

Bolsover, Chesterfield and North East Derbyshire District Councils'

Internal Audit Consortium

Internal Audit Report

Authority:	North East Derbyshire District Council
Subject:	Corporate Complaints Report Reference: N002
Date of Issue:	25th July 2025
Assurance Level	Substantial
Report Distribution:	Rachael Pope (Customer Service Manager), Lee Pepper (Assistant Director – Communities), Jayne Dethick (Director Finance & Resources / S151), Lee Hickin (Managing Director).



Introduction

In accordance with the 2025/26 annual audit plan a review of the processes and controls in respect of Corporate Complaints has been undertaken.

This audit has covered the policies /procedures and effectiveness of complaints handling and monitoring as per the Local Government & Social Care Ombudsman (LGSCO) requirements.

NEDDC have received 244 complaints YTD, of which:

- 217 were dealt with within the Standard timelines,
- 18 were outside of Standard timelines and,
- 9 are ongoing cases, currently within the Standard timelines.

Examination of sampled complaints received found that processes were complied with and where anomalies were found, valid rationales were noted.

Internal audit work and reporting has been carried out in line with the requirements of the Global Internal Audit Standards.

Executive Summary

Assurance Opinion	
Substantial	There is a sound system of controls in place, designed to achieve the system objectives. Controls are being consistently applied and risks well managed.

For a full list of Assurance definitions linked to risk see Appendix 1.

For definitions of High, Medium and Low risk recommendations see Appendix 2.

For definitions of Root Cause Analysis see Appendix 3.

For the Management Action Plan see Appendix 4.

Key Findings
1 low-risk recommendation was made regarding policy review, remaining controls were operating satisfactorily.

Scope, Objectives and Risks

Key objectives and risks were identified with management during the scoping of the audit and by review of the strategic and relevant operational risk register. The processes and controls in place have been assessed to provide assurance that risks are being managed effectively. If risks are not well managed then the achievement of services objective/s may be threatened.

The risks considered are:

- Poor service not being identified, and improvements not made,
- Lack of resolution and / or feedback creates loss of trust by customers,
- Poor reputation and bad publicity,
- Matters not resolved leading to potential legal action, claims / associated financial implications.

The scope and objectives of the audit were to ensure that:

- There is an overarching policy which outlines corporate expectations,
- Documented procedures / flow charts are reviewed, which set out how complaints received should be dealt with,
- Procedures are easily accessible and communicated to customers,
- Policies and procedures are aligned to the Ombudsman requirements and definitions of complaints,
- The system of recording complaints received is reviewed,
- Complaints received are examined, to confirm they have been dealt with within agreed timescales and procedures,
- There is a system of escalation, and process of 'lessons learned',
- Any complaints to the Ombudsman were reviewed,
- Reporting formats are accurate.

The help and assistance of the Customer Services Manager and Customer Services Co-Ordinator was much appreciated during the review.

Findings and Recommendations

Previous Recommendations have been implemented

- 1 The former audit of this area was undertaken 15+ years ago, therefore any resulting recommendations are out of date and not applicable.

Policies and Procedures

- 2 A published, in-date, overarching policy is in place which aligns to the Ombudsman requirements and definitions of complaints and outlines corporate expectations and procedures for dealing with complaints. NEDDC operate a 3-Stage complaints process: Informal Frontline Resolution, Formal Investigation and Internal Review. The Compliments, Comments and Complaints (CCC) Policy is due to be reviewed later in the 2025-26 financial year.
- 3 The complaints policy and procedure are published on the NEDDC website, to assist complainants with the process and to ensure they are clear about what happens at each stage of a complaint submitted.
- 4 NEDDC's Formal Investigation response timeline (15-working days) does not currently align with the LGSCO Complaint Handling Code timeline (10-working days.) Policy review during 2025/26 will provide the opportunity to consider aligning these timelines.

Recommendation	
R1	To ensure that policy review is undertaken promptly, and recommendations are made to harmonise NEDDC's Formal Investigation response timeline with the Ombudsman Complaint Handling Code of 10-working days. Risk: Low
Root Cause	Standards & Policies: the extent to which expected standards have been made clear to staff and the necessary policies are in place to support these standards.

Ways to Complain

- 5 There are various ways that customers can make complaints to NEDDC, including by phone / text message, email, in writing, using the 'Let Us Know' leaflet, sending feedback online using the CCC form, or by telling any member of NEDDC staff.

Self-Assessment

- 6 As per the requirements of the Ombudsman Code, NEDDC undertakes an annual self-assessment to ensure compliance to the Code. The 2024-25 Self-Assessment has

been published on NEDDC's website, as per the Code requirements, with 2025-26 data due by 30th September 2025.

- 7 A review of the published Self-Assessment has highlighted no areas of concern, NEDDC are fully compliant to the provisions as set out in the Ombudsman's Complaint Handling Code.

Training

- 8 Complaints are dealt with by a centralised complaints team within Customer Services, who liaise directly with the departments concerned.
- 9 There are processes in place to ensure that officers are trained in how to deliver outcomes appropriately, and demonstrate that NEDDC ensures a consistent approach is taken by Officers:
 - LGSCO mandatory training in Effective Complaint Handling (biannual occurrence),
 - Appropriate CCC Policy and accompanying Procedure is in place and is accessible to all Officers,
 - Standard letter / response templates and forms are utilised,
 - Complaints key information, links, contacts and FAQs are displayed via the intranet 'Brilliant at the Basics' section.
- 10 Since the procurement of the LMS Learning Platform in April 2024, it has been noted that Complaints training is unable to be incorporated into the Platform, however, is completed on a request basis by departments, and the Customer Services Complaints team are able to assist with any individual / specific department queries.

Sampling

- 11 A sample of 30 complaints (20 Formal Investigations and their counterpart Internal Reviews / Ombudsman complaints, where applicable) were sampled for the period July 2024 – July 2025. The sample included 1 habitual / vexatious complainant, who has been confirmed vexatious in line with CCC Policy.
- 12 All controls were found to be operating well, with one exception where an acknowledgement letter could not originally be located within the complainant's folder. This was since located by the department and the Auditor has advised the team to retain the document within the appropriate folder.
- 13 26 complaints were dealt with within standard timelines, 4 complaints were dealt with out of standard timelines.
- 14 For the complaints upheld by NEDDC (2) appropriate apologies and actions to put things right were clearly communicated to the complainant and retained as evidence. In instances where complaints were not upheld (26) valid explanations were given

alongside information on how complainants can progress their complaint if they remain unsatisfied with the response/s given. The remaining complaints sampled (2) were either cancelled due to being a premature Ombudsman complaint or was a matter for another organisation to respond to, i.e. DCC.

Monitoring / Patterns / Reporting

15 There is a clear path of internal communication, via quarterly reporting to SMT, internal monthly departmental meetings and reporting to Standards and Scrutiny Committee, which reports emerging issues and complaints of a similar nature, etc.

16 NEDDC has the following targets in respect of complaints, to meet the requirements of the CCC Policy and Ombudsman's Complaint Handling Code:

- 100% of Formal Complaints responded to within 15-working days
- 100% of Internal Review responded to within 20-working days

17 Quarter 4 2024/25 Performance data was interrogated and was confirmed as accurate to source complaints monitoring data, with overall performance rates as follows:

- 95% Formal Complaints response rate
- 100% Internal Review response rate

Ombudsman

18 There have been 7 complaints escalated to the Ombudsman for the 2024-25 financial year. Details and outcomes of these complaints are reported annually by the Ombudsman and the report is interrogated at Standards Committee, most recently on 2nd July 2025.

19 Although this instance falls outside the scope of the timeline sampled, a complaint from December 2023 demonstrates an example of the Ombudsman forcing policy change and NEDDC seeking continuous improvement. This complaint outcome required NEDDC to make several rectifications, including reviewing the Adaptations Policy, and amending the adaptations refusal letter to include how to apply for a Disabled Facilities Grant.

Customer Suggestions / Compliments

20 There are opportunities for customers to put forward suggestions and compliments, alongside participation in the Residents Survey & results via 'You Said We Did,' and Complaint Satisfaction form completion, with responses analysed and followed up as appropriate.

Appendix 1

Assurance Level	Internal Audit Definition	Risk Register Link
Substantial Assurance	There is a sound system of controls in place, designed to achieve the system objectives. Controls are being consistently applied and risks well managed.	Minor / negligible impact
Reasonable Assurance	The majority of controls are in place and operating effectively, although some control improvements are required. The system should achieve its objectives. Risks are generally well managed.	Minor / moderate
Limited Assurance	Certain important controls are either not in place or not operating effectively. There is a risk that the system may not achieve its objectives. Some key risks were not well managed.	Moderate / Severe Impact
Inadequate Assurance	There are fundamental control weaknesses, leaving the system/service open to material errors or abuse and exposes the Council to significant risk. There is little assurance of achieving the desired objectives.	Catastrophic Impact

Appendix 2

Indicative Definitions of High Medium and Low Recommendations

Risk	Definition
High	<p>Risks that can have a catastrophic / severe impact on the operation of the Council or service - Must take action to mitigate or terminate if not possible to do so: -</p> <ul style="list-style-type: none"> • Death, extensive injury, major permanent harm • Unable to function without government or other agency intervention • Significant impact on service objectives • Inability to fulfil obligations • Short to medium term impairment to service capability • Adverse national publicity, highly damaging, loss of public confidence • Major adverse local publicity • High risk of fraud being able to occur e.g., key internal controls are not operating or are missing • Direct link to a strategic risk occurring • A serious breach of legislation/ legal requirements leading to substantial financial penalties or severe breach of data protection (report to ICO) • Substantial loss or damage to Council assets/or information
Medium	<p>Risks which have a noticeable impact on the service provided, will cause a degree of disruption to service provision / impinge on the budget - Check current controls and consider if others are required: -</p> <ul style="list-style-type: none"> • Medical treatment required, semi-permanent harm up to 1 year • Short term disruption to service capability • Significant financial loss • Some adverse publicity, needs careful public relations • Isolated personal details compromised • Risk of fraud being able to occur • Direct link to identified operational risks occurring • A serious breach of organisational policies and procedures • A breach of legislation / legal requirements leading to a moderate financial impact • Loss or damage to Council assets, information • Previously agreed medium internal audit recommendations remain outstanding
Low	<p>Risks where the impact and any associated losses will be minor</p> <ul style="list-style-type: none"> • First Aid treatment, non- permanent harm up to 1 month, no obvious harm or injury • Minor / negligible impact on service objectives • Financial loss that can be accommodated at service level / minimal • Some public embarrassment, no damage to reputation, unlikely to cause any adverse publicity / internal only • Minimal risk of fraud • No direct link to operational or strategic risks • A minor breach of organisations policies and procedures • A minor breach of Legislation / legal requirements • Low risk of loss or damage to Council assets

Root Cause Analysis Categories

Resources

Definition: the extent to which the service has sufficient, capable resources, enabling it to carry out all aspects of its operational duties efficiently and effectively.

Examples: functions that had been carried out by a now non-existent post have fallen through the gaps; services have only enough resources to carry out key aspects of operational delivery, meaning some lower priority tasks are not executed.

Competencies & Training

Definition: the extent to which staff are appropriately qualified, trained or experienced to carry out their role.

Examples: lack of training; inappropriate training; ineffective training plans; poor recruitment; poor training material

Systems

Definition: the extent to which systems are fit-for-purpose and support the service to carry out its operations effectively.

Examples: system processes are not available or are not effective, resulting in discrepancies or workarounds to get the required outcome, system processes are circumvented or duplicated manually. Processes are carried out manually where systems processes would be more efficient.

Motivation & Incentives

Definition: the extent to which factors such as organisational or personnel change have impacted on staff desire to carry out their role efficiently and effectively.

Examples: staff are feeling demotivated by a recent restructuring and removal of some posts, and do not feel that they should be taking on new responsibilities.

Standards & Policies

Definition: the extent to which expected standards have been made clear to staff and the necessary policies are in place to support these standards.

Examples: there is no policy/procedure in place; policies/procedures are out of date; policies/procedures have not been reviewed within appropriate timescales; policies etc. are difficult to locate/access; links in policies either do not work or are out of date.

Governance

Definition: the extent to which the service is governed by a clear structure that sets out the roles and responsibilities of officers, and the service is supported by appropriate risk management and control systems.

Examples: lack of assigned responsibility and accountability; failure to act / ignorance; intentional misleading by management to protect themselves; underqualified / trained Board members.

Process & Procedures

Definition: the extent to which established processes are operating effectively and are supported by defined procedures.

Examples: failure to follow set procedures (take care re materiality/proportionality); lack of separation of duties; controls being bypassed.

Accountability

Definition: the extent to which roles and responsibilities for decision-making have been defined and are accepted and acted on by all parties.

Examples: unclear expectations; avoiding responsibility; lack of management oversight; poor communication.

Assurance & Monitoring

Definition: the extent to which internal and/or external checking controls exist to monitor the effectiveness of, and provide assurance to, the service.

Examples: unclear responsibility; not identifying and/or taking action on recurring problems; checking the wrong things; under-sampling.

Human Error

Definition: relating to people and their actions, error caused by stress, fatigue, carelessness, communication breakdown.


Examples: Spreadsheet formulas are wrong, figures transposed / typed in wrong, data taken from or entered in the wrong fields.

Management Action Plan

Report Title:	Corporate Complaints	Report Date: 25th July 2025
		Response Due By Date: 15th August 2025

	Findings and Risk identified	Recommendations	Risk (High, Medium, Low)	Agreed	To be Implemented By:		Comments
					Officer	Date	
R1	The Ombudsman Complaint Handling Code became legally binding in April 2024 & NEDDC’s CCC Policy does not currently align with the 10-working day timeline. Work is underway to review policy this year (mid-year review of policy and associated benchmarking performed, to move to 10-working days for Formal Investigation responses.)	To ensure that policy review is undertaken promptly, and recommendations are made to harmonise NEDDC’s Formal Investigation response timeline with the Ombudsman Complaint Handling Code of 10-working days.	Low	√	RP	31/03/2026	A review of the CCC Policy and Procedure will be undertaken by the end of this financial year with a view that we would reduce formal complaint response times from 15 working days to 10 working days subject to the agreement of SMT and Members.

Please tick the appropriate response (✓) and give comments for all recommendations not agreed.

Signed Head of Service:		Date:	20/08/2025
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Note: In respect of any High Risk recommendations please forward evidence of their implementation to the Internal Audit team as soon as possible.