Agenda Item No.5(a)

DERBYSHIRE COUNTY COUNCIL

AUDIT COMMITTEE MEETING

8 December 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 Services Plan for 2020-21 as at 30 November 2020.

2. Information & Analysis

At the meeting of this Committee held on 27 May 2020 Members approved the Audit Services 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).

At the last meeting of the Audit Committee on 24 November 2020 Members received a detailed report providing an update on progress against the Audit Services Plan for the seven months to 31 October 2020. That report also set out those factors which may impact on Audit work due to the pandemic, and the impact of vacancies and sickness on Audit Services' resources.

Members are aware that the delivery of Audit work is routinely monitored on a weekly basis by Senior Audit Management and 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.

The current situation is unparalleled and although the country is emerging from a second lockdown it remains unclear when the Council's services will return to normal. I have undertaken a detailed review of the Audit Services Plan, including the status of individual projects identified, and forecast potential, available resources to 31 March 2021 which is attached at Appendix 1.

It should be noted that it is possible that some projects scheduled to be completed in the remainder of the financial year may not be able to progress, due to the impact of coronavirus or other operational factors which are unknown at this time. However, I consider that it is prudent to inform the Audit Committee of the status of the approved Plan, work completed, projects to be scheduled

during the remainder of the financial year and those which Audit will be unable to undertake due to the impact of coronavirus in order that Members are aware of this situation.

Members will recall that at the last meeting of the Audit Committee the detailed progress report identified work undertaken on projects not included in the original Audit Services Plan totalling 449 days as at 31 October 2020. This covers a wide range of activity and will contribute to the assurance which can be drawn on the Council's system of governance, risk management and control.

Further detailed reports showing progress against the Audit Services Plan will be brought to future meetings of the Audit Committee in order that Members are aware of how Audit resources have been deployed.

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 Services Plan.

Carl Hardman
Assistant Director of Finance (Audit)

Audit Services - Progress Against the Audit Plan 2020-21 – November 2020

Name	Planned Days	Current Status	Audit Prepped	Audit Started	In Review	Audit Complete	Memo Issued	Comments
Corporate Activities	1,060							
Corporate Projects	335							
VP018 East Midlands Broadband (emPSN)	5							
VP037 Workforce Development/ Succession Planning	30							Agreed project based approach with the Director of Organisation Development & Policy.
VP044 D2N2 LEP (Growth Hub Funding Grant)								
VP044 D2N2 LEP (Main Audit)	50							
VP047 Supply Chain Failure	20							Work will be included in Departmental Audit reviews in addition to the central review.
VP053 Cyber Security Review	30							Cyber Security Group established.
VP055 Corporate Culture	30							Not able to progress due to the Covid-19 pandemic.
VP056 Health & Safety	20							Not able to progress due to the Covid-19 pandemic.
VP058 Serious & Organised Crime	10							Preliminary data washing has been undertaken. This initiative is to be further developed.
VP062 Data Protection Compliance	20							
VP064 New Delivery & Commissioning Models/Partnership Working	30							Some Audit work has been completed.
VP066 Maintenance of Council Properties	30							
VP067 Climate Change	30							Work to be scheduled later in 2020-21.
VP068 Major Incident Response	30							Work to be scheduled later in 2020-21.
VP069 Fraud Awareness	50							Audit not included in original Audit Plan.
Corporate Governance	100							
CO002 Business Continuity Planning	20							Not able to progress due to the Covid-19 pandemic.
CR001 Embedding Corporate Governance	40							Supporting the Audit Committee and the work of the Governance Group.
CR001 Embedding Corporate Governance	5							Audit not included in original Audit Plan. Work undertaken in respect of declarations of interest.
CR006 Corporate Health Check	20							Unlikely to progress due to resource constraints.
CR007 Information Governance Group & Support	20							Supporting the work of the IGG.

Name	Planned Days	Current Status	Audit Prepped	Audit Started	In Review	Audit Complete	Memo Issued	Comments
CR007 Security Incidents Review	5							Audit not included in original Audit Plan.
Corporate Fraud Prevention	425							
CZ100 External Audit Liaison	5							
CZ200 National Fraud Initiative	20							Data submitted by required deadline. Further work required.
CZ300 National Anti-Fraud Network	10							Information disseminated to Members and Senior Management.
CZ400 RIPA Management & Admin	5							External Inspection of Council's procedures. Policy to be reviewed and training to be provided to appropriate staff.
ZZ000 Internal Audit-Special Investigations General	385							Time allocation to undertake special investigations.
Audit Planning Contingency	200							
XX000 Audit Planning Contingency	200							
Commissioning, Communities and Policy Department	705							
Departmental Review - Management & Administration (CCP)	115							
CA100 Commissioning, Communities and Policy Departmental Review	40							Work to be scheduled later in 2020-21.
CA101 Commissioning, Communities and Policy - General Support	20							
CA102 External Grants and Certifications	10							
CA104 Information Security and Follow Up Reviews	45							
DK840 Property Services - Accounting System (CCP)	5							Part of CA104 allocation.
DK917 County Pension System (CCP)	5							Part of CA104 allocation
Operational Reviews	80							
CO006 Public Library Service	5							Not able to progress due to the Covid-19 pandemic.
CO007 Democratic Services	25							Work to be scheduled later in 2020-21.
CO008 Communications and Call Derbyshire	25							Not able to progress due to the Covid-19 pandemic.
CO009 Implementation of ICT Strategy	25							Work to be scheduled later in 2020-21.

Name	Planned Days	Current Status	Audit Prepped	Audit Started	In Review	Audit Complete	Memo Issued	Comments
Regulatory	20							
QE100 Registration Service Audit Review	20							Not able to progress due to the Covid-19 pandemic.
Divisional Activity - Corporate/Departmental IT Systems	90							
DK100 Systems Development Controls (CCP)	20							
DK500 Network Infrastructure Review (CCP)	15							
DK823 Server Infrastructure Review (CCP)	20							Work to be scheduled later in 2020-21.
DK888 Bacs Payment System Review (CCP)	15							Work to be scheduled later in 2020-21.
DK923 Corporate Database Review (CCP)	20							
DK125 - Core System Interfaces (Corporate)	5							Audit not included in original Audit Plan.
Divisional Activity - Core Financial Systems (CCP)	285							
MA100 Core Financial Systems - General Queries	5							
MB100 Human Resources Management	40							Work to be scheduled later in 2020-21.
MC100 Accounts Payable	40							
MD100 Corporate Purchasing	40							Work to be scheduled later in 2020-21.
ME100 Accounts Receivable	35							
MG100 Accountancy, Budgetary Control and Financial Resilience	45							
MK100 Asset Management System	30							
ML100 Funds Management	50							Work to be scheduled later in 2020-21.
Divisional Activity - Probity and Compliance (CCP)	95							
DC200 HM Revenue & Customs Compliance	20							
DE101 Cash Audit & ISO 27001 Visits	20							Not able to progress due to the Covid-19 pandemic.
DE400 Pensions Administration	25							
DE500 Insurance & Risk Management	30							Work to be scheduled later in 2020-21.

Name	Planned Days	Current Status	Audit Prepped	Audit Started	In Review	Audit Complete	Memo Issued	Comments
Divisional Activity - County Property Division (CCP)	20							
DV100 Property Services Review	20							
Children's Services Department	650							
Departmental Review - Management & Administration (CS)	115							
AA001 Children's Services - Departmental Review	40							
AA002 Children's Services Department - General Support	5							
AA004 Information Security and Follow Up Reviews	70							
DK188 School Library System - Libresoft (SCH)	5							Part of AA004 allocation.
DK190 Mathletics School IT System (SCH)	5							Part of AA004 allocation.
Operational Reviews (CS)	105							
AO013 Troubled Families Programme	30							
AO015 Adult Community Education	25							
AO020 Derbyshire Music Partnership	25							Not able to progress due to the Covid-19 pandemic.
AO026 Use of Personal Budgets for Children with SEND	25							
AO021 Review of Commissioning & Partnership Working	5							Audit not included in original Audit Plan.
AO022 Impact of Children in Care	5							Audit not included in original Audit Plan.
Primary, Nursery & Special Schools	348							Currently 12 virtual Audits arranged from a planned total of 75 reviews.
Secondary Schools	56							No Audits scheduled from a planned total of 8 reviews.
AM001 Derbyshire Outdoors Lea Green	10							Not able to progress due to the Covid-19 pandemic.

Name	Planned Days	Current Status	Audit Prepped	Audit Started	In Review	Audit Complete	Memo Issued	Comments
Children's Homes (CS)	16							Not able to progress due to the Covid-19 pandemic.
Adult Social Care and Health Department	299							
Departmental Review - Management & Administration (AC)	140							
BA001 Adult Social Care and Health Departmental Review	40							
BA002 Adult Social Care and Health Department - General Support	5							
BA004 Information Security and Follow Up Reviews	70							
BD001 Public Health Review	25							Unlikely to be completed due to Covid-19 Pandemic.
Operational Reviews (AC)	75							
BO022 Direct Payments	25							
BO026 Review of Quality Assurance Framework	25							
BO027 Delayed Transfers of Care and Data Accuracy	25							
BO002 Domiciliary Care	5							Audit not included in original Audit Plan.
BO018 Emergency Response and Service Continuity	5							Audit not included in original Audit Plan.
Social Care - Residential	24							Not able to progress due to the Covid-19 Pandemic.
Social Care - Day Care - Physical/Mental Disability	24							Not able to progress due to the Covid-19 Pandemic.
Social Care - Day Care & Hostels	20							Not able to progress due to the Covid-19 Pandemic.
Social Care - Comm Care Centres (Learning Dis)	16							Not able to progress due to the Covid-19 Pandemic.
Economy, Transport and Environment Department	170							
Departmental Review - Management & Administration (ETE)	60							

Name	Planned Days	Current Status	Audit Prepped	Audit Started	In Review	Audit Complete	Memo Issued	Comments
HA100 Economy, Transport and Environment - Department Review	40							Work to be scheduled later in 2020-21.
HA101 Economy, Transport and Environment - General Support	5							
HA103 Information Security and Follow Up Reviews	15							
DK185 Waste Management Accounting System (ETE)	5							Part of HA103 allocation.
Operational Reviews (ETE)	110							
HO001 Review of Waste Management	25							Work to be scheduled later in 2020-21.
HO006 Concessionary Fares	20							Not able to progress due to the Covid-19 Pandemic.
HO021 Public Transport & Taxi Contracts	25							Not able to progress due to the Covid-19 Pandemic.
HO029 ETE Grants	15							
HO030 Inspection and Control of Highway Assets	25							Work to be scheduled later in 2020-21.
HO024 Regeneration	5							Audit not included in original Audit Plan.
HO026 Local Transport Capital Funding Grant	5							Audit not included in original Audit Plan.

Key – Current Status

Status	Description
	Audit unlikely to be completed in 2020-21
	Audit scheduled and work due to be completed
	Audit completed

Figures in blue identify planned days not included in original Audit Plan