

**DERBYSHIRE COUNTY COUNCIL**

**AUDIT COMMITTEE MEETING**

**22 September 2020**

**Report of the Assistant Director of Finance (Audit)**

**AUDIT SERVICES UNIT – PROGRESS AGAINST AUDIT PLAN 2020-21**

**1. Purpose of Report**

To inform Members of progress against the approved Audit Plan for 2020-21 as at 31 August 2020.

**2. Information & Analysis**

At the meeting of this Committee held on 27 May 2020 Members approved the Audit Plan for 2020-21 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. These meetings included the 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 five months to 31 August 2020 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 provided in Appendix 2.

Operational Matters

Audit Services continues its approved programme of work including the provision of advice to Management at all levels within the Council. In common with previous years some work forming part of last year's approved Audit Plan was completed and reported in the current year which is identified at Appendix 1. Audit staff routinely follow up progress against agreed recommendations as part of subsequent work in that area.

Coronavirus

At the Audit Committee's meeting on 27 May 2020 it was reported that the coronavirus pandemic was having far reaching effects across the world, some of which would continue for a number of years. The current situation is unparalleled and there are a significant number of factors which have had an impact on the proposed Audit Services Plan for 2020-21 including:-

## Public

- Timing of Audit work;
- Additional, unplanned work;
- Potential impact of frauds, scams and errors;
- Home working and social distancing;
- Access to records;
- Access to premises;
- Return to business as usual.

The impact of these restrictions on the Audit Services Plan are identified, quantified and included in this progress report to Audit Committee. Audit resources will be targeted at the highest levels of risk but also directed to achieve a broad range of coverage across the Council's activities. Six months have now elapsed since the start of lockdown and it is still not possible to determine if, how and when the Council's services will return to normal.

### Timing of Audit Work

The timing of Audit work and engagement of Departmental Management and staff are always significant factors to consider when planning Audit reviews. Currently, and particularly in the early weeks of the lockdown, there were pressures on the Council and Senior Management to fulfil additional responsibilities whilst continuing existing service provision. This situation, together with the majority of staff working remotely, make it difficult or impossible for the Unit to progress some planned Audit work.

### Additional, Unplanned Work

Due to changed working arrangements it has been necessary for the Council to consider new systems or changes to existing systems. Audit staff continue to support Senior Management by providing advice and guidance in order to ensure that governance and control systems remain effective, and discharge those responsibilities required of the Audit Services Unit by Financial Regulations and Standing Orders relating to Contracts.

In addition, as the Unit has not been able to progress planned projects staff have been deployed in "deep dives" to review specific areas of risk in greater detail e.g. checks on potential duplicate payments and directorships. The results of this work continue to be reported to Senior Management on completion.

### Potential Impact of Frauds, Scam and Errors

During the immediate aftermath of the lockdown fraudsters sought to take advantage of the situation that organisations and staff were working in changed circumstances and sought to exploit any vulnerabilities. Action Fraud reported coronavirus related frauds increased by 400% in March 2020.

Audit Services acted swiftly to build on our established systems to distribute intelligence received relating to potential frauds and scams and will, of course, continue to assist in safeguarding the Council against such risks.

## Home Working and Social Distancing

The majority of Council staff continue to work from home and the Unit is using systems, including Microsoft Teams and Skype, to arrange discussions and virtual meetings to progress Audit work. Whilst these arrangements have been successful to a degree they do have limitations.

## Access to Records

In the majority of cases records required by Audit to support our work are computerised and accessible remotely with appropriate permissions. However, there are still a number of paper based systems and records which are not easily accessible when working at home.

## Access to Premises

Whilst schools have reopened Audit staff are currently unable to visit them and other establishments due to the risk of transmitting infection between staff and, in some cases, residents. During recent years the Unit has increased the amount of information it gathers before a school Audit to reduce the impact on school staff on the day of the visit. Our approach to school Audits has been reviewed and it will be possible to undertake elements of testing remotely and via communication platforms such as Microsoft Teams. It is anticipated that Audit reviews of schools will be undertaken this way, and that visits to any premises will not now be resumed before the end of this calendar year.

## Return to Business as Usual

Following the immediate impact of the lockdown it was necessary for Executive Directors to make urgent decisions using emergency powers, in accordance with guidance issued by the Director of Legal and Democratic Services. Such decisions are recorded in a separate record.

The Council and Senior Management, whilst still dealing with the impact of the coronavirus pandemic, have moved towards business as usual although the systems and processes to support such working have changed in some cases. Consequently business as usual will be different following the pandemic.

Audit Services will review the effectiveness of systems to support emergency decision making and assist the return to business as usual. It will be necessary to ensure that established, robust control frameworks are not compromised but acknowledge that some changes made could provide lasting benefits and efficiencies. This will bring challenges for Audit Services and I will continue to actively shape the work of the Unit to be able to meet the new normal.

## Staffing

The considerable and continuing pressures placed on the Unit's staffing resources have been reported to Audit Committee on a regular basis. It is positive to be able to report that, with the exception of a vacant Senior Auditor

post, all other posts are currently occupied. In respect of the Senior Auditor post, an offer had been made and accepted by a candidate who later withdrew when their contract was issued. It is intended to advertise and recruit to this post shortly. In addition, the Unit's levels of sickness absence remains higher than estimated and whilst staff attendance continues to be managed in accordance with the Council's Policies, this situation has also had an impact on available days to deliver the Audit Plan.

### External Review of Internal Audit

Following the conclusion of the external review of Audit Services by the Chartered Institute of Public Finance and Accountancy's consultancy service, C.Co, the review's findings were considered and a report was presented to the Audit Committee's meeting on 27 May 2020. This report detailed the Unit's response to those areas identified as advisory opportunities to enhance the internal audit service. As a result the Audit Services Key Performance Indicators were revised.

### Monitoring and Delivery of the Audit Services Plan

The delivery of Audit work is routinely monitored on a weekly basis by Senior Audit Management and progress against the Audit Services Plan is regularly reported to the Audit Committee. It is essential that the Audit Services Plan can continue to respond to changing and emerging threats to the Council's governance, control and risk management framework.

Where planned Audit activity does not take place Senior Management may wish to seek or build upon other forms of assurance and accept a higher level of risk.

The achievement of the Audit Services Plan and output from Audit work will inform the annual Audit Opinion provided by the Assistant Director of Finance (Audit), as Head of Internal Audit.

At 31 August 2020 1,122 productive days have been delivered against the pro-rata target of 1,202 days (total planned days for 2020-21 is 2,884). This includes 388 days deployed on projects not specifically included in the original Audit Plan.

## **3. Considerations**

In preparing this report the relevance of the following factors has been considered: financial, legal, prevention of crime and disorder, equality and diversity, human resources, environmental, health, property and transport considerations.

## **4. Background Papers**

A file held by the Assistant Director of Finance (Audit).

**5. Officer's Recommendation**

That the Committee note the information on progress to date against the approved Audit Plan.

**Carl Hardman**  
**Assistant Director of Finance (Audit)**

**DERBYSHIRE AUDIT SERVICES**  
**INTERNAL AUDIT PLAN 2020/21**

The information summarized below by Service Department identifies the work approved and actual time spent for the period ending 31 August 2020.

**Corporate Activities**

It is intended to spend **1,060** days on the Audit of Corporate Activities which will be allocated over the following areas:-

Audit Area	Level of Risk	Plan Days	Actual Days		No of Reports	Level of Assurance	Analysis of Recommendations				Recs Not Accepted	Recs Not Implmtd	Comments	
			19-20	20-21			C	H	M	L				
Corporate Projects														
• Workforce Development/ Succession Planning	H	30	5	1	-	-	-	-	-	-	-	-	-	-
• Cyber Security	H	30	-	-	-	-	-	-	-	-	-	-	-	-
• Audit of Corporate Culture	H	30	-	-	-	-	-	-	-	-	-	-	-	-
• Climate Change	H	30	-	-	-	-	-	-	-	-	-	-	-	-
• Major Incident Response	M/H	30	-	-	-	-	-	-	-	-	-	-	-	-
• Maintenance of Council Properties	M/H	30	-	37	-	-	-	-	-	-	-	-	-	-
• New Delivery & Commissioning Models/Partnership Working	M/H	30	-	-	-	-	-	-	-	-	-	-	-	-
• Data Protection Compliance	M/H	20	-	30	-	-	-	-	-	-	-	-	-	-
• Supply Chain Failure	M/H	20	-	9	-	-	-	-	-	-	-	-	-	-
• Health and Safety & Wellbeing	M/H	20	-	5	-	-	-	-	-	-	-	-	-	-
• Serious and Organised Crime	M/H	10	-	1	1	Other	-	-	-	-	-	-	-	-
• D2N2 LEP	M	50	-	19	1	Other	-	-	-	-	-	-	-	-
• emPSN (SCo & ICo)	M	5	-	-	-	-	-	-	-	-	-	-	-	-
• Financial Resilience & Achievement of Budget Reductions	H	-	2	-	1	Qualified	-	3	12	6	1H,1M	1H,5M, 3L	Memo relates to 2019/20.	

Audit Area	Level of Risk	Plan Days	Actual Days		No of Reports	Level of Assurance	Analysis of Recommendations				Recs Not Accepted	Recs Not Implmtd	Comments
			19-20	20-21			C	H	M	L			
Corporate Governance including:-													
• Embedding Corporate Governance	H	40	12	20	1	Qualified	-	-	-	-	-	-	Referred to individual schools
• Business Continuity Planning	H	20	-	3	1	Limited	1	2	1	-	-	5H,1M,1L	Memo relates to 2019/20.
• Corporate Health Check	H	20	-	-	-	-	-	-	-	-	-	-	-
• Information Governance Group and Support	H	20	-	24	-	-	-	-	-	-	-	-	-
• Services to Members	H	-	17	-	1	Qualified	-	12	11	5	-	2H,5M,2L	Memo relates to 2019/20.
Corporate Fraud Prevention	H	425	25	29	2	-	-	-	-	-	-	-	This includes work on <ul style="list-style-type: none"> <li>• NFI;</li> <li>• publication of NAFN alerts;</li> <li>• surveillance and data communications compliance;</li> <li>• liaison with External Audit;</li> <li>• Special Investigations;</li> <li>• Raising Fraud Awareness.</li> </ul>
Audit Contingency	-	200	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>		<b>1,060</b>	<b>61</b>	<b>178</b>	<b>8</b>		<b>1</b>	<b>17</b>	<b>24</b>	<b>11</b>	<b>2</b>	<b>25</b>	



**Commissioning, Communities and Policy**

It is intended to spend **705** days on the Audit of the Commissioning, Communities and Policy Department which will be allocated over the following areas:-

Audit Area	Level of Risk	Plan Days	Actual Days		No of Reports	Level of Assurance	Analysis of Recommendations				Recs Not Acceptd	Recs Not Implmtd	Comments
			19-20	20-21			C	H	M	L			
Departmental Review - Management & Administration	M	60	8	14	1	Qualified	-	6	12	8	1H,1M,1L	2H,5M,8L	Memo relates to 2019/20.
External Grants & Certifications	M/H	10	-	2	-	-	-	-	-	-	-	-	-
Information Security Reviews	M/H	45	-	12	2	1 Qualified 1 Other	-	3	2	-	-	-	New and enhanced IT systems which require approval by the Director of Finance & ICT. IT solution testing and head office visits to ensure systems incorporate core data protection principles, and do not compromise the Council's ISO27001 accreditation in accordance with the requirements of the protocol developed with the Director of Finance & ICT.
Themed and Operational													
• Implementation of ICT Strategy	M/H	25	-	-	-	-	-	-	-	-	-	-	-
• Communications and Call Derbyshire	M/H	25	-	-	-	-	-	-	-	-	-	-	-
• Democratic Services	M	25	-	-	-	-	-	-	-	-	-	-	-
• Public Library Service	M/L	5	-	-	-	-	-	-	-	-	-	-	-
• Community Safety	M/H	-	13	-	1	Qualified	-	1	9	1	1M	4M,1L	Memo relates to 2019/20.
<b>Divisional Activity</b>													
Corporate Finance													
Major Systems	H	285	28	80	5	3 Substantial 2 Qualified	-	6	25	25	4M,2L	5H,7M,2L	Due to the nature of these key reviews they are routinely work in progress at the year end. Work on Human Resources, Accounts Payable, Procurement, Funds Management and Treasury Management reported in year. Memos relates to 2019/20.
Probity and Compliance	M/H	95	62	-	2	Qualified	-	3	12	6	3M,3L	1H,2M	HM Revenue & Customs Compliance and Pensions Administrations Reviews. Memos relate to 2019/20.

Audit Area	Level of Risk	Plan Days	Actual Days		No of Reports	Level of Assurance	Analysis of Recommendations				Recs Not Acceptd	Recs Not Implmtd	Comments
			19-20	20-21			C	H	M	L			
Corporate/Departmental ICT Services	M/H	90	22	23	-	-	-	-	-	-	-	-	Work includes assessments of new and existing IT systems together with specific reviews of the Business Continuity Planning, Systems Development Controls, BACS and Systems Interfaces.
County Property	M/H	20	-	-	-	-	-	-	-	-	-	-	-
Regulatory Registration Service	M/L	20	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>		<b>705</b>	<b>133</b>	<b>131</b>	<b>11</b>		<b>-</b>	<b>19</b>	<b>60</b>	<b>40</b>	<b>16</b>	<b>37</b>	

**Children's Services**

It is intended to spend **650** days on the Audit of the Children's Services Department which will be allocated over the following areas:-

Audit Area	Level of Risk	Plan Days	Actual Days		No of Reports	Level of Assurance	Analysis of Recommendations				Recs Not Accepted	Recs Not Implmtd	Comments
			19-20	20-21			C	H	M	L			
Departmental Review - Management & Administration	M	45	7	4	1	Qualified	-	7	11	9	1L	6H,6M,3L	Memo relates to 2019/20.
Information Security Reviews	M/H	35	1	2	1	Qualified	-	-	3	-	-	-	New and enhanced IT systems which require approval by the Director of Finance & ICT. IT solution testing and head office visits to ensure systems incorporate core data protection principles, and do not compromise the Council's ISO27001 accreditation in accordance with the requirements of the protocol developed with the Director of Finance & ICT. Memo relates to 2019/20.
Schools													
Nursery, Primary & Special	M/H	348	-	15	-	-	-	-	-	-	-	-	It should be noted that Audit opinions and recommendations made relating to schools and establishments are categorized in relation to the school or establishment and not the Council.
Secondary	M/H	56	-	-	-	-	-	-	-	-	-	-	-
Information Security Reviews	M/H	35	4	6	2	Qualified	-	-	-	-	-	-	New and enhanced IT systems which require approval by the Director of Finance & ICT. IT solution testing and head office visits to ensure systems incorporate core data protection principles, and do not compromise the Council's ISO27001 accreditation in accordance with the requirements of the protocol developed with the Director of Finance & ICT. 1 Memo relates to 2019/20.
Children's Homes	M/H	16	-	-	-	-	-	-	-	-	-	-	-
Derbyshire Outdoors	M/L	10	-	-	-	-	-	-	-	-	-	-	-
Themed & Operational													
• Use of Personal Budgets and Children with SEND	H	25	-	20	-	-	-	-	-	-	-	-	-
• Adult Community Education	M/H	25	-	32	-	-	-	-	-	-	-	-	-

Audit Area	Level of Risk	Plan Days	Actual Days		No of Reports	Level of Assurance	Analysis of Recommendations				Recs Not Accepted	Recs Not Implmtd	Comments
			19-20	20-21			C	H	M	L			
• Derbyshire Music Partnership	M/L	25	-	-	-	-	-	-	-	-	-	-	-
• Troubled Families Programme	M/L	30	-	16	3	Other	-	-	-	-	-	-	Grant Claims
• Starting Point	H	-	2	-	1	Qualified	-	8	6	2	1L	3H,1M,2L	Memo relates to 2019/20.
<b>TOTAL</b>		<b>650</b>	<b>14</b>	<b>95</b>	<b>8</b>		<b>-</b>	<b>15</b>	<b>20</b>	<b>11</b>	<b>2</b>	<b>21</b>	

**Adult Social Care and Health**

It is intended to spend 299 days on the Audit of the Adult Social Care and Health Department which will be allocated over the following areas:-

Audit Area	Level of Risk	Plan Days	Actual Days		No of Reports	Level of Assurance	Analysis of Recommendations				Recs Not Accepted	Recs Not Implmtd	Comments	
			19-20	20-21			C	H	M	L				
Departmental Review - Management & Administration	M	45	-	4	1	Qualified	-	7	7	9	-	5H,4M,3L	Memo relates to 2019/20.	
Public Health	M/H	25	-	-	-	-	-	-	-	-	-	-	-	
Information Security Reviews	M/H	70	1	7	2	Limited	-	5	1	-	-	-	New and enhanced IT systems which require approval by the Director of Finance & ICT. IT solution testing and head office visits to ensure systems incorporate core data protection principles, and do not compromise the Council's ISO27001 accreditation in accordance with the requirements of the protocol developed with the Director of Finance & ICT. Memos relates to 2019/20.	
Social Care														
Elderly Residential	M/H	24	-	-	-	-	-	-	-	-	-	-	-	It should be noted that Audit opinions and recommendations made relating to establishments are categorized in relation to the establishment and not the Council.
Physical/Mental Disability	M/H	24	-	-	-	-	-	-	-	-	-	-	-	
Day Care & Hostels	M/H	20	-	-	-	-	-	-	-	-	-	-	-	
Community Care Centres	M/H	16	-	-	-	-	-	-	-	-	-	-	-	
Themed & Operational														
• Review of Quality Assurance Framework	H	25	-	2	-	-	-	-	-	-	-	-	-	-
• Direct Payments	H	25	-	4	-	-	-	-	-	-	-	-	-	-
• Delayed Transfers of Care and Data Accuracy	M/H	25	-	19	-	-	-	-	-	-	-	-	-	-
• Deputyship	M/H	-	17	-	1	Qualified	-	4	7	4	-	4H,1M	Memo relates to 2019/20.	
• Private Residential Care	M/H	-	6	-	-	-	-	-	-	-	-	-	Relates to 2019/20 Audit Plan.	

Key to Level of Risk: H – High, M – Medium, L – Low

Key to Recommendations: C – Critical, H – High, M – Medium, L - Low 8

Audit Area	Level of Risk	Plan Days	Actual Days		No of Reports	Level of Assurance	Analysis of Recommendations				Recs Not Acceptd	Recs Not Implmtd	Comments
			19-20	20-21			C	H	M	L			
• Emergency Response and Service Continuity	M	-	-	2	-	-	-	-	-	-	-	-	Follow-Up Review – Not in original Audit Plan.
<b>TOTAL</b>		<b>299</b>	<b>24</b>	<b>38</b>	<b>4</b>		<b>-</b>	<b>16</b>	<b>15</b>	<b>13</b>	<b>-</b>	<b>17</b>	

**Economy, Transport and Environment**

It is intended to spend **170** days on the Audit of the Economy, Transport & Communities Department which will be allocated over the following areas:-

Audit Area	Level of Risk	Plan Days	Actual Days		No of Reports	Level of Assurance	Analysis of Recommendations				Recs Not Accepted	Recs Not Implmtd	Comments
			19-20	20-21			C	H	M	L			
Departmental Review - Management & Administration	M	45	29	3	1	Qualified	-	5	13	9	1M,1L	4H,6M,1L	Memo relates to 2019/20.
Information Security Reviews	M/H	15	2	10	2	Qualified	-	-	6	-	-	-	New and enhanced IT systems which require approval by the Director of Finance & ICT. IT solution testing and head office visits to ensure systems incorporate core data protection principles, and do not compromise the Council's ISO27001 accreditation in accordance with the requirements of the protocol developed with the Director of Finance & ICT. 1 Memo relates to 2019/20.
• Public Transport and Procurement of Taxis (including Vetting of Contractors)	M/H	25	-	-	-	-	-	-	-	-	-	-	-
• Waste Management	M/H	25	-	-	-	-	-	-	-	-	-	-	-
• Inspection and Control of Highways Assets	M/H	25	4	-	-	-	-	-	-	-	-	-	-
• Concessionary Fares	M/H	20	-	-	-	-	-	-	-	-	-	-	-
• Grants	M/H	15	-	12	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>		<b>170</b>	<b>35</b>	<b>25</b>	<b>3</b>		<b>-</b>	<b>5</b>	<b>19</b>	<b>9</b>	<b>2</b>	<b>11</b>	

**Additional Unplanned Work (As reported to Audit Committee on 27 May 2020) – (See analysis on page 14)**

Audit Area	Level of Risk	Plan Days	Actual Days		No of Reports	Level of Assurance	Analysis of Recommendations				Recs Not Acceptd	Recs Not Implmtd	Comments
			19-20	20-21			C	H	M	L			
Audit Management Support	M/H	-	-	53	-	-	-	-	-	-	-	-	-
Departmental Audit Support	M/H	-	-	18	-	-	-	-	-	-	-	-	-
Individual Unplanned Projects relating to the Council's Activities:-													
<ul style="list-style-type: none"> <li>• Duplicate Payments (VfM)</li> </ul>	M	-	-	20	1	Substantial	-	-	-	-	-	-	539,000 Council invoices analysed. No duplicates identified based on criteria including supplier, amount and date of invoice. 174,000 school invoices analysed. Potential duplicate payments identified of <b>£16,943.59</b> .
<ul style="list-style-type: none"> <li>• Photocopier Charges (VfM)</li> </ul>	M	-	-	11	-	-	-	-	-	-	-	-	Review of photocopier charges in accordance with the Council's current contract provisions.
<ul style="list-style-type: none"> <li>• Software Licencing (VfM)</li> </ul>	M	-	-	-	-	-	-	-	-	-	-	-	Assess current licencing arrangements across Departments to evaluate costs and use of licenses.
<ul style="list-style-type: none"> <li>• Gas and Electricity Charges (VfM)</li> </ul>	M	-	-	2	-	-	-	-	-	-	-	-	Verify the Council's energy usage is registered with the correct supplier and billed in accordance with contract rates.
<ul style="list-style-type: none"> <li>• Agency Staff Charges (VfM)</li> </ul>	M/H	-	-	-	-	-	-	-	-	-	-	-	Review the level and usage of agency staff. Assess governance arrangements in place with individual suppliers.
<ul style="list-style-type: none"> <li>• Directorship Review (Gov)</li> </ul>	H	-	-	54	-	-	-	-	-	-	-	-	Utilising the publically available Companies House data match the information against staff declarations of personal interests.
<ul style="list-style-type: none"> <li>• Network Access Procedure (IS)</li> </ul>	M/H	-	-	8	-	-	-	-	-	-	-	-	Review of staff network access against periods of leave to identify potential instances of user account compromise.
<ul style="list-style-type: none"> <li>• CCTV Expenditure (VfM)</li> </ul>	M/L	-	-	3	-	-	-	-	-	-	-	-	Following the review of the Council's Surveillance Camera procedures (2019/20), assess CCTV charges across the Council.



Audit Area	Level of Risk	Plan Days	Actual Days		No of Reports	Level of Assurance	Analysis of Recommendations				Recs Not Accepted	Recs Not Implmtd	Comments
			19-20	20-21			C	H	M	L			
• Recruitment & Selection Costs (VfM)	M	-	-	-	-	-	-	-	-	-	-	-	Assess the level of costs in accordance with the Council's approved Recruitment and Selection procedures.
• Hospitality Costs (VfM)	M	-	-	13	-	-	-	-	-	-	-	-	Assess the level of costs in accordance with the Council's procedures.
• Memberships & Subscriptions (VfM)	M/L	-	-	14	-	-	-	-	-	-	-	-	Review the nature and extent of costs relating to external memberships and subscriptions to professional bodies and other organisations etc.
• Core Finance System Access (IS)	M/H	-	-	-	-	-	-	-	-	-	-	-	Review of staff access to core finance system (SAP) against periods of leave to identify potential instances of user account compromise.
• Mosaic System Access (IS)	M/H	-	-	5	-	-	-	-	-	-	-	-	Review of staff access (Mosaic) against periods of leave to identify potential instances of user account compromise.
• Provisions for Suppliers and Contractors (Gov)	M/H	-	-	15	-	-	-	-	-	-	-	-	Review of payments to suppliers and contractors to ensure continuity of income and maintain further services.
• DfE Digital Devices for Disadvantaged Groups (Gov)	H	-	-	4	-	-	-	-	-	-	-	-	Assist Children's Services colleagues to implement robust controls for the management of the Department for Education (DfE) IT devices project.
• Covid 19 Returns & Executive Director Decisions (Gov)	H	-	-	28	-	-	-	-	-	-	-	-	Review of returns to MCHLG in respect of additional expenditure incurred by the Council due to Covid-19 and lost sales/income.
• Suppliers Registered with the ICO (IS)	M	-	-	7	-	-	-	-	-	-	-	-	Compare the publically available register of organisations from the Information Commissioner's Office (ICO) against the Council's Accounts Payable records to assess whether organisations that have been paid by the Authority are registered with the ICO where appropriate.
Unplanned projects relating to schools. Activities include the following reviews:-	M/H	-	-	133	-	-	-	-	-	-	-	-	The scope of the school reviews was similar to the work undertaken above in relation to activities and transactions processed by the Council.

Audit Area	Level of Risk	Plan Days	Actual Days		No of Reports	Level of Assurance	Analysis of Recommendations				Recs Not Acceptd	Recs Not Implmtd	Comments	
			19-20	20-21			C	H	M	L				
<ul style="list-style-type: none"> <li>• Agency Staff Charges (VfM)</li> <li>• CCTV Expenditure (VfM)</li> <li>• Directorship Review (Gov)</li> <li>• Gas and Electricity Charges (VfM)</li> <li>• Hospitality Costs (VfM)</li> <li>• Photocopier Charges (VfM)</li> <li>• Recruitment &amp; Selection Costs (VfM)</li> <li>• Software Licencing (VfM)</li> <li>• Memberships &amp; Subscriptions (VfM)</li> </ul>														
<b>TOTAL</b>	-	-	-	<b>388</b>	<b>1</b>									
<b>Key : (VfM) – Value for Money focused Audit review (Gov) – Governance focused Audit review (IS) – Information Security/ Data Protection focused Audit review.</b>														

	Audit Management Support	Departmental Support	Listed Individually Above
VR001 Duplicate Payments Review (Memorandum)			✓
VR002 Photocopier Charges Review (Memorandum)			✓
VR003 Auditor Inbox Review	✓		
VR004 Software Licence Review (Memorandum)			✓
VR006 Restructure of S Drive	✓		
VR007 Restructure of T Drive	✓		
VR008 Gas and Electricity Review (Memorandum)			✓
VR009 Agency Staff Review (Memorandum)			✓
VR010 School Tests		✓	
VR011 Establishment Tests		✓	
VR012 Director Checks (Memorandum)			✓
VR013 External Site Visit Tests	✓		
VR014 Network Access to Absence (Memorandum)			✓
VR015 CCTV Expenditure (Memorandum)			✓
VR016 Recruitment and Selection (Memorandum)			✓
VR017 Hospitality (Memorandum)			✓
VR018 Subs & Memberships (Memorandum)			✓
VR019 Schools Review of Payments (Memorandum)			✓
VR020 Non Audit Plan General Management	✓		
VR021 SAP Access to Absence (Memorandum)			✓
VR022 Non-Productive Time Coronavirus	✓		
VR023 Non Audit Plan Adult Care		✓	
VR024 Non Audit Plan CCP		✓	
VR025 Non Audit Plan Children's Services		✓	
VR026 Non Audit Plan ETE		✓	
VR027 Non Audit Plan Corporate Activities		✓	
VR028 Mosaic User Access (Memorandum)			✓
VR029 Provisions for Suppliers and Contractors			✓
VR030 DfE Digital Devices for Disadvantaged Groups			✓
VR031 Covid 19 Returns & Executive Director Decisions (Memorandum)			✓
VR032 DCC Suppliers - Registered with ICO (Memorandum)			✓

Memorandum – Indicates that Audit work is expected to lead to the production of Audit Memoranda.

### Audit Recommendations

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

Level	Category	Definition
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 weaknesses 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.

### Audit Opinions

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

Level of Assurance	Explanation and significance
	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.