

## North East Derbyshire District Council

Summary of Internal Audit Recommendations made and implemented 2018/19 – 2021/22 to date

<b>Recommendations Made</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
Number of High Priority	5	1	0	0
Number of Medium Priority	47	30	21	11
Number of Low priority	82	43	33	18
<b>Total</b>	<b>134</b>	<b>74</b>	<b>54</b>	<b>29</b>
<b>Recommendations Implemented</b>	<b>133</b>	<b>54</b>	<b>38</b>	<b>6</b>
High Recommendations Outstanding	0	0	0	0
Medium Recommendations Outstanding	0	8	3	0
Low Recommendations Outstanding	1	12	1	0
Not overdue yet	0	0	12	23
Overdue Recommendations	1	20	4	0
<b>Percentage due implemented</b>	<b>99%</b>	<b>73%</b>	<b>90%</b>	<b>100%</b>

## North East Derbyshire

**2018/19**

Report Ref	Audit	Directorate	Conclusion	Recommendations			Total	Not Overdue	Overdue	Implemented
				High	Medium	Low				
N024	Premises & Personal Licences	Place	Reasonable			7	7		1 L	6
<b>Total</b>						7	7		1	6

**2019/20**

Report Ref	Audit	Directorate	Conclusion	Recommendations			Total	Not Overdue	Overdue	Implemented
				High	Medium	Low				
N003	Business Continuity & Emergency Planning	Place	Substantial		1	4	5		1M	4
N010	Gifts and Hospitality	People	Reasonable		2	7	9		7 (1M 6L)	2
N014	Commercial and Industrial Property Rents	Place	Substantial	1	3	1	5		2 (1M 1L)	3
N019	Members IT Equipment	People	Reasonable		3		3		3M	
N020	Coney Green & Midway Business Centres	Place	Reasonable		2	4	6		6 (2M 4L)	
N023	Transport	Place	Reasonable		8	1	9		1L	8
<b>Total</b>				1	19	17	37		20	17

## 2020/21

Report Ref	Audit	Directorate	Conclusion	Recommendations			Total	Not Overdue	Overdue	Implemented
				High	Medium	Low				
N001	Data Protection	Corporate Resources	Substantial			3	3	2		1
N015	Laptops and Removable Media	Corporate Resources	Reasonable		2	4	6	6		
N016	Mobile Phones & Communications	Corporate Resources	Reasonable		1	3	4	1	2 (1M 1L)	1
N017	Social Media	Corporate Resources	Reasonable		4	2	6	1		5
N018	Network Security and Policies	Corporate Resources	Reasonable		2	1	3	2	1M	
N019	Planning Processes and Appeals	Corporate Resources	Reasonable		3		3		1M	2
<b>Total</b>				<b>0</b>	<b>12</b>	<b>13</b>	<b>25</b>	<b>12</b>	<b>4</b>	<b>9</b>

## 2021/22

Report Ref	Audit	Directorate	Conclusion	Recommendations			Total	Not Overdue	Overdue	Implemented
				High	Medium	Low				
N001	Health and Safety	Operations	Substantial							2 Disagreed
N002	Payroll	Operations	Substantial		1	3	4	2		2
N003	Leisure Operations	Transformation	Substantial		2		2			2
N004	Creditors	Operations	Substantial				0			0
N005	Corporate Targets	Operations	Substantial			1	1	1		
N006	Safeguarding	Operations	Reasonable		2	5	7	7		
N007	Sundry Debtors	Operations	Reasonable		2	2	4	4		

N008	Homelessness	Growth	Reasonable		1	3	4	2	2
N009	Disaster Recovery	Transformation	Substantial			3	3	3	
N010	Section 106 Agreements	Operations	Reasonable		3	1	4	4	
<b>Total</b>				<b>0</b>	<b>11</b>	<b>18</b>	<b>29</b>	<b>23</b>	<b>6</b>

## NEDDC Outstanding Recommendations

Audit and date audit completed	Recommendation Outstanding	Priority and Original Target Date	Managers Comment
Premises & Personal Licences – March 2019	To be compliant with legislation, ensure registers of licences are available and published as soon as possible	Low December 2019	Further IT development work was completed and the registers were briefly published online. However, errors were reported which had the potential to cause a data breach. As a result, they were taken offline pending further investigation by the system supplier. Additional consultancy days have been purchased from the supplier and we are programming the work with them. We hope to have this completed by the end of the financial year.
Business Continuity and Emergency Planning – July 2019	To inform the next review of the Strategic Alliance Corporate Business Continuity Plan, service area Business Continuity Plans are created / revisited (including key contacts) with the support of the Senior	Medium April 2020	Oct 2019 BC Exercise (scenario of fuel disruption as a consequence of EU Exit). Outcome of which, Heads of Service reviewed their own business continuity arrangements and updates were made to the Priority functions spreadsheet to include

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	Emergency Planning Officer.		<p>whether services required fleet/own vehicle use.</p> <p>Mar 2020 V3.1 interim amendment of the Business Continuity Plan and the Priority Functions Spreadsheet were issued.</p> <p>Aug 2021 The universal contact list was updated to include all the recent structural changes.</p> <p>Nov 2021 A further interim update of the Business Continuity Plan to be issued (this is currently being updated)</p> <p>Oct/Nov 2021 Further Business Continuity Planning work is underway (in relation to Cyber Security). SAMT have had a presentation on a case study from Redcar and Cleveland Council who suffered a severe ransomware attack in 2020, and have been sharing the impacts and lessons across the country. I am in the process of having meetings with the Assistant Directors to discuss BC arrangements and updating the plans and priority functions accordingly – aim to be in a position to have updated versions</p>

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			issued by end of Dec 21.
Gifts and Hospitality – October 2019	Consideration be made to adding an indication on the declaration form if the donor has any existing/potential contracts or partnership links to the authority to ensure transparency.	Low February 2020  Revised to: 31st January 22 for an intermediate solution	<p>Unfortunately Phase 2 of Mod.Gov has had to be delayed as a result of the combination of Covid-19 and lack of staff resources. Covid-19 meant that all Governance attention and resources was on setting up a new system for virtual meetings, training Members and Officers on the system and running the virtual member meetings which are resource intensive. In fact the setting up and training were done twice as we switched between systems part way through 2020. Since returning to in person meetings there have been further substantial workloads with resource implications as the larger meetings have not been in the Chamber but in external premises.</p> <p>Still agreed. As we have no date for Mod.Gov Phase 2, consideration will be given to introducing an online form as an intermediate solution.</p>
Gifts and Hospitality – October 2019	Consideration be given to publishing the Gifts & Hospitality register on the NEDDC website	Low February 2020	This can be done easily when Mod.Gov Phase 2 is introduced. In the meantime there is a report to Standards Committee

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	as part of the transparency agenda.		which is in open and is on the website.
Gifts and Hospitality – October 2019	Consideration be given to adopting a NEDDC gifts & hospitality form/guidance or adopting the BDC documents.	Medium February 2020	Will be implemented as part of R1
Gifts and Hospitality – October 2019	Development of the “Do it online gifts & hospitality declaration and declaration of interests forms” be undertaken by Officers and Members with authorisation as appropriate.	Low February 2020	This is part of the gifts and hospitality work as part of Phase 2 of Mod.Gov. This cannot be done until we are in a position to carry out Phase 2 of Mod.Gov.
Gifts and Hospitality – October 2019	Sponsorship and advertising is considered for inclusion on the annual declaration.	Low February 2020	Legal Services will keep a centralised register
Gifts and Hospitality – October 2019	Chair’s charity processes are examined to ensure that appropriate separation of duties controls are in place, registers held and best practice on acceptance or rejection of donations issues are considered.	Low February 2020 New deadline March 22	There are controls in place with Finance on budgets and the recharges which are necessary. However the arrangements do need reviewing. Again it is something which is dependent on the restructure – and civic appointments, events etc. slowing down. And also simply having the resource to deal with it.

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Gifts and Hospitality – October 2019	A standardised officer declaration of interests form is considered as a library document to ensure consistency of recorded data.	Low February 2020	As part of R1 we will also introduce this in advance of Phase 2 Mod.Gov.
Industrial and Commercial Property Rents – November 2019	To ensure the Council optimises rental income, rent reviews as part of the lease renewal process should be undertaken promptly; the process of which should be embedded within the overarching operational day to day revised procedures. <b>Restated.</b>	Low April 2020 Extension request March 22	Unfortunately the situation has remained similar until October 2021 at which point the Estates team began to establish the numbers of outstanding rent reviews and lease renewals and external surveyors are being appointed as at November 2021 to deal with a sample of these. Subsequent reviews will then be undertaken by internal staff once a rent level has been established the independent external resource. Date given is for completion of the external reviews.
Industrial and Commercial Property Rents – November 2019	Complex arrears cases should be closely monitored and evidence of discussions with all parties retained. In particular, decisions relating to account D000166 (Holmes) should be made to prevent the level of debt outstanding from increasing and becoming uncollectible.	Medium April 2020 Extension request 31 March 22	No debt collection or monitoring has been undertaken since the start of the pandemic. Finance are sending reports to Estates who are now having to start again with looking at this issue and re-establish the context of any debt outstanding. New historic debt reports have been requested from Finance to make the process simpler for Estates. An additional temporary head (within budget) has been added to the Estates team to increase focus in this area.



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Members IT Equipment – February 2020	Due to the financial risk associated with unreturned Council owned I.T. equipment and to conform to the Members ICT Charter, responsibilities for retrieving all I.T. equipment from departing Members needs to be clarified and a procedure defined e.g. escalation to senior management/Leader and/or apply charges	Medium December 2020	
Members IT Equipment – February 2020	When equipment is issued or returned, liaison with I.T. and Accountancy is required to ensure all relevant paperwork is completed e.g. device transfer forms AND all records are updated e.g. EE, Support Works and spreadsheets	Medium December 2020	
Members IT Equipment – February 2020	Members should be formally reminded to submit their equipment for a regular health check in accordance with the Members ICT Charter. Where equipment is not received on an annual basis, management should liaise with the Leaders at both Councils for following up with individual Members.	Medium December 2020	Reminders are being sent but many members have not responded. Most if not all Members are therefore working on ipads that haven't been serviced/updated for well over a year possibly 2 years.

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Coney Green and Midway Business Centres – March 2020	To review the process of monitoring EPC's due for renewal through the Asset Management Group to ensure those nearing expiry are actioned promptly to enable full compliance to Energy Efficiency (Private Rented Sector) (England and Wales) Regulations 2015 (Referred to as MEES) by 2023.	Low March 2021  Revised target date requested 31st January 2022	Midway - EPC not required if unit has no heating.  Coney main building – <b>EPC EXPIRED March 2019</b> . Instructing renewal as at November 2021 in compliance with MEES regulations.  Industrial units are exempt if there is no heating.  An issue identified is that if a tenant installs heating the unit will be inadvertently captured by MEES. This is an issue where unit inspections are not being undertaken which is the current situation.
Coney Green and Midway Business Centres – March 2020	The lease renewal process should commence at the earliest opportunity ensuring appropriate property inspections have taken place and that a signed lease is held effective for the renewal date. Where existing tenants are allocated an additional unit, the tenant should not be granted access until the lease (or licence of temporary occupation) has been agreed and signed.	Medium August 2020  Requested extension date 31 March 2022	Undertaking a complete audit of all investment properties with regard to their renewal date and reminders will be input into Uniform. Outstanding lease renewals and rent reviews are being instructed in November 2021. Tenants of new units or where expanding into additional units are not permitted to occupy before completion of the lease.

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Coney Green and Midway Business Centres – March 2020	Subject to the internal appointment of a RICS qualified surveyor, checks of the rental valuation should be evident on all tenants' files.	Low December 2020 Requested extension date Feb 22	An external qualified surveyor is in the process of being appointed and they will set out all required information with comparables in their reports and recommendations which will be held on file. Subsequent negotiations undertaken by internal staff will be based on the same comparables and also held on file.
Coney Green and Midway Business Centres – March 2020	For transparency, the rationale for not charging a rent deposit should be recorded.	Low March 2020 Requested extension 31 <sup>st</sup> March 2022	Agree to report the reason on the tenant checklist and also to record the note on Uniform. Estates need to investigate how many rent deposits are held and reconcile on Uniform. A standard approach / policy on rent deposit amounts is also required.
Coney Green and Midway Business Centres – March 2020	To safeguard the Council against potential losses and to ensure lease requirements are being met, the process introduced to confirm that incoming tenants hold an appropriate level of insurance cover and a valid Fire Risk Assessment (compliance with the Regulatory Reform (Fire Safety) Order 2005) should be extended to record all requests made. Checks of insurance should be made on an annual	Medium December 2020 Extension request 31 <sup>st</sup> March 2022	These have not been completed for a period of time which also includes other compliance requirements by tenants. Estates require additional resource to carry this out but will commence in November 2021 with all staff contributing wherever possible. A process will be created to compile all Tenant obligations with annual letters being sent out and documents collected. This still represents a significant risk for the Council.

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	basis thereafter and efforts to collect related documents should prioritise tenancies assessed as of higher risk.		
Coney Green and Midway Business Centres – March 2020	To review, update and increase the web-presence of Coney Green and Midway to promote Business Centre facilities and services available. A review of charges for the virtual office / mailing address service should run concurrently.	Low December 2020 Extension request to 31 <sup>st</sup> March 22	The website is clearly outdated in terms of both how letting details are shown / referenced / linked and also the ability to look at meeting room layouts is non – existent. Estates will need to start again with looking at this information. Date given is for all changes to be made and operational.
Transport – April 2020	To comply with the Goods Vehicles (Licensing of Operators) Act 1995 and to fulfil the requirements of the Traffic Commissioner, a second named contact who works closely with the Transport section, should be allocated to the Operator 'O' Licence.	Low December 2020	The Streetscene and Waste Service Managers have undertaken OCR (CPC) transport manager training. The examination was taken on the 10 <sup>th</sup> December 2021, the results are awaited to confirm the achievement of the qualification and to facilitate inclusion on the Council's fleet operator licence.
Mobile phones & Communications – March 21	Device database records are compared to billing breakdowns to ensure accuracy and investigate discrepancies.	Medium 30 June 21	In progress. The Service Desk spreadsheet for NEDDC was reconciled against EE Mobile Manager on 16 <sup>th</sup> June 2021. Accuracy of cost codes cannot be verified by the Joint ICT Service Desk. These checks will need to be repeated at the point we a)

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			implement our Mobile Device Management solution, and b) when we renew our mobile telephone contract next year.
Mobile phones & Communications – March 21	Where SIM/IMEI numbers are not recorded these details should be sought if possible.	Low 30 June 21	Not yet complete. These checks will need to be repeated at the point we a) implement our Mobile Device Management solution, and b) when we renew our mobile telephone contract next year.
Network Security and Policies – June 2021	All policies are reviewed and appropriately version controlled with the relevant versions added and updated on the Joint ICT Intranet site and DDDC SIDD.	Medium 30 <sup>th</sup> October 2021	
Planning Processes and Appeals – July 2021	To safeguard the Council against potential losses, reputational and financial, Planning must complete their operational risk registers in accordance with corporate requirements.	Medium 30 <sup>th</sup> September 2021	