

Summary of Internal Audit Recommendations Made, Implemented and Outstanding

	Recommendations made		
	2018/19	2019/20	2020/21
High	7	9	1
Medium	67	35	24
Low	102	96	31
Total	176	140	56

Audit	Date Audit Undertaken	Recommendations outstanding June 21		
		High	Medium	Low
Money Laundering	March 2018			1
Sickness Absence Management	March 2019			1
Housing Repairs	June 2019		1	
Museum	September 2019			1
Property Safety Inspections	October 2019		3	1
Gifts & Hospitality	January 2020	1		
Treasury Management	January 2020			1
Payroll	February 2020			4
Recruitment & Selection	May 2020		2	
Housing Repairs Capital Programme	April 2020		1	
Procurement	May 2020	1	1	
Community Safety	June 2020			2
VAT	September 20			1
Committee Processes	October 20			1
Total		2	8	13

Audit Recs 17/18	Recommendations	Priority	Agreed Implement ation Date	Managers Comments
Money Laundering – March 18	An internal risk assessment should be conducted to assess the level of exposure to the Authority, as required within the AML Regulations	L	March 2019 Extended to September 2021	Training for essential staff took place in Feb 2020 delayed as professional training difficult to source. Risk assessment in progress but delayed due to Covid pressures. Target date for completion September 2021.

Audit Recs 18/19	Recommendations	Priority	Agreed Imp Date	Managers Comments
Sickness Absence Management – March 19	Consideration should be given to reporting sickness absences to department managers to ensure that the reports being produced are relevant and practical.	L	July 2019 Extended to July 2021	Following the implementation of the leave management module on Resourcelink a new process is being developed to ensure management receive the reports they need. These should be in place by July 2021.
Housing Repairs – June 19	It is essential that a regular costing exercise is completed to ensure that the responsive repairs jobs are profitable for OSD, Consideration should be given to implementing this as part of the inspection process.	M	September 2019 Affected by COVID 19	Identified to be part of the Post Inspection checks. On a value over £1000.00. delayed due to Covid-19 and the Senior Technical Officer – Performance dealing with other work streams. Will commence again once workload has decreased and it can be focused upon.

Audit Recs 18/19	Recommendations	Priority	Agreed Imp Date	Managers Comments

Audit Recs 19/20	Recommendations	Priority	Agreed Imp Date	Managers Comments
Museum & Revolution House Income Audit – September 19	It is recommended that a lock is provided for the donations box as soon as practical.	L	End November 2019	<p>Not completed, museum has been closed. We've been looking into getting contactless donation boxes but have run up against issues with regard to information security but still hope to progress this moving forward.</p> <p>Now that the Museum is open we will look at the lock on the cash donation box again with a view to replacing it but, as stated previously, it isn't as simple as it appears.</p>
Property Inspections – October 19	As agreed in the previous audit it would be prudent to create a solid fuel service and electrical inspection service option on the keystone asset management system to enable it to be used for these services (similar to the gas servicing programme).	M	1st April 2020 Affected by COVID 19	<p>The Solid Fuel servicing of CBC appliances and tenants own at the time of the last service are recorded within the gas Servicing database (Keystone) to produce the 'next service date' the same as Gas servicing. This was put in place following the previous Audit. Discussions have already taken place with Asset Management to</p>

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				<p>produce a 5 year programme of Electrical Testing. Once agreed a database in Keystone can be created alongside the Gas/solid fuel database. ICT involvement / assistance will be required to create the new database. Discussions are taking place with regards to replacing/upgrading the current Keystone system. The 'new' system will look to incorporate the recommendations.</p> <p>A decision is required by Housing to agree whether CBC will accept Solid Fuel appliances in CBC owned properties. Consideration on the cost of servicing the additional appliances and the environmental impact/policy</p>
Property Inspections – October 19	An annual reconciliation of properties on the keystone system and properties on each service programme should be completed to ensure that all properties are recorded within the correct programmes	M	October 2019 Affected by COVID 19	A report for Gas Servicing was put in place October 2019 and produced on a weekly basis. The report is monitored and discussed weekly by the Gas team at OSD. The report shows properties which are working their way through the legal process where access has not been granted to date. The report will be enhanced to pick up Solid Fuel

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				<p>servicing.</p> <p>Currently Electrical Testing is not on Keystone and therefore not picked up until such time the data is available. Clarification is required of the 330 properties missing from Keystone to determine what these properties are and what appliance? . Discussions are taking place with regards to replacing/upgrading the current Keystone system. The 'new' system will look to incorporate the recommendations.</p> <p>Note that during the Covid-19 Pandemic the service dates of a number of properties have gone over the service date. Currently working through the list to bring back in line as quick we can.</p>
Property Inspections – October 19	<p>It is essential that a comprehensive record of electrical testing is created and that this is then used to create a programme of electrical testing ensuring that all council properties are fully compliant within the 5-year period.</p>	<p>M</p>	<p>April 2020</p> <p>Affected by COVID 19</p>	<p>This is on-going with a 'new' list provided for 2020/2021. The programme has been in progress as of July 2020. Delayed due to Covid-19 Pandemic and therefore the potential number of properties tested this year will be reduced. A programme has been produced by Asset Management and the programme delivered for OSD by an</p>

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				Electrical Sub-Contractor. Difficulties in gaining access increased due to the Covid-19 pandemic.
Property Inspections – October 19	It is essential that monitoring statistics are available for all type of service, if services are expanded with keystone as part of R1 monitoring reports should also be created.	L	April 2020 Affected by COVID 19	Once reports are available, we can see what monitoring statistics can be produced. It is unsure what report was run and what criteria was used to arrive at the 330 properties. Keystone does not hold the same number of properties as Northgate due to there not being each service currently recorded on the system. Discussions are taking place with regards to replacing/upgrading the current Keystone system. The 'new' system will look to incorporate the recommendations if not available currently.
Gifts, Hospitality and Personal Interests – January 20	A review of the current declaration process (gifts/hospitality and interests) is required with emphasis on the following controls being implemented: <ul style="list-style-type: none"> • Central record to be maintained (alleviating the need for six monthly renewal of declaration returns) • All employees are regularly made aware of their duty to disclose gifts/hospitality and personal interests • The awareness communications are clear 	H	December 20	The new system has not yet been progressed however support services are working hard to gather the return of all forms and disclosures.

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	<p>and easily understood</p> <ul style="list-style-type: none"> • Declaration forms are made available to all employees • Declarations are reviewed when received • Evidence of approval of gifts/hospitality by Manager's to be retained • A senior corporate manager is given responsibility for overseeing employee record collection and monitoring 			
Treasury Management – January 20	Consideration should be given to recording the brokers fees and gross investment income for investments and money markets funds within the councils FMS to ensure that the amount of fees being charged can be monitored	L	31st March 2020 Extended to 1st April 2021	Intended to implement from April 2020. Delayed due to requirement to work from home. Will implement when able to return to office currently anticipated in September 2021.
Recruitment and Selection – May 20	It is essential that the Recruitment & Selection policy is updated as soon as possible to ensure the correct policy documents/guidance is available and that the revised policy is reviewed at regular intervals.	M	End August 2020	Delayed due to COVID 19
Recruitment and Selection – May 20	As Recruitment & Selection Training is mandatory it is essential that HR ensure that all members involved in the Selection Process have had the required training.	M	End November 2020	This has been impacted on by Covid-19. Providing training via Microsoft teams is not ideal and has only been used for essential training. A programme of training will be developed for 21/22. Competency framework training has been delivered during April and May 21.

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Housing Repairs – Capital Programme – April 20	It must be ensured that appropriate contract documentation (including signed SLA's) are held for each contract/programme	M	June 2020	Agreements under review due to re-shape of service area.
Procurement – May 20	It is essential that a comprehensive procurement plan is created to ensure value for money and compliance to the procurement strategy across the council.	M	End September 20	Workplan being developed from new Contracts register and archived records June 2021.
Procurement – May 20	A review of the council's spend should be conducted to ensure that contracts are in place where needed, where contracts are not correctly in place these should be added to the procurement plan.	H	TBC	This has not been possible due to data extract challenges and associated Agresso upgrade. Additional work is required to extract data and the finance team do not currently have resource for programming needs. External support options are being considered as part of transformation action plan. Spend Analysis tender June 2021 – scheduled completion August 21. Action plan to address contracting opportunities and need.
Community Safety – June 20	It would be beneficial to request access (with appropriate training) to the Authorities main accounting system (Unit 4 Business World) for CSP staff to enable improved monitoring of income and expenditure, ensuring accounted for in correct years which would also assist in budget monitoring e.g. Kier invoice not paid promptly; no apparent invoice/contribution yet paid in respect of Homeless Shelter	L	October 20	Due to the Pandemic this is regarded as low priority and has not been implemented to date

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Community Safety – June 20	Consideration should be given to reconciling the annual spend return to the Police and Crime Commission with the Council’s main accounting system to ensure accuracy	L	October 20-	Due to the Pandemic this is regarded as low priority and has not been implemented to date
VAT – September 20	Consideration should be given to a review of the VAT Return Completion Procedural notes to confirm that they are adequate with updates occurring as and when necessary	L	March 21	Updating procedural notes in relation to the VAT return will be completed during 2021/22. We have been unable to update these procedural notes earlier as we have prioritised the submission of a backdated claim to HMRC in relation to sporting activities being treated as Non-Business for Local Authorities, this claim if successful would generate a non-recurring savings of £300k. In addition we have worked with our Tax Advisors and HMRC in relation to sharing the Partial Exemption liability of the Crematorium with Bolsover District Council and North East Derbyshire District Council, this will enable CBC to implement Cultural Exemption earlier than the current Budget Savings Plan generating recurring annual savings of approximately £100k. These savings will assist CBC in balancing the GF budget without cutting service provision.

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Committee Processes – October 20	Consideration should be given to reporting officer decisions to committees, this could be done on a regular basis or provided annually for member review	L	April 21 revised implementation date May 22	Not actioned yet, requires new processes to be put in place which will take time to develop. This has been delayed as a result of increased demands on staff time due to hybrid meeting scenario requiring additional support.