



central midlands audit partnership

South Derbyshire DC – Internal Audit Annual Report 2023-24

Audit Sub-Committee: 19th June 2024



South Derbyshire
District Council



Contents	Page
Introduction	3
Quality Assurance and Improvement Programme	5
Audit Opinion 2023-24	6
Audit Coverage	11
Performance Measures	16
QAIP – Improvement Plan	17

Our Vision

To bring about improvements in the control, governance and risk management arrangements of our Partners by providing cost effective, high quality internal audit services.

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Introduction

Why an Audit Opinion is required

The Public Sector Internal Audit Standards (PSIAS) states:

Public sector requirement

The chief audit executive must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.

The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

The annual report must also include a statement on conformance with the Public Sector Internal Audit Standards and the results of the quality assurance and improvement programme.

Extracted from Public Sector Internal Audit Standards Updated March 2017 - 2450 Overall Opinions

In this instance, the Chief Audit Executive is Adrian Manifold, Audit Manager.

With regard to overall opinions, CIPFA's Local Government Application Note for the United Kingdom Public Sector Internal Audit Standards 2019 Edition (issued February 2019) also states:

"The Public Sector Requirement in PSIAS 2450 requires that the Chief Audit Executive must provide an annual report to the board timed to support the annual governance statement. This must include:

- *an annual Internal audit opinion on the overall adequacy and effectiveness of the organisation's governance, risk and control framework – i.e. the control environment*
- *a summary of the audit work from which the opinion is derived (including reliance placed on work by other assurance providers)*
- *a statement on conformance with the PSIAS and the results of the Quality Assurance and Improvement Programme.*

In local government, the annual opinion should be guided by the CIPFA Framework Delivering Good Governance in Local Government.

The annual report should also include:

- *disclosure of any qualifications to that opinion, together with the reasons for the qualification*
- *disclosure of any impairments ('in fact or appearance') or restriction in scope*
- *a comparison of the work actually undertaken with the work that was planned and a summary of the performance of the Internal audit function against its performance measures and targets*
- *any issues the Chief Audit Executive judges particularly relevant to the preparation of the annual governance statement*
- *progress against any improvement plans resulting from QAIP external assessment.*

In the context of the PSIAS, 'opinion' means that Internal audit will have done sufficient, evidenced work to form a supportable conclusion about the activity that it has examined. Internal audit will word its opinion appropriately if it cannot give reasonable assurance (e.g. because of limitations to the scope of, or adverse findings arising from, its work)."

How an Audit Opinion is Formed

Internal Audit's risk-based plan must take into account the requirement to produce an annual internal audit opinion. Accordingly, the Audit Plan must incorporate sufficient work to enable the Audit

Manager to give an opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. Internal Audit must therefore have sufficient resources to deliver the Audit Plan.



Possible Overall Opinions

The Audit Manager's opinion relative to the organisation as a whole could fall into one of the following 3 categories:

- **Inadequate System of Governance, Risk, Internal Control** – Findings indicate significant weaknesses and the need for urgent remedial action. Where corrective action has not yet started, the current remedial action is not, at the time of the audit, sufficient or sufficiently progressing to address the severity of the control weaknesses identified.
- **Adequate System of Governance, Risk, Internal Control Subject to Reservations** – A number of findings, some of which are significant, have been raised. Where action is in progress to address these findings and other issues known to management, these actions will be at too early a stage to allow a satisfactory audit opinion to be given.
- **Satisfactory System of Governance, Risk, Internal Control** - Findings indicate that on the whole, arrangements are satisfactory, although some enhancements may have been recommended.

Quality Assurance and Improvement Programme

A quality assurance and improvement programme is designed to enable an evaluation of the Internal Audit activity's conformance with the Definition of Internal Auditing and the Standards and an evaluation of whether internal auditors apply the Code of Ethics. The programme also assesses the efficiency and effectiveness of the Internal Audit activity and identifies opportunities for improvement.

Public Sector Internal Audit Standards state:

Public sector requirement

The results of the quality and assurance programme and progress against any improvement plans must be reported in the annual report.

Extracted from Public Sector Internal Audit Standards Updated March 2017 - 1320 Reporting on the Quality Assurance and Improvement Programme

Public Sector Internal Audit Standard 1312 also requires that:

"External assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation."

Assessments are based on the following 3 ratings:

- **Generally Conforms** - means that an internal audit activity has a charter, policies, and processes that are judged to be in conformance with the Standards.
- **Partially Conforms** - means deficiencies in practice are noted that are judged to deviate from the Standards, but these deficiencies did not preclude the internal audit activity from performing its responsibilities in an acceptable manner.
- **Does Not Conform** - means deficiencies in practice are judged to be so significant as to seriously impair or preclude the internal audit activity from performing adequately in all or in significant areas of its responsibilities.

Our last external quality assessment (EQA) on our overall conformance with the Standards was undertaken in October 2022 and it was determined that we generally conformed with each standard. A report on the outcome of the EQA was presented to this Committee on 7th December 2022.

We have determined that CMAP **Generally Conforms** ' to the Standards. 'Generally Conforms' means the evaluator has concluded that the relevant structures, policies, and procedures of the activity, as well as the processes by which they are applied, comply with the requirements of the individual *Standard* or element of the Code of Ethics in all material respects. For the sections and major categories, this means that there is general conformance to a majority of the individual *Standards* or elements of the Code of Ethics, and at least partial conformance to the others, within the section/category. There may be significant opportunities for improvement, but these must not represent situations where the activity has not implemented the *Standards* or the Code of Ethics, has not applied them effectively, or has not achieved their stated objectives. As indicated above, general conformance does not require complete/perfect conformance, the ideal situation, successful practice, etc.

The CMAP Leadership team revise the QAIP on an annual basis, with regular reviews of the progress on actions throughout the year. The QAIP is a standing item on all CMAP team meeting agendas and on the CMAP Operational Group meeting agendas.

The QAIP for 2023/24 and the progress made during the year on securing the improvements is shown at the back of this report.

Audit Opinion 2023-24

Based on the work undertaken during the year, I have reached the overall opinion that there is a **Satisfactory System of Governance, Risk, Internal Control** - Findings indicate that on the whole, arrangements are satisfactory, although some enhancements may have been recommended.

In forming this opinion, I am satisfied that no conflicts of interest have occurred which would have any bearing on my independence or objectivity. Also, my organisational independence and objectivity has not been subject to any impairment in fact or appearance; nor has the scope of our work been restricted in any way.

I have arrived at this opinion having regard to the following:

- The level of coverage provided by Internal Audit was considered adequate.
- Work has been planned and performed so as to obtain sufficient information and explanation considered necessary in order to provide evidence to give reasonable assurance that the organisation's control environment is operating effectively.
- The changing risk environment within the Council has been taken into account during the 2023-24 financial year.
- Our insight gained from our interactions with Senior Management and the Audit Sub-Committee.
- Changes at a Senior Management level have inevitably resulted in changes to the organisation's Governance arrangements. Much of the proposed changes to the management structure and constitution are still in their early stages, therefore it would be premature to pass judgement on their effectiveness. But it is pleasing to note that Senior Management has openly engaged and consulted with Internal Audit on all significant changes that potentially affect the organisation's framework of governance, risk management and control.
- The Council's External Auditor had recently questioned whether the Council's current risk management structure delivered efficient and effective risk management, and whether it was clear what the most strategic risks were to the organisation. At the time of writing this report, the Section 151 Officer was concluding a review of the Council's Risk Management Framework, and this revised framework was due to be presented to the Finance and Management Committee for approval in 2024-25. We have a Risk Management audit scheduled in the 2024-25 Internal Audit Plan.
- In my 2021-22 Audit Opinion Report, brought the Council's Audit Sub-Committee on 22nd June 2022, I raised the following significant risk finding:

"The annual General Fund, Housing Revenue Account and Capital budgets were not formally received and approved by Full Council, as required by the Council's Constitution and to meet the requirements of the Local Government Act 2000".

This issue came to attention of the External Auditor as part of their review work undertaken during 2023-24. They concluded that there was no evidence that the full budgets were received by Council. As a result, in the External Auditor's interim Value for Money report, they have detailed that they expect to report on an exception basis that there is an identified significant weakness in the budget setting process for the 2022-23 and 2023-24 years and in years prior to that.

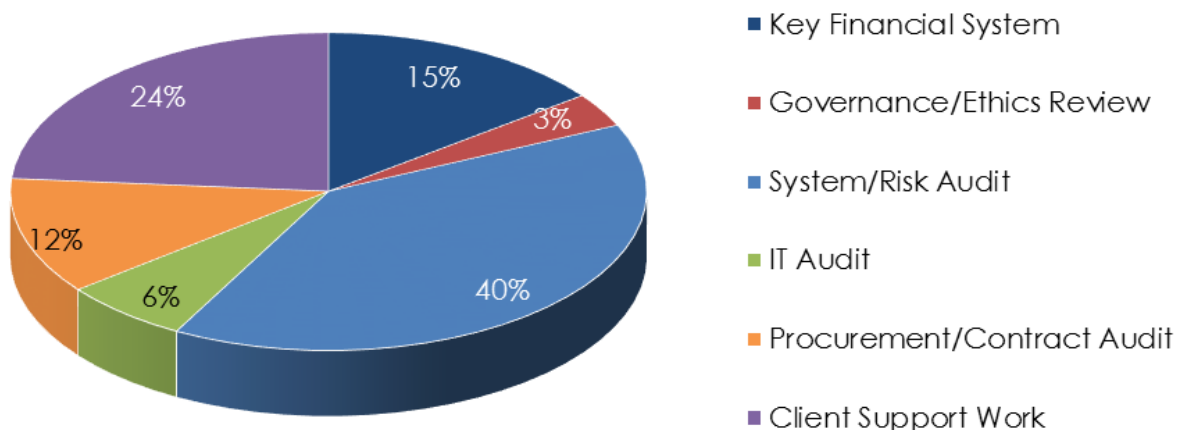
- The Council's self-assessment against the new Consumer Standards for Social Housing and the knowledge that a self-referral has been made to the Regulator for Social Housing, along with a request for a 12-month extension for the Housing Service to meet the new standards. Internal Audit has also been asked to undertake consultancy work to examine the governance arrangements that led to this scenario, but this is in its very early stages and has not arrived at any conclusions at this time.
- Being made aware that the Council may have employed agency staff from a supplier, outside of the Council's process (use of designated framework) and outside of contract (breach of

South Derbyshire DC – Internal Audit Annual Report 2023-24

CPRs) since 2018-19. The initial report has identified that this spend is material in value over this period and on an annual basis. Internal Audit is currently awaiting confirmation of the detailed spend with agencies before determining what further internal audit work will be undertaken in this area.

- o The only outstanding issue that has potentially adverse implications for the Authority's Annual Governance Statement related to a significant issue regarding the Procurement service. This matter is due to be addressed with the re-tender of the Procurement Service later this year, along with a review of the organisational requirements in respect of procurement support.
- o The 2023-24 Internal Audit Plan, approved by the Audit Sub-Committee, 8th March 2023, was informed by internal audit's own assessment of risk and materiality in addition to consultation with Senior Management to ensure it aligned to the organisation's key risks and objectives. Changes to this Audit Plan have been reported to the Audit Sub-Committee throughout the year.
- o The following tables summarise the 2023-24 Audit Plan assignments and their outcomes as well as those assignments from the 2022-23 Audit Plan which were still ongoing in 2023-24.

Audit Plan 2023-24 per Type of Audit



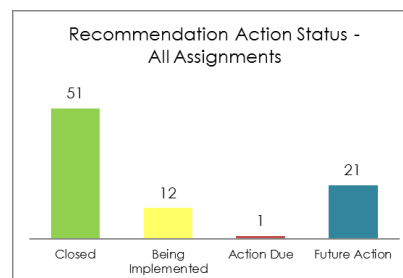
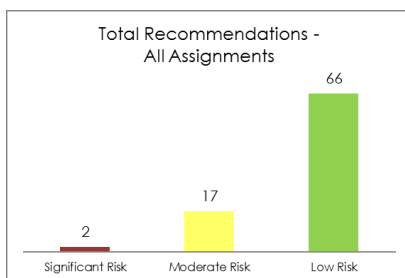
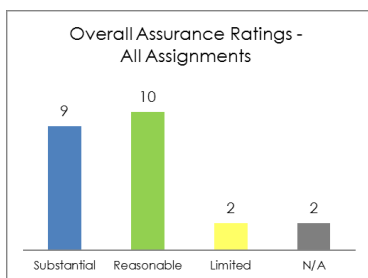
2023-24 Jobs	Status	% Complete	Assurance Rating
Leisure Centre Management - Tender 2023-24	Draft Report	95%	Reasonable*
Bank House-Sabines Yard Project	Final Report	100%	Limited
Grant Certification 2023-24	Final Report	100%	N/A
Revenue Systems 2023-24	Final Report	100%	Substantial
Housing Benefit & Council Tax Support 2023-24	Final Report	100%	Substantial
IT Key Controls 2023-24	Final Report	100%	Reasonable
Health & Safety 2023-24	In Progress	50%	
Debit/Credit Cards	In Progress	75%	
Trade Waste (Route Optimisation)	Draft Report	95%	Reasonable*
Planning & Building Control Fees 2023-24	Draft Report	95%	Substantial*
Section 106 Agreements 2023-24	Final Report	100%	Substantial
Climate Change 2023-24	In Progress	65%	
Community Safety Enforcement 2023-24	Final Report	100%	Substantial
Housing Repairs (2023-24)	Final Report	100%	Reasonable
Housing Safety Inspections 2023-24	In Progress	70%	
Improvement Grants 2023-24	In Progress	35%	
Rent Accounting 2023-24	Final Report	100%	Reasonable
Right To Buy - Follow-Up	Final Report	100%	Reasonable
Visitor Centre	Final Report	100%	Reasonable

* Provisional rating as assignment not yet finalised

South Derbyshire DC – Internal Audit Annual Report 2023-24

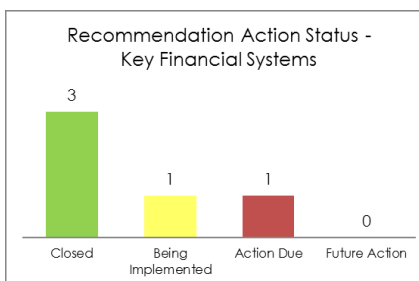
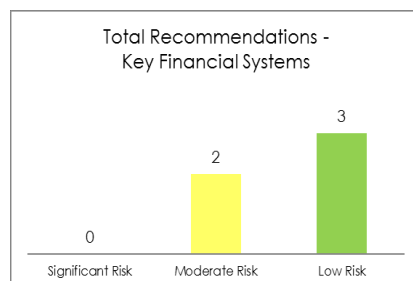
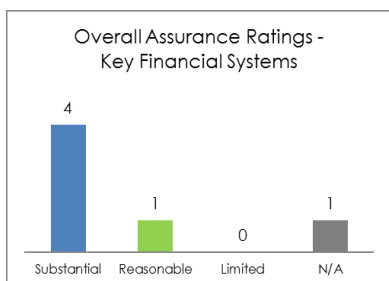
2022-23 Jobs B/fwd	Status	% Complete	Assurance Rating
Procurement 2022-23	Final Report	100%	Limited
Safeguarding 2022-23	Final Report	100%	Substantial
Capital Programme 2022-23	Final Report	100%	Substantial
Revenues Systems 2022-23	Final Report	100%	Substantial
Mobile Device Management	Final Report	100%	Reasonable
Data Quality & Performance Management 2022-23	Final Report	100%	Reasonable
Street Cleansing 2022-23	Final Report	100%	Substantial
Development Management 2022-23	Final Report	100%	Substantial
Parks & Open Spaces 2022-23	Final Report	100%	Reasonable
Sheltered Housing - Careline 2022-23	Final Report	100%	N/A
Land Charges 2022-23	Final Report	100%	Reasonable
Organisational Culture & Ethics 2022-23	Final Report	100%	Reasonable

- Of the 23 finalised assignments, 19 attracted either a 'Substantial' or 'Reasonable' assurance rating; 2 attracted a 'Limited' assurance rating and 2 assignments were given a 'N/A' assurance rating. From the completed assignments a total of 85 recommendations were made; 66 of these were considered to present a low risk; 17 were considered to present a moderate risk; 2 were significant risk recommendations and no critical risk recommendations were made.



- Of the 6 **Key Financial System** audits undertaken in 2023-24, all were completed and 5 attracted either a Substantial or Reasonable overall assurance rating, the Grant Certification assignment was a piece of consultation work which did not warrant an assurance rating. The finalised audit assignments identified 5 recommendations, 3 of which were classified as low risk and 2 were a moderate risk.

Both moderate risk recommendations came from the Rent Accounting audit and one has been implemented whilst the other has passed its original action date and management has yet to provide progress information or a revised action date.



- Of the 15 **System/Risk** audits undertaken in 2023-24, 10 were finalised; 4 attracted a Substantial assurance rating; 5 a Reasonable assurance rating and the Sheltered Housing assignment was a piece of consultancy work which did not attract an assurance rating. From the 10 audits finalised, a total of 39 recommendations were made; one represented a **significant risk**; 6 a moderate risk and 32 a low risk. The significant risk came from the Right To Buy Follow-up audit. We identified that:

- "The Council's Right To Buy procedures did not prompt adequate eligibility checks and there was insufficient consideration of the potential for Right To Buy fraud when dealing with applications."

Management accepted our finding and responded:

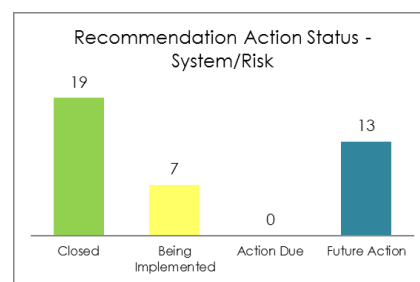
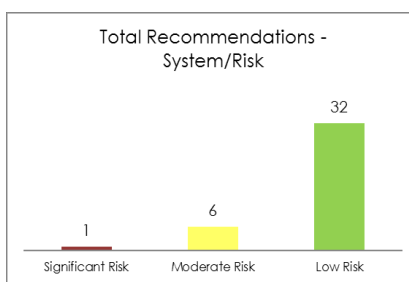
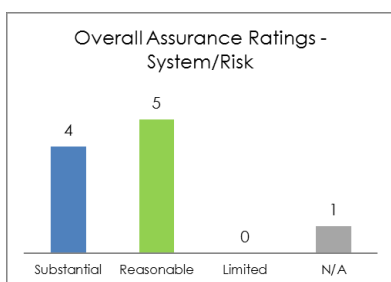
South Derbyshire DC – Internal Audit Annual Report 2023-24

- o "Recommence referrals of all Right To Buys to Corporate Fraud Team by 31/01/2024. Provide training to Housing staff to raise awareness of fraud by 31/03/2024."

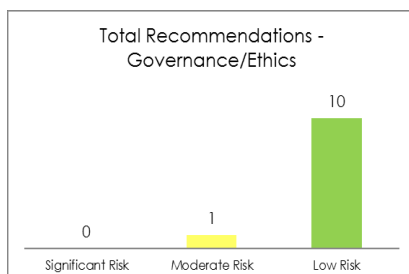
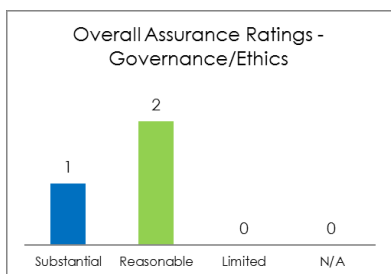
All actions have now been taken by management to address the weaknesses identified.

Six moderate risk recommendation were also made; 3 came from the Land Charges audit, all of which were accepted by management. Two have yet to reach their agreed action date and one has passed its original agreed action date and management has provided a revised action date in the future. Two other moderate risk recommendations came from the Parks & Open Spaces audit; both issues were accepted by management, and both have now been implemented. The remaining moderate risk recommendation came from the Visitor Centre audit, and it has an action date in the future. Of the remaining 32 low risk recommendations, 15 have been implemented, 1 was risk accepted, 10 have future action dates and 6 have passed their original action date.

Of the 5 remaining audits, the assignment relating to Trade Waste was extensively complete and was likely to attract an overall assurance rating of 'Reasonable'. The audit relating to Planning & Building Control Fees was also extensively complete and was likely to attract an overall assurance rating of 'Substantial'. The other 3 audits are currently insufficiently progressed to determine a provisional overall assurance rating.

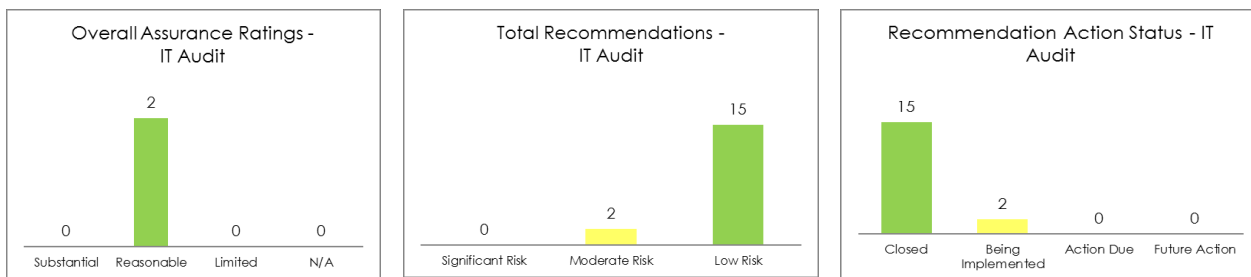


- o Of the 4 **Governance/Ethics** audits undertaken during 2023-24, 3 have been finalised and 2 attracted an overall assurance rating of 'Reasonable', and 1 a 'Substantial' assurance rating. The 3 completed audits produced 11 recommendations; 1 of which was considered to represent a moderate risk, the remaining 10 being a low risk. The moderate risk recommendation from the Organisational Culture & Ethics audit has now been implemented. Nine of the 10 low risk recommendations have now also been implemented. The remaining incomplete assignment on Health & Safety was insufficiently complete to determine an overall assurance rating.



- o Two **IT Audits** were undertaken and completed during 2023-24 and both attracted a 'Reasonable' assurance rating. The Mobile Device Management audit raised 8 recommendations; 1 was considered a moderate risk and the remaining 7 were considered to represent a low risk. All 8 recommendations have now been implemented. The IT Key Controls 2023-24 audit raised 9 recommendations; 1 was considered a moderate risk and the remaining 8 were considered to represent a low risk. The moderate risk recommendation has already been implemented and another 6 low risk recommendations have also been implemented. The 2 remaining low risk recommendations have passed their original agreed action dates, and management have provided update information and revised action dates for both.

South Derbyshire DC – Internal Audit Annual Report 2023-24



Of the 3 **Procurement/Contract** audits, 2 were finalised and both attracted overall assurance rating of 'Limited'; the other audit was extensively complete and was likely to attract an overall assurance rating of 'Reasonable'. The 2 finalised audits resulted in 13 recommendations, 1 of which was considered to present a **significant risk**. The significant risk recommendation came from the Procurement 2022-23 audit. We concluded that:

- o "It could not be demonstrated that the contract with the Procurement Service Provider provided an effective procurement function which sought genuine competition."

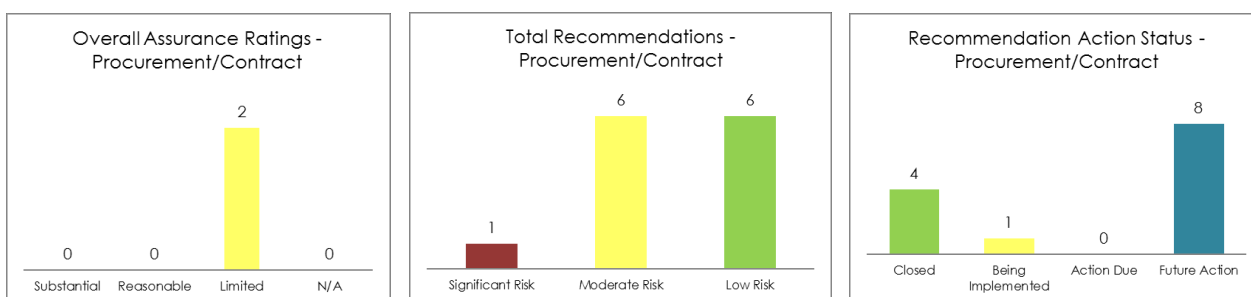
Management accepted our finding and responded:

- o "The current contractual arrangements ended on 31/03/2023 and a 12-month extension was agreed by the previous Strategic Director (Corporate Resources) to 31/03/2024. Alongside the need to undertake a competitive process to ensure the future procurement solution represents value for money, a review of the organisational requirements in respect of procurement support will be undertaken."

Management update on the progress with this recommendation:

- o "The implementation of this recommendation has been delayed due to some issues with the engagement of temporary resource which prevented the implementation of the procurement timetable. As a result, the current contract has been extended on a rolling basis to 30 September 2024. Re-procurement is now planned to commence in June, via a formal tender route."

Another 6 moderate risk recommendations were made; 2 of which have already been implemented and the remaining 4 have agreed action dates in the future. A further 6 low risk recommendations were made; 2 of which have already been implemented and the remaining 4 have agreed action dates in the future.



This opinion is provided with the following caveats:

- o The opinion does not imply that Internal Audit has reviewed all risks, controls and governance arrangements relating to the Council. The opinion is substantially derived from the conduct of risk-based audit work and as such, it is only one component that is taken into account when producing the Council's Annual Governance Statement.
- o No system of control can provide absolute assurance against material misstatement or loss, nor can Internal Audit give absolute assurance.
- o Full implementation of all agreed actions is essential if the benefits of the control improvements detailed in each individual audit report are to be realised.

Audit Coverage

Assurances Provided

The following table seeks to summarise the extent of audit coverage provided to South Derbyshire District Council during 2023-24 and the assurance ratings associated with each audit assignment.

Summary of Audit Plan 2023-24 Results (incl. Jobs B/Fwd)	Type of Review							Totals
	Key Financial System	System/ Risk	Governance / Ethics	IT Audit	Anti-Fraud	Consultancy	Procurement / Contract	
Not Yet Complete		5	1			1	1	8
Substantial	4	4	1					9
Reasonable	1	5	2	2				10
Limited							2	2
No								
N/A	1	1						2
	6	15	4	2		1	3	31

Assurance Ratings Explained

Substantial - A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

Reasonable - There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

Limited - Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.

No - Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

N/A – The type of work undertaken did not allow us to reach a conclusion on the adequacy of the overall level of internal control.

These assurance ratings are determined using our bespoke modelling technique which takes into account the number of control weaknesses identified in relation to those examined, weighted by the significance of the risks.

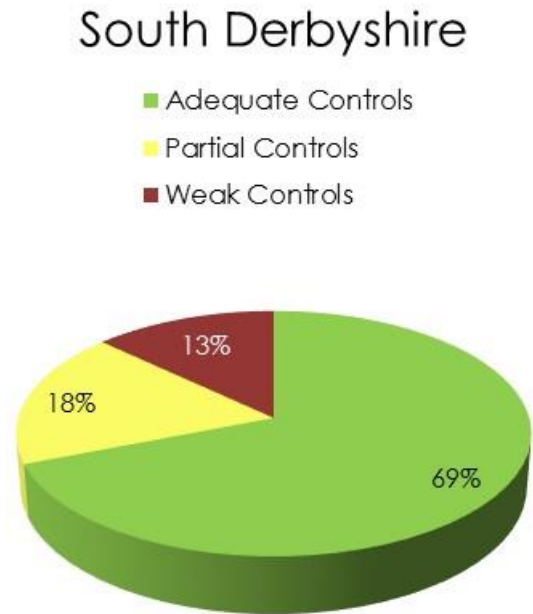
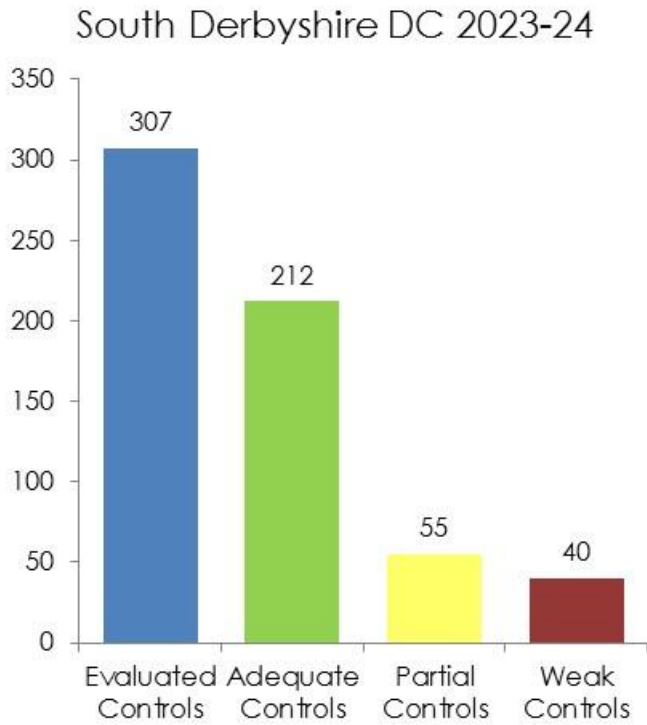
Audit Plan Assignments 2023-24

Audit Assignments Completed in Period	Assurance Rating	Recommendations Made				% Recs Closed
		Critical Risk	Significant Risk	Moderate Risk	Low Risk	
Grant Certification 2023-24	N/A					n/a
Revenues Systems 2023-24	Substantial					n/a
Housing Benefit & Council Tax Support 2023-24	Substantial					n/a
Rent Accounting 2023-24	Reasonable			2		50%
Capital Programme 2022-23	Substantial				1	100%
Revenue Systems 2022-23	Substantial				2	50%
Trade Waste (Route Optimisation)	Reasonable*					n/a
Planning & Building Control Fees 2023-24	Substantial*					n/a
Section 106 Agreements 2023-24	Substantial				4	100%
Climate Change 2023-24						n/a
Community Safety Enforcement 2023-24	Substantial				1	
Housing Repairs (Planned & Responsive Maintenance) 2023-24	Reasonable				5	
Housing Safety Inspections 2023-24						n/a
Improvement Grants 2023-24						n/a
Right To Buy - Follow-Up	Reasonable		1		3	100%
Visitor Centre	Reasonable			1	3	
Street Cleansing 2022-23	Substantial				3	
Development Management 2022-23	Substantial				5	40%
Parks & Open Spaces 2022-23	Reasonable			2	4	83%
Sheltered Housing - Careline 2022-23	N/A					n/a
Land Charges 2022-23	Reasonable			3	4	57%
Health & Safety 2023-24						n/a
Safeguarding 2022-23	Substantial				2	100%
Data Quality & Performance Management 2022-23	Reasonable				7	100%
Organisational Culture & Ethics 2022-23	Reasonable			1	1	50%
IT Key Controls 2023-24	Reasonable			1	8	78%
Mobile Device Management	Reasonable			1	7	100%
Leisure Centre Management - Tender 2023-24	Reasonable*					n/a
Bank House-Sabines Yard Project	Limited			4	5	11%
Procurement 2022-23	Limited		1	2	1	75%
Debit/Credit Cards						n/a
TOTALS			2	17	66	60%

* Provisional rating as assignment is not yet complete

Internal Controls Examined

For those audits finalised during 2023-24, we established the following information about the controls examined:



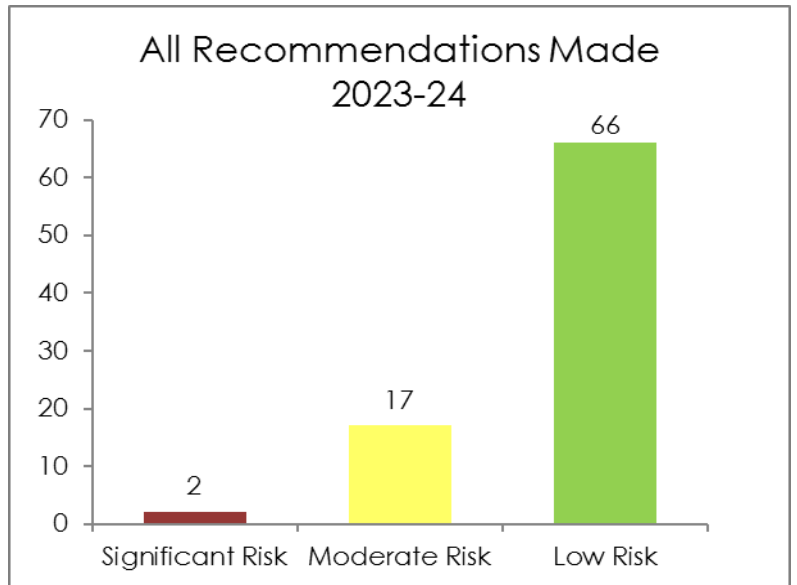
Recommendations Made

The control weaknesses identified above resulted in 85 recommendations which suggested actions for control improvements. The following table and charts show where the recommendations came from, how the recommendations were risk rated and the current status of all recommendations made relating to 2023-24:

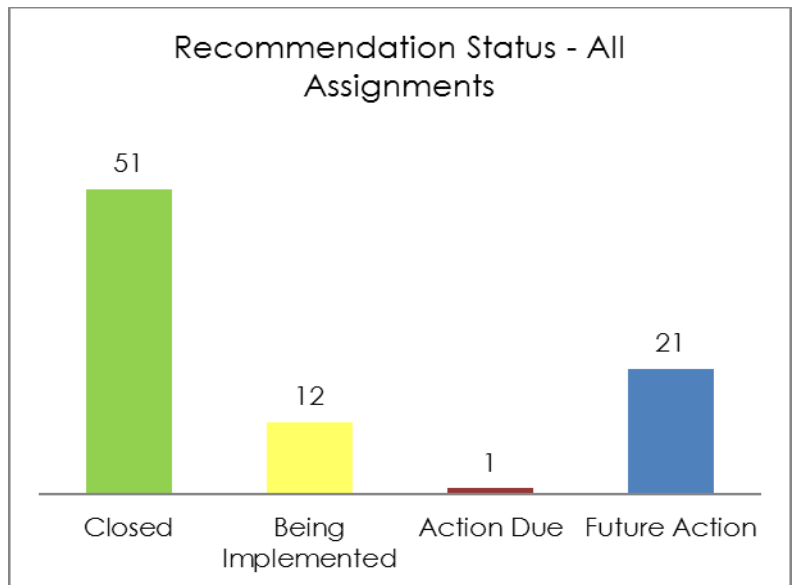
Audit Assignments	Type of Review	Recommendations Status			
		Total Closed	Action Due	Being Implemented	Future Action
Grant Certification 2023-24	Key Financial System				
Revenues Systems 2023-24	Key Financial System				
Housing Benefit & Council Tax Support 2023-24	Key Financial System				
Rent Accounting 2023-24	Key Financial System	1	1		
Capital Programme 2022-23	Key Financial System	1			
Revenue Systems 2022-23	Key Financial System	1		1	
Trade Waste (Route Optimisation)	System/Risk				
Planning & Building Control Fees 2023-24	System/Risk				
Section 106 Agreements 2023-24	System/Risk	4			
Climate Change 2023-24	System/Risk				
Community Safety Enforcement 2023-24	System/Risk			1	
Housing Repairs (Planned & Responsive Maintenance) 2023-24	System/Risk				5
Housing Safety Inspections 2023-24	System/Risk				
Improvement Grants 2023-24	System/Risk				
Right To Buy - Follow-Up	System/Risk	4			
Visitor Centre	System/Risk				4
Street Cleansing 2022-23	System/Risk			1	2
Development Management 2022-23	System/Risk	2		3	
Parks & Open Spaces 2022-23	System/Risk	5		1	
Sheltered Housing - Careline 2022-23	System/Risk				
Land Charges 2022-23	System/Risk	4		1	2
Health & Safety 2023-24	Governance/Ethics				
Safeguarding 2022-23	Governance/Ethics	2			
Data Quality & Performance Management 2022-23	Governance/Ethics	7			
Organisational Culture & Ethics 2022-23	Governance/Ethics	1		1	
IT Key Controls 2023-24	IT Audit	7		2	
Mobile Device Management	IT Audit	8			
Leisure Centre Management - Tender 2023-24	Procurement/Contract				
Bank House-Sabines Yard Project	Procurement/Contract	1			8
Procurement 2022-23	Procurement/Contract	3		1	
Debit/Credit Cards	Consultancy				
TOTALS		51	1	12	21

Recommendations Summary

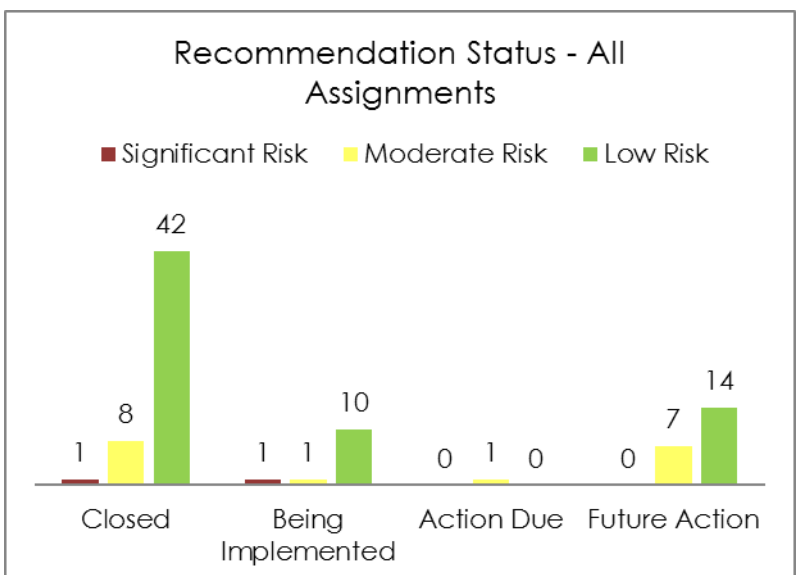
These 85 recommendations have resulted from the 23 audit assignments finalised either during 2023-24 or finalised in the time following the year-end. Approximately 78% of all recommendations made were considered to present a low risk, 20% a moderate risk and 2% a significant risk.



Of the 85 recommendations made, 60% have been closed, 14% have passed their original action date and a revised target has been set, 1% have passed their original action date but we have not yet received information regarding the status of management's action. The remaining 25% have an agreed original action date in the future.



It is pleasing to note that 1 of the 2 significant risk recommendations has been addressed to our satisfaction, as have 8 of the moderate risk recommendations raised and 42 of the low risk recommendations. We will continue to monitor all recommendations not yet addressed and will bring those moderate risk recommendations that remain outstanding to the attention of the Audit Sub-Committee throughout the coming year.

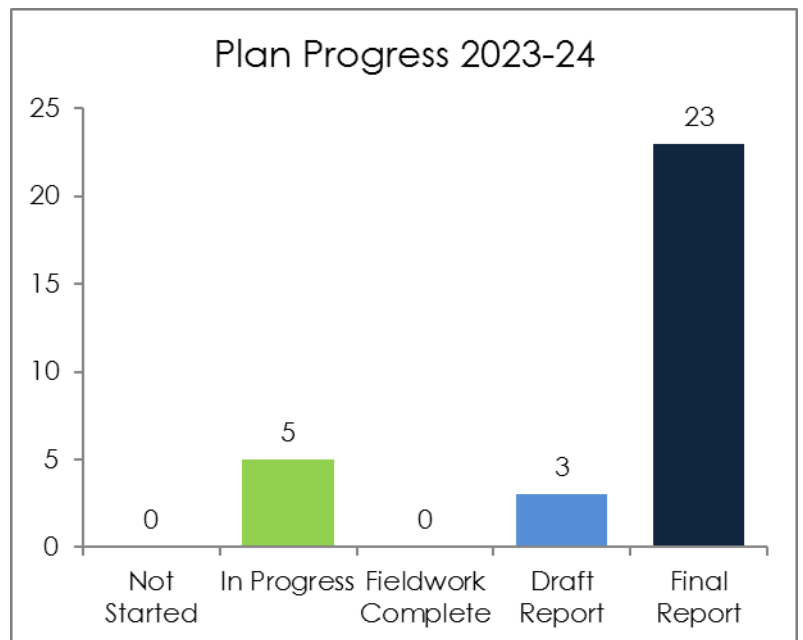


Performance Measures

Of the 18 customer satisfaction surveys sent, only 11% have been returned. Surveys contain 11 questions regarding the audit service provided and asked managers to score each on a scale of 1-5 (1=Very Poor, 2=Poor, 3=Fair, 4=Good, 5=Excellent). From the 2 customer satisfaction returns received, the overall average score out of 55 was 53.



By the end of 2023-24 we estimate that we had completed 86.6% of the revised Audit Plan against a target of 90%. The chart shows the current progress on 2023-24 audits as at the date of this report.



QAIP – Improvement Plan

One of the outcomes of the CMAP Quality Assurance and Improvement Programme is that it enables an assessment of the efficiency and effectiveness of the Internal Audit activity and identifies opportunities for improvement.

The CMAP Leadership team revise the QAIP on an annual basis, with regular reviews of the progress on actions throughout the year. The QAIP is a standing item on all CMAP team meeting agendas, on the Operational Group meeting agendas and is reported to Partner Audit Committees on a regular basis. The Improvement Plan that was in place during 2023/24 is shown below.

Actions	Update Position
1. We should ask staff to complete a Personal Development Plan as part of our overall Training & Development Plan for the Team.	Currently we only have individual development plans. We are looking at how best to convert this into a CMAP Training & Development Plan. No progress due to other higher priorities.
2. We should formally develop our approach around the use of data analytics and other CAATs and identify the benefits it could bring to the audit processes.	Strategy for the use of data analytics within CMAP needs to be produced.
3. We should continue to develop the process for incorporating other assurance information into our overall risk assessment process and our overall opinion and how the other assurance provider information we gather can be used to demonstrate an audit assurance framework for each partner organisation. We also need to get all Partners interested in producing their own Assurance Maps.	This approach may need to vary for each partner. All are at different stages in relation to what they are doing on assurance mapping and what CMAP can use in its process. A consultancy piece of work on assurance mapping has been assigned at Derby CC but is on hold due to lack of engagement.
4. To support the improvement of the organisation's governance framework, we should undertake consultancy work to facilitate the self-assessment of the effectiveness of the Audit Committee at all partner organisations. This will be particularly important given the proposed changes to the composition of Audit Committees with the addition of co-opted/ independent members.	Support is currently provided at four partners to help them assess the effectiveness of their audit committees.
5. We should consider how we could systematically evaluate the potential for the occurrence of fraud at each partner organisation and how each organisation manages fraud risk.	No progress made on a formalised approach. However, other work and audit work informs our knowledge on this.
6. To review all CMAP reports that are to be published to assess compliance with the Web Content Accessibility Guidelines (WCAG).	We will progress with this once we have implemented the new Audit Management System and assessed the reporting templates that are available.
7. To implement the new Audit Management System ready for go live on 1st April 2024. Further development will be required throughout 2024/25.	The system is now live, although there are still developments required e.g. report templates. The original Audit Management System is still in use for those audits that commenced in 2023/24 and also parallel running for time recording until the report templates are finalised. 2024/25 audits will use the new system.