complied with the Council's core information security policies. The review did not identify any significant weaknesses with only minor improvements recommended.

### Public Health Review

The Audit considered the adequacy and effectiveness of the controls relating to Public Health strategy and governance, commissioning and procurement, financial and performance management and grants administration together with a review of the progress made in addressing previous audit recommendations. Overall, the service had robust arrangements in place across the majority of the areas subject to the review including budget monitoring, management of agency staff within community testing and procurement arrangements.

### Adult Care Commissioning Review

Whilst the governance arrangements and strategic direction of the Commissioning and Contracting functions were found to be fundamentally sound, the level of information shared with senior management, was identified as an area for potential improvement to optimise decision making, performance monitoring and transparency of the operation.

### Financial Assessments

The Council has a statutory requirement to provide a universal Deferred Payment Scheme (DPS) to provide support to residents where their capital funds are tied up in assets (such as property). It was concluded that the scheme is well managed with regular reviews and statutory returns being submitted annually.

## Limited Assurance Reports



### Compliance with Department for Work and Pensions (DWP) Data Sharing Agreement Review

The scope of the audit was to assess the Council's compliance with the DWP Memorandum of Understanding for utilising government IT systems. The review confirmed a good level of compliance against the operational requirements. However, areas for improvement were reported to senior management including within the Council's ICT network administration and entries within the service risk registers.

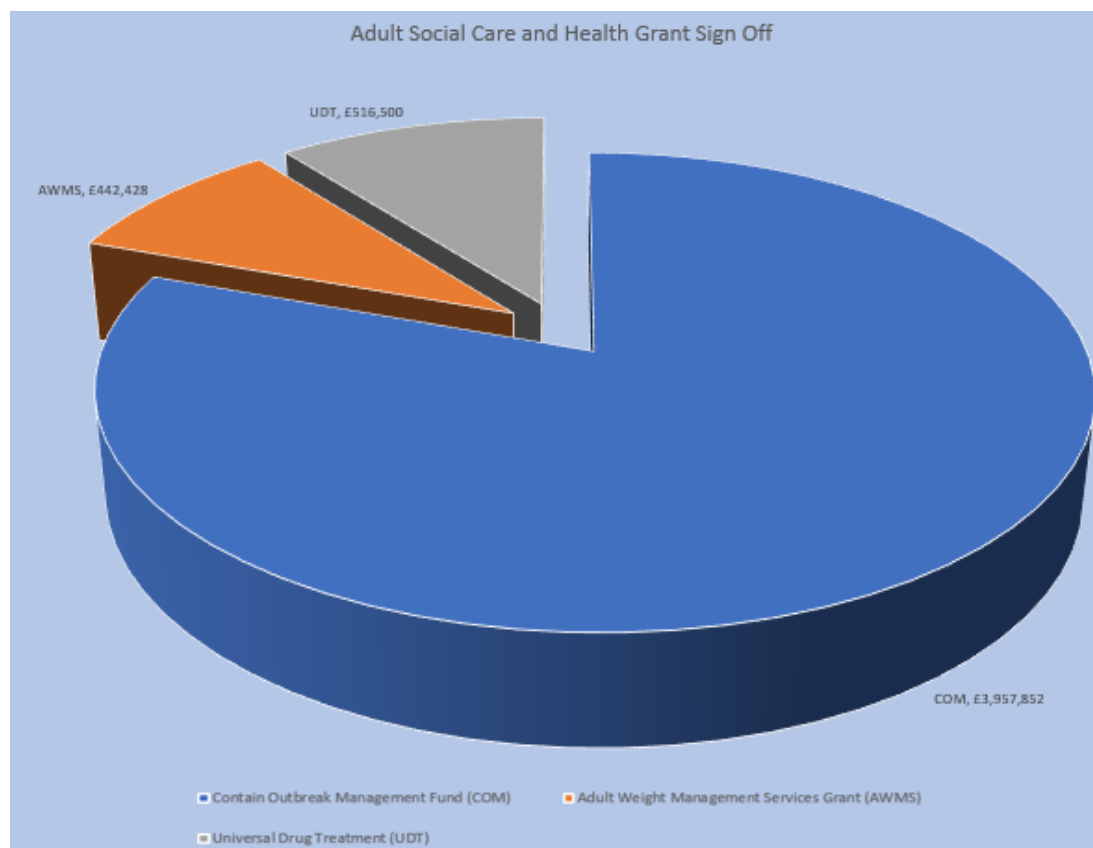
## Support and Consultancy Work

In addition to our programme of Audits, the Unit assists management with the provision of ongoing support, advice, and grant certifications. These included:

**Contain Outbreak Management Fund** - The Council was allocated around £4m from the Contain Outbreak Management Fund (COMF) to help reduce the spread of coronavirus and support local public health.

**Adult Weight Management Services Grant** - Grant funding of £442k was received to support the targeting of weight management services to specific population groups.

**Universal Drug Treatment** - £516k funding from Public Health England (PHE) drug treatment crime and harm reduction activity.



## Detailed Analysis – Place

Departmental Performance	2021-22	2022-23	Departmental Opinions	2021-22	2022-23
Days within the Approved Audit Plan	180	230	Substantial	2	1
Actual days delivered	291	174	Satisfactory	6	3
Percentage of Audit Days Delivered	161.7%	75.7%	Limited	-	2
Number of Reports Issued	9	7	No	1	-
			Other (including letters)	-	1

### ✓ **Substantial Assurance Reports**

#### Departmental Review (2021-22) issued in 2022-23

It was considered that despite the complex challenges brought about by the Covid-19 response, subsequent home working directive and numerous adverse weather events, the Department has effectively adapted its procedures to ensure continuity of service provision wherever possible, whilst maintaining the effective discharge its statutory and legislative responsibilities.

### **Satisfactory Assurance Reports**

#### ↗ **Confirm Single Asset Management System**

The Confirm Single Asset Management System is used by the Department as their primary asset management system and is essential in supporting the maintenance of the Council's highways network. The review recognised that the system is due to be replaced and a number of recommendations were identified which should be applied to the configuration and implementation of the new solution.

## ↗ Fleet Services

The Audit confirmed that systems and controls surrounding management of the Council's vehicle fleet are generally adequate and operating successfully. The service has continued to work effectively during the pandemic despite the challenges of increased workload and restrictive practices introduced as part of Council-wide, localized and national Covid-19 response procedures. However, it was considered imperative that the Transport Code of Practice and Management of Operational Road Risk Policy, which are the central means of communicating and administering the Council's approved fleet procedures, is updated.

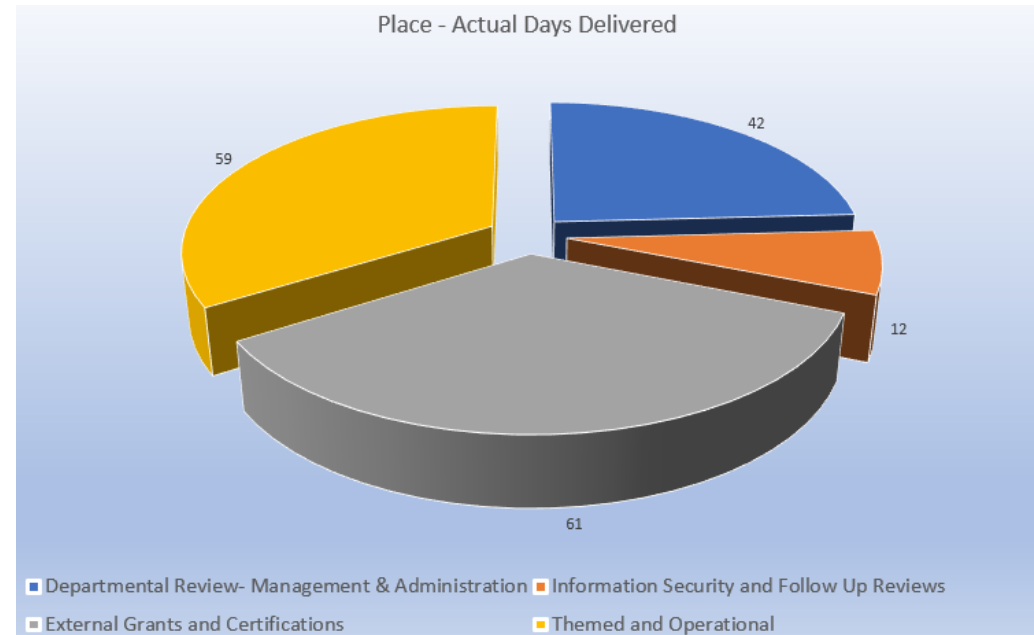
## ↗ Flexiroute System Review

A review of the IT system's due diligence control framework was conducted with the cooperation of staff from the supplier and the Council's Procurement team. Overall, the review identified that the majority of areas evaluated, demonstrated good practice in relation to adherence to legal requirements and professional standards. A small number of areas for improvement were identified, of which most were addressed by the supplier following the issue of the Audit Services – Due Diligence Report

## Limited Assurance Reports

### ⚠ Highways Capital Programme Review

During the review it was confirmed that significant changes had been initiated by the Highways Programme Director. These changes have focused on the governance arrangements supporting the Highways Capital Programme, with the intention of strengthening and streamlining processes whilst strengthening transparency and accountability. Improvements in procedural guidance, project costing and implementation of performance measures were referred to senior management for consideration.



## Support and Consultancy Work

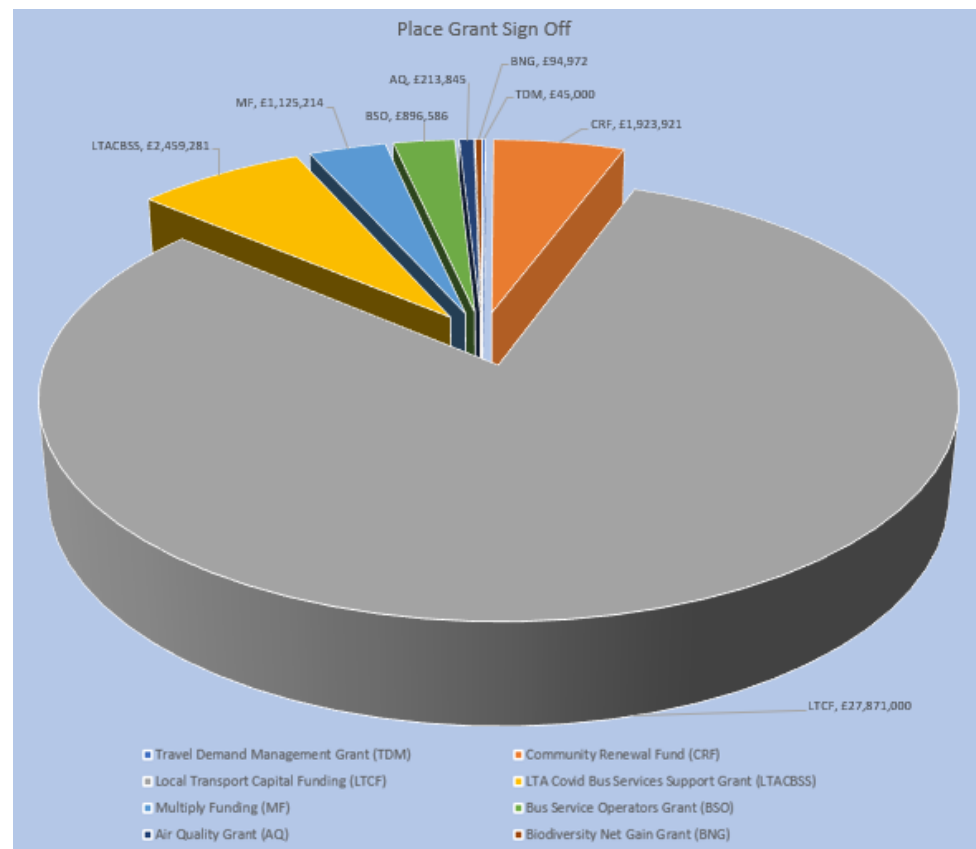
In addition to our programme of Audits, the Unit assists management with the provision of ongoing support, advice, and grant certifications. These included:

The Local Transport Capital Funding Grant – This includes a number of blocks including integrated transport, highway maintenance and the pothole fund with a combined value over £27m.

Community Renewal Fund - In 2021-22, the Council secured total funding of approximately £2m for 2 projects under the Community Renewal Fund. Audit Services attended meetings of the Steering Group and contributed to the development of a suitable governance framework to support the award and monitoring of grant projects with the grant signed off in November 2022.

Multiply Funding - Initial work has been undertaken as part of the preparations to support the assurance work for the adult numeracy programme that is covered by the Multiply Funding of £1.137m.

In addition to the above, Audit Services routinely review and sign off grants which are received including the Bus Service Operators Grant, Travel Demand Management and Local Transport Capital Funding Grants. In respect of the Local Transport Authority (LTA) Covid Bus Services Support Grant, a controls report was issued following difficulties in 'signing off' the grant and concerns that the Department for Transport (DfT) could withhold future funding.



# Quality Assurance and Improvement Programme (QAIP) & Performance Indicators

## Quality Assurance and Improvement Programme

As part of the Unit's compliance with the principles of the PSIAS, the Head of Internal Audit maintains an ongoing Quality Assurance and Improvement Programme (QAIP). This process aids continuous improvement and upholds professional standards. This includes provision for both internal and external assessment of conformity with the PSIAS.

As part of the 2021-22 Annual Audit Report considered by the Audit Committee on 5 August 2022, the previous Head of Internal Audit completed an assessment of the Unit's current compliance with the PSIAS. The review identified near full compliance with the tests of conformance, with no areas of non-compliance within the standards that would affect the overall scope or operation of the internal audit activity. A small number of areas were identified where there is scope for improvement to ensure the service is meeting best practice. These actions have been progressed during 2022-23, with the current status shown in **Appendix 5**.

## External Quality Assessment (EQA)

The Council's most recent EQA was completed by CIPFA and reported to the Audit Committee on 10 December 2019, which stated that the Unit 'conformed' to all current standards. As the standards mandate that the EQA process is undertaken every five years, a procurement process is currently underway to deliver this within 2023-24.

INTERNAL AUDIT STRATEGY			
		OBJECTIVES	MEASURES
	<b>TALENT</b>	Independent and Objective Proficiency and Professionalism Talent Source for Organization	Certifications and CPE Training Competency Assessments Staff Rotation Program
	<b>PROCESS</b>	Independence and Objectivity Consulting Activities Quality Assurance and Improvement Program	Performance Metrics Risk-based Audit Plan Completion Internal and External Assessments
	<b>INNOVATION</b>	Add Value Through Efficiency Advance Use of Technology Proactive	Cost Savings Automation in Audit Data Analytics
	<b>TRUSTED ADVISOR</b>	Strategic Partner Reliable Consultant Facilitate Positive Change	Communications Plan Stakeholder Surveys Industry Benchmarking

## Performance Indicators (PIs)

Whilst initial work had been undertaken towards the review of the Unit's performance indicators, this was not finalised prior to the departure of the previous Head of Internal Audit. As a result, and until the revised indicators are approved by the Audit Committee, the current PIs have been used, with the outcomes for 2022-23 summarised at **Appendix 2**. As with previous Annual Audit Reports, the PIs include details of the previous years' activities to enable a comparison.

Whilst it is disappointing that the Unit has not managed to achieve all of its target PIs over which it has direct control, there have been improvements over previous years, which provide an assurance that the team is moving forwards to improve its overall performance. The upcoming EQA review and commencement in post of the incoming Head of Internal Audit will provide the opportunity during 2023-24 to refresh the Audit Services PIs.

## Audit Feedback Questionnaires

As part of the Unit's ongoing processes to develop the service and ensure audit engagements, reports and processes are delivered to a professional standard, feedback from auditees including line managers is obtained during each audit and as part of an annual feedback survey.

Whilst there has been an increase in the number of responses received at the conclusion of individual audit reviews, the response rate remains low. Of the 62 questionnaires issued with the Audit Reports, only 15 responses were received. However, from the responses received, it is clear that the audit service and staff professionalism is well regarded across the service areas. As outlined in detail in **Appendix 3**, the overall summary of responses for the questions asked about the audit, reporting and staff engagement returned 100% responses of satisfactory or above.

However, the message is somewhat mixed when an analysis of the annual feedback from senior management including Executive Directors and Service Directors is considered. Overall, the feedback is positive across most questions based on the number of responses (11), with positive comments on the support provided to departments and professionalism of Audit staff. However, there are clearly areas for improvement around enhanced engagement with departments and senior officers to ensure the audit message is provided consistently and around the timeliness of the audit reporting. It was also disappointing to receive adverse feedback on the new style Audit Report, with five responses stating the Report content did not focus on the key risk areas. Over the coming months and with the support of the new Assistant Director of Finance (Audit), meetings will be held with all directors to obtain further information to help improve the Audit Service delivery.



## Appendix 1 - Progress Against the 2022-23 Audit Plan

Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
<b>Corporate Activities – The 2022-23 Audit Plan included an allocation of 1,000 days over the following areas</b>											
<b>Corporate Projects</b>											
VP018 East Midlands Broadband (emPSN)	-	1	-	-	-	-	-	-	-	-	-
VP037 Workforce Development/ Succession Planning	-	-	-	-	-	-	-	-	-	-	-
VP044 D2N2 LEP	5	27	Substantial	Substantial	↔	-	-	2	1	-	-
VP047 Supply Chain Failure	-	-	-	-	-	-	-	-	-	-	-
VP055 Corporate Culture	-	-	-	-	-	-	-	-	-	-	-
VP064 New Delivery & Commissioning Models/Partnership Working	-	-	-	-	-	-	-	-	-	-	-
VP067 Climate Change	-	37	-	-	-	-	-	-	-	-	-
➤ VP069 Fraud Awareness	-	7	-	-	-	-	-	-	-	-	-
VP070 Modern Ways of Working	-	36	-	5 x Letters 1 x Limited	↔	-	1	2	0	-	-
VP071 Asset Optimisation	-	3	-	-	-	-	-	-	-	-	-
VP072 East Midlands Freeport	-	-	-	-	-	-	-	-	-	-	-
VP073 County Deals	-	1	-	-	-	-	-	-	-	-	-
VP073 Customer Complaints & Enquiries Process	-	1	-	-	-	-	-	-	-	-	-
VP074 Thriving Communities	-	-	-	-	-	-	-	-	-	-	-
➤ VP075 Ukraine Family Scheme	-	10	-	Letter	-	-	-	-	-	-	-
<b>Total</b>	<b>5</b>	<b>123</b>	<b>-</b>	<b>1 x Substantial 1 x Limited 6 x Letters</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>4</b>	<b>1</b>	<b>-</b>	<b>-</b>
<b>Corporate Governance</b>											
CR001 Embedding Corporate Governance	-	100	-	-	-	-	-	-	-	-	-
CR005 Services to Members	-	26	Satisfactory	Substantial	↑	-	-	2	8	4H, 4M, 1L	-
CR007 Information Governance Group & Support	-	16	-	-	-	-	-	-	-	-	-
CR008 Cyber Security Group & Support	1	34	-	2 x Letters	-	-	-	-	-	-	-

Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
CR009 Data Protection Group & Support	-	8	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>1</b>	<b>184</b>		<b>1 x Substantial 2 x Letters</b>	-	-	-	<b>2</b>	<b>8</b>	<b>4H, 4M, 1L</b>	
<b>Corporate Fraud Prevention</b>											
CZ100 External Audit Liaison	-	1	-	-	-	-	-	-	-	-	
CZ200 National Fraud Initiative	-	55	-	-	-	-	-	-	-	-	
CZ300 National Anti-Fraud Network	-	6	-	-	-	-	-	-	-	-	
CZ400 RIPA Management & Admin	-	6	-	-	-	-	-	-	-	-	
ZZ000 Internal Audit-Special Investigations General	142	238	-	4 x Reports	N/A	5	5	2	-	-	
<b>Total</b>	<b>142</b>	<b>306</b>	-	<b>4 x Reports</b>	-	<b>5</b>	<b>5</b>	<b>2</b>	-	-	
<b>Strategic Management</b>			-	-	-	-	-	-	-	-	
VW001 Strategic Management	-	90	-	-	-	-	-	-	-	-	
VW002 Strategic Management (Risk)	-	56	-	-	-	-	-	-	-	-	
VW003 Assurance Mapping	-	99	-	-	-	-	-	-	-	-	
➤ VW005 Audit Case Management System	-	1									
<b>Total</b>	-	<b>246</b>	-	-	-	-	-	-	-	-	
<b>Audit Planning Contingency</b>			-	-	-	-	-	-	-	-	
XX000 Audit Planning Contingency	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	
<b>Corporate Activities Total</b>	<b>148</b>	<b>859</b>	-	<b>2 x Substantial 1 x Limited 4 x Reports 8 x Letters</b>	-	<b>5</b>	<b>6</b>	<b>8</b>	<b>9</b>	<b>4H, 4M, 1L</b>	

Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
<b>Corporate Services and Transformation Department - The 2022-23 Audit Plan included an allocation of 660 days over the following areas</b>											
<b>Departmental Review - Management &amp; Administration (CST)</b>											
CA100 Corporate Services and Transformation Departmental Review	7	9	Satisfactory	Satisfactory	↔	-	1	3	6	2M, 1L	
CA102 External Grants and Certifications	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>7</b>	<b>9</b>	<b>-</b>	<b>1 x Satisfactory</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>3</b>	<b>6</b>	<b>2M, 1L</b>	
<b>CST Operational Reviews</b>											
CO002 Business Continuity Planning - Corporate Response	-	-	-	-	-	-	-	-	-	-	
CO003 Derbyshire Business Centre	-	1	Limited	Limited	↔	1	5	9	5	2H	
CO008 Communications and Customers	-	23	N/A	Satisfactory	↔	-	2	-	2	N/A	
CO009 Implementation of ICT Strategy	-	-	-	-	-	-	-	-	-	-	
➤ CO010 Policy and Research	1	-	N/A	Satisfactory	↔	-	-	3	1	3M	Report relates to 2021/22 Audit
➤ CO011 Legal Services	15	-	N/A	Satisfactory	↔	-	-	8	2	-	Report relates to 2021/22 Audit
CO015 Business Continuity Planning - ICT	-	-	-	-	-	-	-	-	-	-	
➤ CO016 Communications and Customers – Call Derbyshire	-	14	N/A	Limited	↔	-	1	5	-	N/A	
➤ CO017 Communications and Customers – Channel Shift	-	18	N/A	Substantial	↔	-	-	2	2	N/A	
<b>Total</b>	<b>16</b>	<b>56</b>	<b>-</b>	<b>1 x Substantial 3 x Satisfactory 2 x Limited</b>	<b>-</b>	<b>1</b>	<b>8</b>	<b>27</b>	<b>12</b>	<b>2H, 3M</b>	
<b>Divisional Activity – Major Systems</b>											
MA100 Core Financial Systems – General Queries	-	8	-	-	-	-	-	-	-	-	
MB100 Human Resources Management	13	-	Satisfactory	Satisfactory	↔	-	2	1	4	3M, 2L	
MC100 Accounts Payable	-	34	Substantial	Substantial	↔	-	-	-	2	1M, 2L	
MD100 Corporate Purchasing	-	59	-	-	-	-	-	-	-	-	
ME100 Accounts Receivable	-	20	Substantial	Substantial	↔	-	-	-	4	-	
MG100 Accountancy, Budgetary Control and Financial Resilience	-	59	-	-	-	-	-	-	-	-	
➤ ML100 Pensions & Funds Administration	10	-	Substantial	Substantial	↔	-	-	1	8	2M, 1L	
ML101 LGPS Central Audit	-	17	-	-	-	-	-	-	-	-	

Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
MM100 Treasury Management	-	25	Substantial	Substantial	↔	-	-	1	3	1M, 1L	
<b>Total</b>	<b>23</b>	<b>222</b>	<b>-</b>	<b>4 x Substantial 1 x Satisfactory</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>3</b>	<b>21</b>	<b>7M, 6L</b>	
<b>Divisional Activity – Probity and Compliance</b>											
DC400 Financial Regulations & Standing Orders	-	-	-	-	-	-	-	-	-	-	
DE101 Cash Audit & ISO 27001 Visits	-	4	N/A	Letter	-	-	2	2	2	-	
DE500 Insurance & Risk Management	-	-	-	-	-	-	-	-	-	-	
➤ DE600 Officers' Travel	-	7	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>-</b>	<b>11</b>	<b>-</b>	<b>1 x Letter</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>-</b>	
<b>Divisional Activity – Corporate/ Departmental IT Systems</b>											
CK002 Corporate Database Review	-	-	-	-	-	-	-	-	-	-	
CK003 Network Infrastructure Review	-	9	-	-	-	-	-	-	-	-	
CK004 Server Infrastructure Review	-	1	-	-	-	-	-	-	-	-	
CK006 Bacs Payment System Review	1	-	Limited	Satisfactory	↑	-	-	9	1	3H, 1M	
Departmental IT Systems & Contracts	-	134	N/A	Satisfactory	↔	-	-	4	1	-	Hootsuite Media
<b>Total</b>	<b>1</b>	<b>144</b>	<b>-</b>	<b>2 x Satisfactory</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>2</b>	<b>3H, 1M</b>	
<b>Divisional Activity – County Property Division</b>											
DV100 Property Services Review	-	25	-	Letter	-	-	-	-	-	-	
<b>Total</b>	<b>-</b>	<b>25</b>	<b>-</b>	<b>1 x Letter</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Regulatory</b>											
QG100 Coroner's Service Review	-	41	Limited	Satisfactory	↑	1	4	2	-	2H, 4M	
<b>Total</b>	<b>-</b>	<b>41</b>	<b>-</b>	<b>1 x Satisfactory</b>	<b>-</b>	<b>1</b>	<b>4</b>	<b>2</b>	<b>-</b>	<b>2H, 4M</b>	
<b>Departmental Total</b>	<b>47</b>	<b>508</b>	<b>-</b>	<b>5 x Substantial 8 x Satisfactory 2 x Limited 2 x Letters</b>	<b>-</b>	<b>2</b>	<b>17</b>	<b>50</b>	<b>43</b>	<b>7H, 17M, 9L</b>	

Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
<b>Children's Services Department – The 2022-23 Audit Plan included an allocation of 487 days over the following areas</b>											
<b>Departmental Review – Management &amp; Administration (CS)</b>											
AA001 Children's Services – Departmental Review	1	-	Qualified	Substantial	↑	-	-	1	7	3M	Report relates to 2021-22
AA002 Children's Services - General Support	-	1	-	-	-	-	-	-	-	-	
AA004 Information Security and Follow Up Reviews	-	48	1 x Satisfactory 1 x N/A	2 x Satisfactory	↔	-	2	6	3	1L	
External Grants and Certifications	-	27	N/A	Letter	-	-	-	-	-		Holiday Activities and Food Programme
<b>Total</b>	<b>1</b>	<b>76</b>	<b>-</b>	<b>1 x Substantial 1 x Letter</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>7</b>	<b>10</b>	<b>3M, 1L</b>	
Primary, Nursery & Special Schools											
Primary, Nursery & Special Schools	-	120	3 x Satisfactory 7 x Limited	1 x Substantial 6 x Satisfactory 3 x Limited	-	-	44	81	50	48H, 17M, 18L	
<b>Total</b>	<b>-</b>	<b>120</b>	<b>-</b>	<b>1 x Substantial 6 x Satisfactory 3 x Limited</b>	<b>-</b>	<b>-</b>	<b>44</b>	<b>81</b>	<b>50</b>	<b>48H, 17M, 18L</b>	
Secondary Schools											
Secondary Schools	-	34	2 x Satisfactory	1 x Substantial 1 x Satisfactory 5 x Letters	-	-	-	10	5	1H, 6M, 1L	Letters issued to four Secondary Schools and Director of Finance & ICT regarding School Bursary arrangements.
<b>Total</b>	<b>-</b>	<b>34</b>	<b>-</b>	<b>5 x Letters</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>5</b>	<b>1H, 6M, 1L</b>	
Schools General Support											
Schools General Support	-	77	-	1 x Letter	-	-	-	-	-	-	Letter relating to the review of potential duplicate payments by schools.
<b>Total</b>	<b>-</b>	<b>77</b>	<b>-</b>	<b>1 x Letter</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
School - Information Security Reviews											
Information Security Reviews	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Children's Homes											
Children's Homes	-	12	1 x Limited	1 x Satisfactory	↑	-	1	3	3	3H	
<b>Total</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>1 x Satisfactory</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>3H</b>	

Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
Themed and Operational											
AO005 Fostering and Adoption Services	-	11	-	-	-	-	-	-	-	-	
AO013 Supporting Families Programme	-	38	-	-	-	-	-	-	-	-	
AO016 Starting Point	-	27	-	-	-	-	-	-	-	-	
AO019 Children at Risk of Missing Education	-	30	Substantial	Satisfactory	↓	-	1	4	2	1L	
AO022 Impact of Children in Care	-	-	-	-	-	-	-	-	-	-	
AO026 Use of Personal Budgets for Children with SEND	-	30	Satisfactory	Limited	↓	1	1	2	4	1L	Days reallocated to a review of the Graduated Response for Individual Pupils (GRIP) Programme.
➤ AO030 Education Data Hub	-	20	N/A	Satisfactory	↔	-	1	8	-	N/A	
AO031 Management of Service Demands	-	-	-	-	-	-	-	-	-	-	
AO032 Management of School Exclusions	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>	-	<b>156</b>	-	<b>2 x Satisfactory 1 x Limited</b>	-	<b>1</b>	<b>3</b>	<b>14</b>	<b>6</b>	<b>2L</b>	
<b>Departmental Total</b>	<b>1</b>	<b>475</b>	-	<b>2 x Substantial 9 x Satisfactory 4 x Limited 7 x Letters</b>	-	<b>1</b>	<b>50</b>	<b>115</b>	<b>74</b>	<b>52H, 26M, 22L</b>	





Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
<b>Adult Social Care and Health Department – The 2022-23 Audit Plan included an allocation of 395 days over the following areas</b>											
<b>Departmental Management and Administration Review</b>											
BA001 Adult Social Care and Health Department Departmental Review	-	26	Qualified	Satisfactory	↔	-	1	10	4	1H, 7M, 5L	Report relates to 2021/22 Audit
BA002 Adult Social Care and Health - General Support	-	16	-	-	-	-	-	-	-	-	Note: 13 days reallocated to Information Security reviews.
<b>Total</b>	-	<b>42</b>	-	<b>1 x Satisfactory</b>	-	-	<b>1</b>	<b>10</b>	<b>4</b>	<b>1H, 7M, 5L</b>	
<b>Public Health</b>											
BD001 Public Health	-	46	Satisfactory	Satisfactory	↔	-	1	3	2	1M	
➤ BD001 Community Testing	-	-	N/A	Satisfactory	↔	-	1	3	-	-	
<b>Total</b>	-	<b>46</b>	-	<b>2 x Satisfactory</b>	-	-	<b>2</b>	<b>6</b>	<b>2</b>	<b>1M</b>	
<b>Information Security and Follow Up Reviews</b>											
Information Security and Follow Up Reviews	1	40	N/A	2 x Satisfactory 1 x Limited 2 x Letter	↔	-	1	14	5	-	Deputyship Case Management System (Report). Outbreak Management Solution (Letter) Derbyshire Shared Care Record (Report) Review of compliance with the DWP Data Sharing Agreement. Mosaic System (Letter)
<b>Total</b>	<b>1</b>	<b>40</b>	-	<b>2 x Satisfactory 1 x Limited 2 x Letter</b>	-	-	<b>1</b>	<b>14</b>	<b>5</b>	-	
<b>External Grants and Certifications</b>											
External Grants and Certifications	-	28	-	-	-	-	-	-	-	-	
<b>Total</b>	-	<b>28</b>	-	-	-	-	-	-	-	-	
<b>Social Care – Elderly Residential</b>											
Elderly Residential	-	38	5 x Satisfactory	1 x Substantial 4 x Satisfactory	↔	-	6	17	23	5H, 6M, 7L	
<b>Total</b>	-	<b>38</b>	-	<b>1 x Substantial 4 x Satisfactory</b>	-	-	<b>6</b>	<b>17</b>	<b>23</b>	<b>5H, 6M, 7L</b>	
<b>Social Care - Day Care - Physical/Mental Disability</b>											
Day Care - Physical/Mental Disability	-	6	1 x Limited	1 x Satisfactory	↑	-	2	3	2	2H, 4M	
<b>Total</b>	-	<b>6</b>	-	<b>1 x Satisfactory</b>	-	-	<b>2</b>	<b>3</b>	<b>2</b>	<b>2H, 4M</b>	

Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
Social Care - Day Care & Hostels											
Day Care & Hostels	-	3	1 x Satisfactory	1 x Satisfactory	↔	-	3	1	4	-	
<b>Total</b>	-	<b>3</b>	-	<b>1 x Satisfactory</b>	-	-	<b>3</b>	<b>1</b>	<b>4</b>	-	
Social Care - Community Care Centres											
Community Care Centres	-	24	3 x Satisfactory	3 x Satisfactory	↔	-	6	16	9	8H, 6M, 1L	
<b>Total</b>	-	<b>24</b>	-	<b>3 x Satisfactory</b>	-	-	<b>6</b>	<b>16</b>	<b>9</b>	<b>8H, 6M, 1L</b>	
Themed and Operational											
BO008 Private Residential Care	-	-	-	-	-	-	-	-	-	-	
BO010 Review of Commissioning Arrangements	-	25	Substantial	Satisfactory	↓	-	-	4	-	-	
BO012 Deputyship	-	21	Satisfactory	Substantial	↑	-	1	3	1	2H, 2M	
BO017 Disabled Facilities Grants Administration	-	29	Satisfactory	Satisfactory	↔	-	3	5	2	6H	
BO022 Direct Payments	-	26	-	-	-	-	-	-	-	-	
➤ BO026 Review of Quality Assurance Framework	-	-	N/A	Satisfactory	↔	-	-	9	2	-	Report relates to 2021/22 Audit
BO028 Safeguarding of Adults	10	-	N/A	Substantial	↔	-	-	3	1	-	Report relates to 2021/22 Audit
BO030 Social Worker Arrangements	6	-	N/A	Satisfactory	↔	-	2	3	-	-	Report relates to 2021/22 Audit
BO031 Financial Assessments	-	63	N/A	Satisfactory	↔	-	3	8	1	-	
BO032 Better Lives	-	13	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>16</b>	<b>177</b>	-	<b>2 x Substantial 5 x Satisfactory</b>	-	-	<b>9</b>	<b>35</b>	<b>7</b>	<b>8H, 2M</b>	
<b>Departmental Total</b>	<b>17</b>	<b>404</b>	-	<b>3 x Substantial 19 x Satisfactory 1 x Limited 2 x Letter</b>	-	-	<b>30</b>	<b>102</b>	<b>56</b>	<b>24H, 26M, 13L</b>	



Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
<b>Place Department – The 2022-23 Audit Plan included an allocation of 230 days over the following areas</b>											
Departmental Management & Administration Review											
HA100 Place – Departmental Review	1	26	Satisfactory	Substantial	↑	-	-	5	1	1M	Report relates to 2021/22 Audit
HA101 Place – General Support	-	15	N/A	1 x Letter	N/A	-	-	-	-	-	Civil Parking Enforcement
<b>Total</b>	<b>1</b>	<b>41</b>	<b>-</b>	<b>1 x Substantial 1 x Letter</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>1</b>	<b>1M</b>	
Information Security and Follow Up Reviews											
HA103 Information Security and Follow Up Reviews	-	12	N/A	2 x Satisfactory	↔	-	1	8	1	N/A	Confirm Single Asset Management IT System & Flexiroute
<b>Total</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>2 x Satisfactory</b>		<b>-</b>	<b>1</b>	<b>8</b>	<b>1</b>	<b>N/A</b>	
External Grants and Certifications											
External Grants and Certifications	3	58	N/A	Limited	↔	-	3	2	-	-	Covid Bus Grant
<b>Total</b>	<b>3</b>	<b>58</b>	<b>-</b>	<b>1 x Limited</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>2</b>	<b>-</b>	<b>-</b>	
Themed and Operational											
HO004 Highways Management	-	-	-	-	-	-	-	-	-	-	
HO016 Countryside Management	-	10	-	-	-	-	-	-	-	-	
HO021 Public Transport & Taxi Contracts	-	10	-	-	-	-	-	-	-	-	
HO024 Regeneration	-	2	-	-	-	-	-	-	-	-	
➤ HO025 Fleet Services	1	-	N/A	Satisfactory	↔	-	2	4	2	N/A	Report relates to 2021/22 Audit
HO030 Inspection and Control of Highway Assets	-	-	-	-	-	-	-	-	-	-	
HO035 Public Library Service	-	-	-	-	-	-	-	-	-	-	
HO036 Capital Programme (Highways)	-	36	N/A	Limited	↔	-	4	2	2	N/A	
<b>Total</b>	<b>1</b>	<b>58</b>	<b>-</b>	<b>1 x Satisfactory 1 x Limited</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>6</b>	<b>4</b>	<b>N/A</b>	
<b>Departmental Total</b>	<b>5</b>	<b>169</b>	<b>-</b>	<b>1 x Substantial 3 x Satisfactory 2 x Limited 1 x Letter</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>21</b>	<b>6</b>	<b>1M</b>	

**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.
Satisfactory 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:

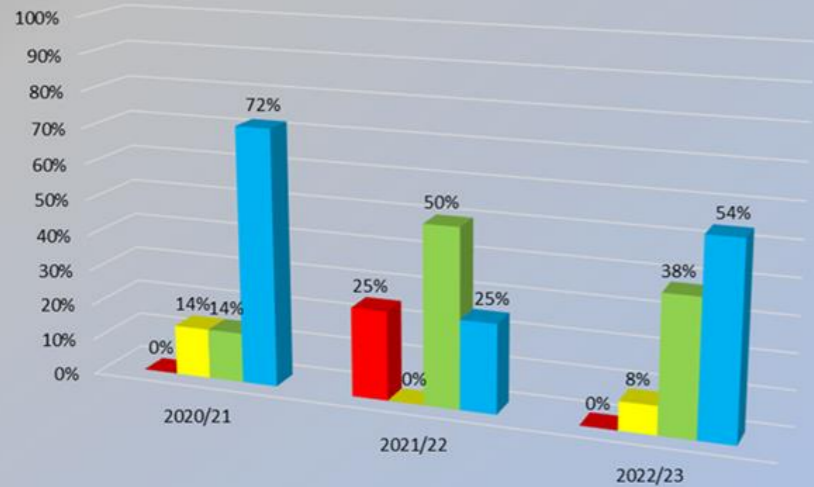
Level	Category	Explanation and significance
1	<b>Critical</b>	Significant strategic, financial or reputational risks where immediate remedial action is considered essential.
2	<b>High</b>	The absence of, significant weakness in, or inadequate internal controls over the operation of key systems or processes 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	<b>Medium</b>	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	<b>Low</b>	General housekeeping issues which require consideration and a planned implementation date within the medium term.

## Appendix 2 - Performance Indicators 2022-23

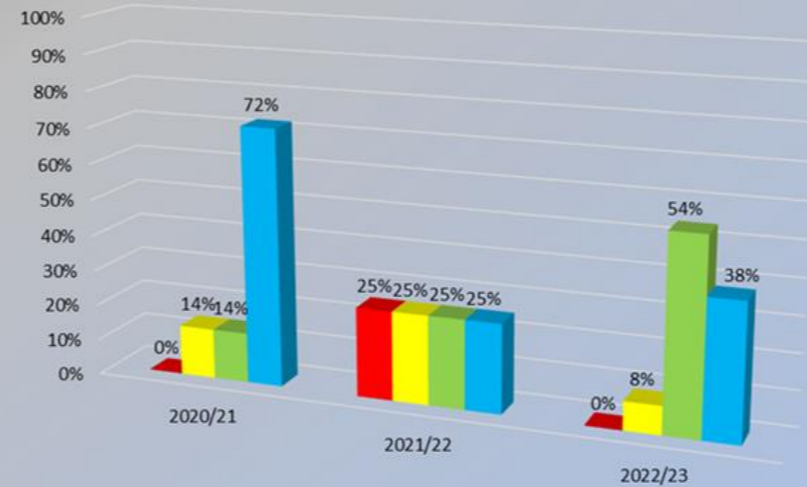
Indicator	Target	2020-21	2021-22	2022-23	Comments
Audit Plan – Achievement of planned Audit days	95%	87%	89%	95%	This includes 219 days relating to 2021/22 audit work.
Completion of Audit staff MyPlan reviews and training identified	100%	100%	100%	100%	
Undertake a risk based Annual Audit Plan formulation exercise	N/A	✓	✓	✓	
Undertake quality assurance reviews of Audits (1 for each Principal Auditor per year)	100%	100%	0%	100%	
Limited Audit Opinions reviewed by Assistant Director of Finance (Audit) within 10 days of completion of Draft Report	100%	57%	100%	40%	
Percentage of Draft Audit Reports issued within 15 working days of fieldwork completion	95%	49%	25%	47%	
Percentage of Final Audit Reports issued within 28 working days of issue of Draft Audit Report	95%	47%	67%	70%	
Percentage of recommendations made which are implemented at the time of follow up Audit	90%	71%	66%	73%	
Audit Assurance – To provide an assurance to the Authority on the adequacy and effectiveness of risk management, control and governance processes	N/A	✓	✓	✓	
Client Satisfaction – Percentage of questionnaire responses rating the Audit as good or very good	90%	87.50%	10%	100%	15 questionnaires returned
Annual Survey of Key Stakeholders	N/A	✓	✓	✓	Completed as part of the Annual Report for 2022-23 (July 2023)
Delivery of Audit Opinion to Management and Audit Committee in time to inform AGS	N/A	✓	✓	✓	

# Appendix 3 - Satisfaction Questionnaires 2022-23

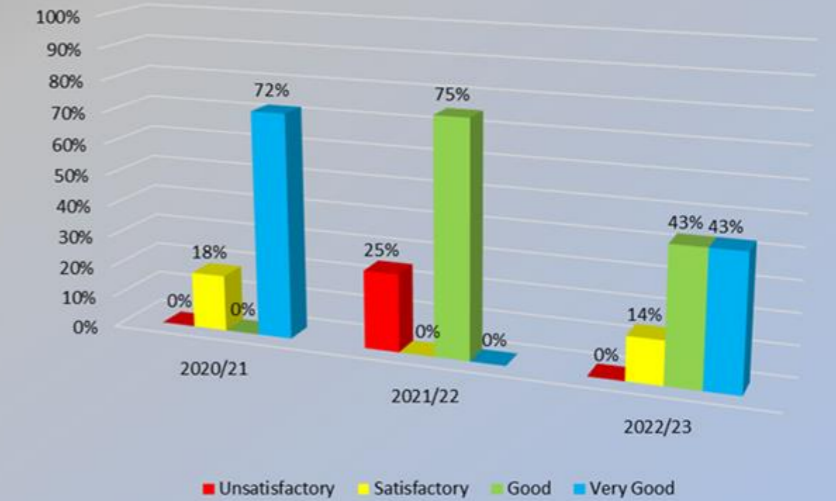
Q2. Comparison of repondents' ratings of the value of the pre-audit meeting in respect of providing a brief overview of the Audit and its expected outcomes.



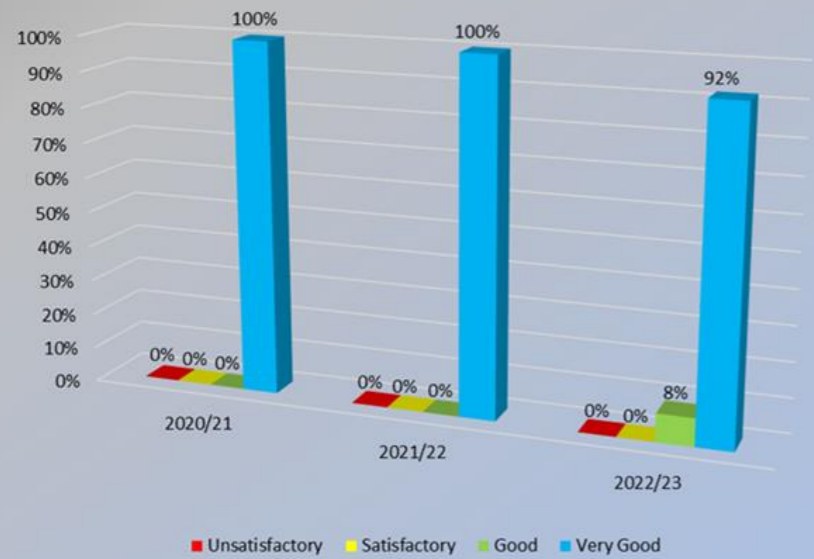
Q3. Comparison of repondents' ratings of the value of the pre-audit meeting as an opportunity to raise any areas of concern or clarify issues with the Lead Auditor.



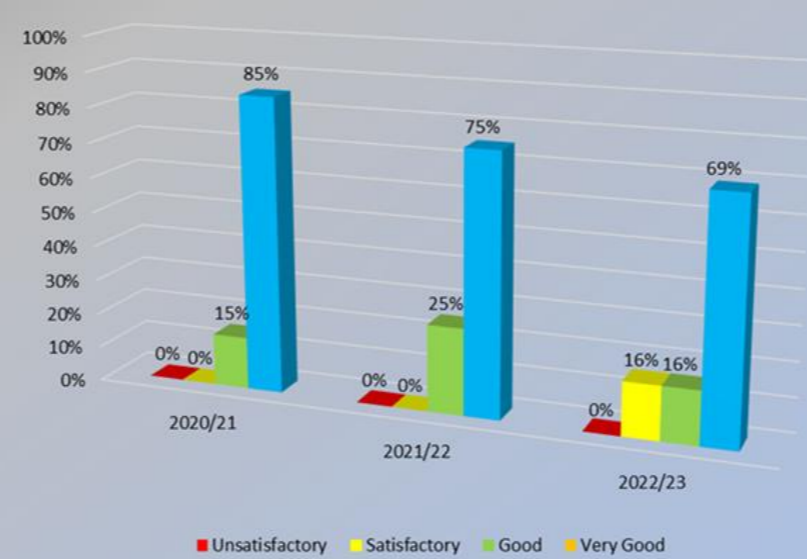
Q4. Comparison of respondents' ratings of auditors' understanding and knowledge of the systems, procedures and key risks of the Audit areas.



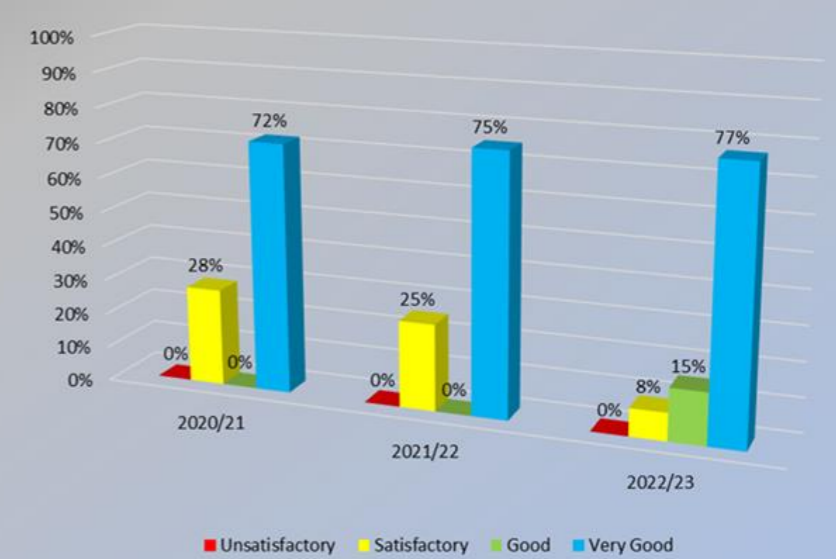
Q5. Comparison of respondents' ratings of auditor professional conduct and manner.



Q6. Comparison of respondents' ratings of auditor conduct in terms of minimisation of disruption.

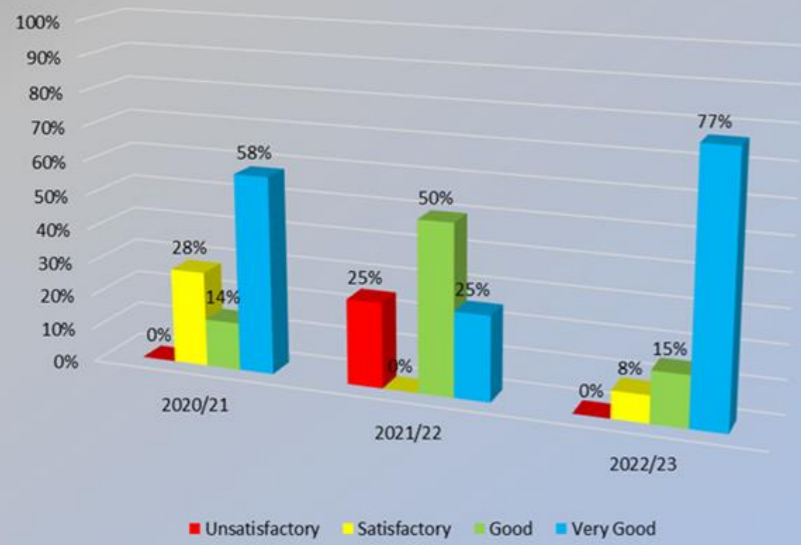


Q7. Comparison of respondents' rating of auditors' communication skills.

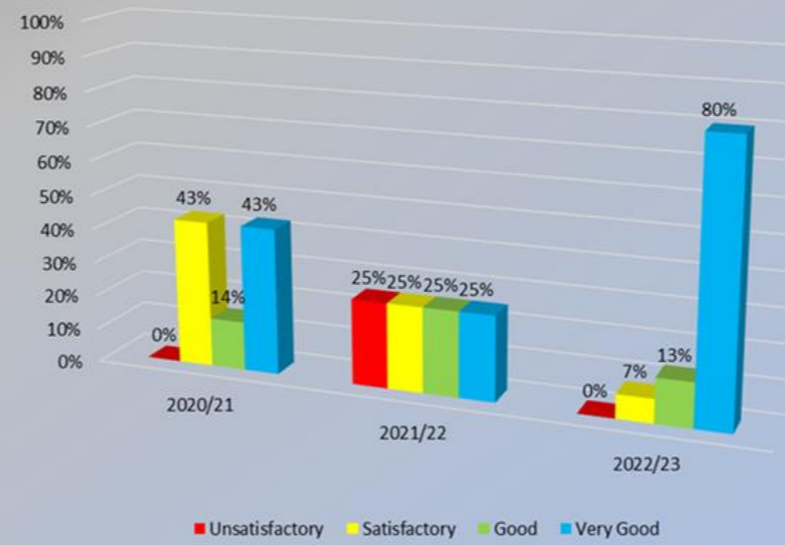


## Appendix 3 - Satisfaction Questionnaires 2022-23

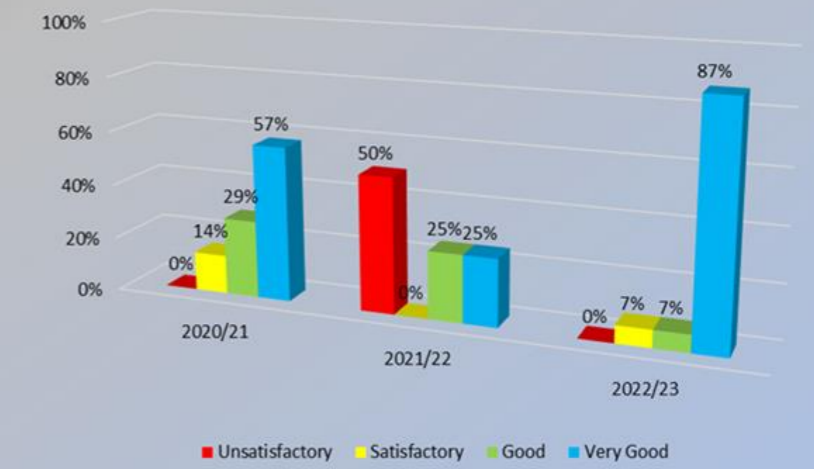
Q8 . Comparison of respondents' ratings of the report in terms of its clarity and factual accuracy.



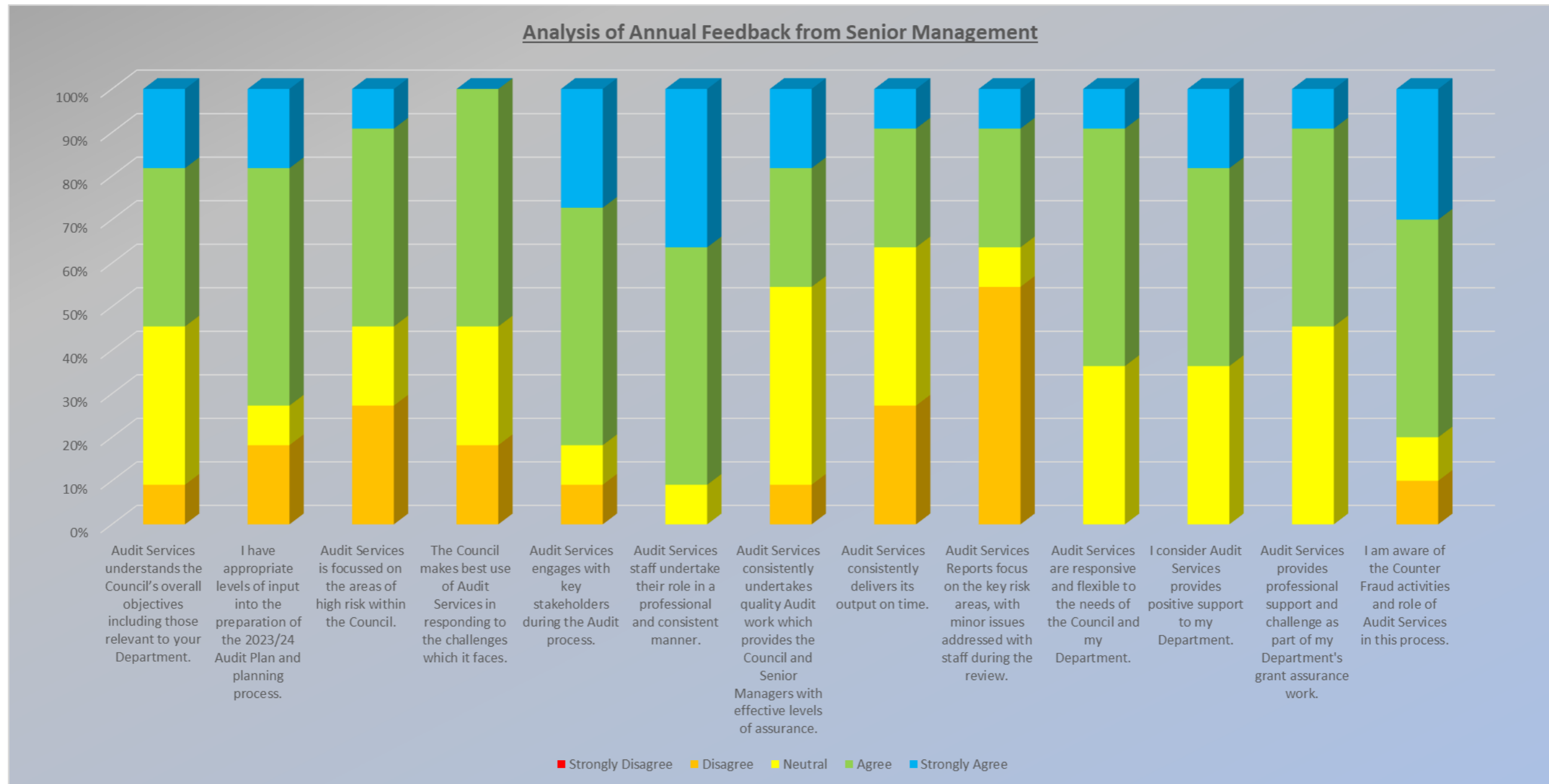
Q9. Comparison of respondents' ratings of the value, significance and practicality of findings in the Audit report.



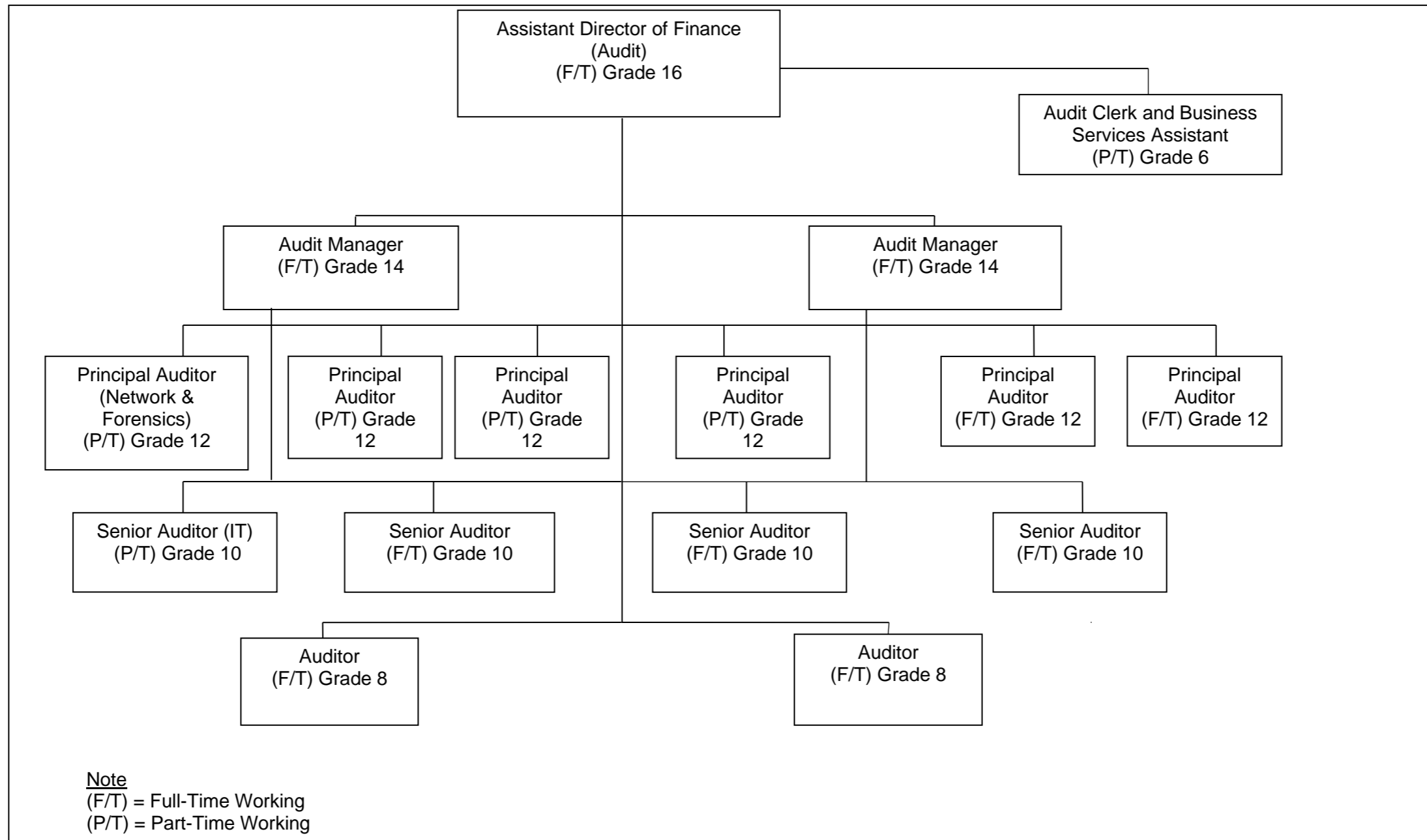
Q10. Comparison of respondents' ratings of the audit report in providing assurance of the overall level / adequacy of controls in operation and the proper administration of the areas reviewed by the Audit.



## Appendix 3 - Satisfaction Questionnaires 2022-23



## Appendix 4 – Audit Services Structure



## Appendix 5 – Progress on Actions to Improve Conformity with the PSIAS

Self-assessment – internal document page reference	Area of partial conformance	Comments and actions required	Progress made during 2022-23
4	Using evidence gained from assessing conformance with other Standards, does the internal audit activity use a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes within the organisation?	<p>The previous two External Quality Assessments (EQAs) flagged need for more risk based approach, assurance mapping &amp; better use of third party assurance work.</p> <p>Recent changes:</p> <ul style="list-style-type: none"> <li>• Work for better risk alignment commenced in 2022-23 – with Risk Presentation to Audit Services May 2022, for greater risk awareness by Auditors.</li> <li>• Audit Report template revised – to include section of implications &amp; enhanced risk assessment.</li> <li>• Assurance Mapping (Started in 22-23, but still work in progress).</li> </ul>	<p>Good progress has been made to address the Audit approach.</p> <ul style="list-style-type: none"> <li>• Increased liaison with Risk Management during the preparation for audits.</li> <li>• Audit Report template has been updated and has been embedded.</li> <li>• An Assurance Mapping exercise was completed. Further work is needed in 2023-24 to maintain and update this.</li> </ul>
11	Does the chief audit executive (CAE) periodically review the internal audit charter and present it to senior management and the board for approval?	<p>The current Audit Charter was approved on 24 September 2019 by the Council’s Audit Committee, having been previously approved on 26 September 2018.</p> <p>The Audit Charter requires an update due to the transfer of the Risk Management and Insurance functions under the line management of the CAE in July 2021, and new Assistant Director of Finance (Audit) (Dianne Downs) from September 2021.</p>	<p>The Audit Charter was updated and approved by Audit Committee on 20 September 2022. It does not however refer to the line management responsibilities of the Assistant Director of Finance (Audit) for Risk Management and Insurance.</p>
16	Does the chief executive or equivalent undertake, countersign, contribute feedback to or review the performance appraisal of the CAE? / Is feedback sought from the chair of the audit committee for the CAE’s performance appraisal?	<p>PDRs currently undertaken by the Director of Finance &amp; ICT - aligned to delivery of Internal Audit performance targets are built into Divisional Plans for CST.</p> <p>Formal feedback from Managing Director and the Chair of the Audit Committee are not currently part of the performance appraisal of the CAE.</p> <p>This is an area for future discussion with the Chairman of Audit Committee, Managing Director and Director of Finance &amp; ICT.</p>	<p>This remains the same and requires consideration by the new Assistant Director of Finance (Audit).</p>
17 & 18	<p>Where the chief audit executive has or is expected to have roles and/or responsibilities that fall outside of internal auditing, are safeguards in place to limit impairments to independence or objectivity?</p> <p>If there have been any assurance engagements in areas over which the CAE also has operational responsibility, have these</p>	<p>Audit Services is independent of the Council’s operations, with the exception of Risk Management and Insurance. These functions were brought under the leadership of the Assistant Director of Finance (Audit) from July 2021 following the Finance Services restructure. The CAE does not have other roles or responsibilities that fall outside of internal auditing and risk management.</p> <p>The Audit Charter will require revision in 2022 and revised operational provisions implemented, due to the transfer of the Risk Management and Insurance under the line management of the CAE.</p>	<p>The Audit Charter was updated and approved by Audit Committee on 20 September 2022. It does not however refer to the line management responsibilities of the Assistant Director of Finance (Audit) for Risk Management and Insurance.</p> <p>An independent review of the effectiveness of the Risk Management and Insurance arrangements at the Council needs to be undertaken.</p>



Self-assessment – internal document page reference	Area of partial conformance	Comments and actions required	Progress made during 2022-23
	engagements been overseen by someone outside of the internal audit activity?	Management are aware that separate independent review will be required to assess effectiveness of Risk Management and Insurance arrangements at the Council.	
21	If there has been any real or apparent impairment of independence or objectivity relating to a proposed consulting services engagement, was this disclosed to the engagement client before the engagement was accepted?	<p>EQA 2019: Concluded "... although Internal Audit is well-regarded and valued, it undersells its ability to proactively support, provide advice and guidance to further enhance its reputation, improve controls and reduce risk on major projects and other initiatives."</p> <p>CIPFA untapped potential report which was published June 2022 – indicates this as a common theme and area for improvement throughout public sector internal audit. This CIPFA report is due to be considered at the next Corporate Governance Group.</p>	The Governance Group did not meet until October 2022 and this has not been included as an agenda item at any subsequent meetings. This will be undertaken in 2023-24.
21	Where there have been significant additional consulting services agreed during the year that were not already included in the audit plan, was approval sought from the board before the engagement was accepted?	<p>During 2020-21 and 2021-22, Audit Services were unable to deliver full Audit Plans due to the pandemic. The Audit Committee were provided with regular updates through progress and annual reports, so they could understand where there may be gaps in assurance.</p> <p>The Annual Plan for 2022-23 was delivered as a statement of intent to the Audit Committee, with recognition that risks evolve and unforeseen work may be required. The plan was designed to provide coverage to fill assurance gaps identified during the pandemic.</p> <p>Regular liaison meetings with the Chairman of the Audit Committee and with CMT, allows the CAE to provide regular updates from Audit Services. Progress reports are delivered to Audit Committee: these set out any significant changes to the proposed plan.</p>	Where there are additional activities which are not included in the audit plan, these are discussed with the relevant Executive Director. Progress reports continue to be presented to Audit Committee which set out any significant changes to the proposed plan.
27, 29 & 30	<p>Does the CAE periodically assess individual auditors against the predetermined skills and competencies?</p> <p>Does the QAIP include both internal and external assessments?</p> <p>Do internal assessments include ongoing monitoring of the internal audit activity, such as:</p> <p>a) Routine quality monitoring processes?</p>	<p>Training is identified as part of the MyPlan process and courses are circulated periodically through Learning &amp; Development.</p> <p>The Audit Manual makes provision for routine supervision and review of all audits as part of internal quality arrangements. Quality and Improvement Programme (QAIP) arrangements include further provision for periodic reviews of Performance Indicators (PIs) by Assistant Director of Finance (Audit).</p> <p>No issues identified in EQA 2019, but PIs include a requirement for Audit Management to undertake quality assurance reviews of Audits; with a minimum of one quality review for each Principal Auditor, per year.</p> <p>During 2021-22 there were notable gaps at Principal Audit or level – through sickness, vacancies and maternity leave and the Assistant</p>	<p>Training continues to be identified through the Council's PDR process.</p> <p>Audit Management have undertaken quality assurance reviews of Audits; with a minimum of one quality review for each Principal Auditor, per year.</p> <p>Sickness levels have reduced across the Unit.</p> <p>Resources were impacted with staff resignations including the Assistant Director of Finance (Audit) post becoming vacant in March 2023.</p>

Self-assessment – internal document page reference	Area of partial conformance	Comments and actions required	Progress made during 2022-23
	<p>b) Periodic assessments for evaluating conformance with the PSIAS?</p>	<p>Director of Finance (Audit) post was also vacant for the first five months of the year.</p> <p>These staffing pressures meant that whilst all audit reports were reviewed by Audit Managers prior to issue, there was not always a final sign off at CAE level. Resource pressures also meant that separate quality reviews lapsed during 2022-23.</p> <p>Resource pressures were reported to Audit Committee through progress reports. Following the appointment of the new Assistant Director of Finance (Audit) in September 2021, a successful recruitment exercise has taken place at Principal level, with two staff starting late 2021-22. A further Principal Auditor is due to return from maternity leave during 2022-23.</p> <p>To add to QAIP Action Plan: to ensure regular QA reviews are scheduled by Audit management to ensure consistency and conformance with standards.</p>	
<p>42, 51 &amp; 52</p>	<p>In developing the risk-based plan, has the CAE taken into account the organisation’s risk management framework and relative risk maturity of the organisation?</p> <p>Does the risk-based plan include the approach to using other sources of assurance and any work that may be required to place reliance upon those sources?</p> <p>Has the CAE carried out an assurance mapping exercise as part of identifying and determining the approach to using other sources of assurance?</p> <p>Where key organizational risks relate to work undertaken through partnerships, does the auditor consider or take assurance from work undertaken by others, or by obtaining assurance directly.</p>	<p>The planning process for the Annual Audit Plan has historically included review of risks, but further work was needed to identify wider assurances and confirm risks had been captured in risk registers.</p> <p>The 2019 EQA identified a need for better assurance mapping.</p> <p>An Assurance Mapping exercise started in 2022-23. This will feed into the future Audit Planning Process. As part of the Assurance Mapping exercise, internal audit have reviewed risk registers and liaised with the Risk Management team so that they can assess risk responses across the organisation.</p>	<p>The 2023-24 Audit Plan was formulated using information contained in the Council’s strategic and departmental risk registers as well as the assurance mapping exercise. Although the assurance map has been developed, work is ongoing to update this periodically and ensure that it is embedded into the planning process.</p>

Self-assessment – internal document page reference	Area of partial conformance	Comments and actions required	Progress made during 2022-23
59	<p>Has the internal audit activity evaluated the potential for fraud and also how the organization itself manages fraud risk?</p> <p>CIPFA's Code of Practice on Managing the Risk of Fraud and Corruption should be used as the basis for assessment of how an authority manages its fraud risk.</p>	<p>Audit Committee Members received a fraud awareness presentation ahead of the 01 February 2022 Audit Committee meeting.</p> <p>A further report setting out findings from a self-evaluation of Counter Fraud arrangements at the Council, was presented to Audit Committee at the 22 March 2022 Audit Committee meeting. The exercise had been completed to map arrangements against best practice in CIPFA Code and the Fighting Fraud and Corruption Locally (FFCL) National Strategy.</p> <p>This exercise flagged a number of areas where fraud risk management could be further strengthened. These will be built into the QAIP Action Plan.</p>	<p>Following the review of the Council's Counter Fraud arrangements against the best practice in CIPFA Code and the Fighting Fraud and Corruption Locally (FFCL) National Strategy, work has been undertaken to strengthen fraud risk management.</p> <p>The Anti-Fraud and Anti-Corruption Strategy has been updated and fraud awareness training has been promoted across the Council.</p>
80 & 81	<p>Is the annual internal audit opinion supported by sufficient, reliable, relevant and useful information?</p> <p>Does the communication identify the following: ... the consideration of all related projects including the reliance on other assurance providers?</p>	<p>Assurance Mapping exercise in progress - will enable Audit Opinion to take into account wider assurance pieces across the Council.</p> <p>To reflect in Annual Reporting 2022-23 onwards with implementation from July 2023.</p>	<p>An Assurance Mapping exercise was completed, which helps inform the Audit Opinion. Further work is needed in 2023-24 to maintain and update this.</p>