



# Ashfield District Council – Audit Progress Report

Audit Committee: 18 Oct 2021



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## Our Vision

Through continuous improvement, the central midlands audit partnership will strive to provide cost effective, high quality internal audit services that meet the needs and expectations of all its partners.

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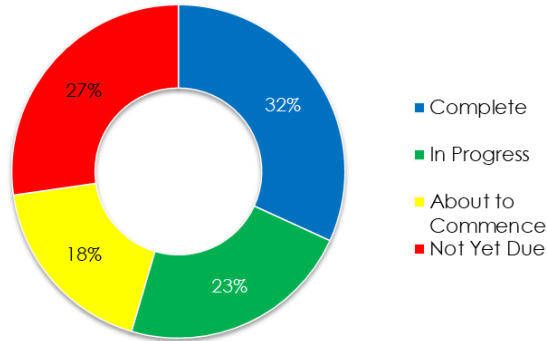


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*Providing Excellent Audit Services in the Public Sector*

# Ashfield District Council – Audit Progress Report

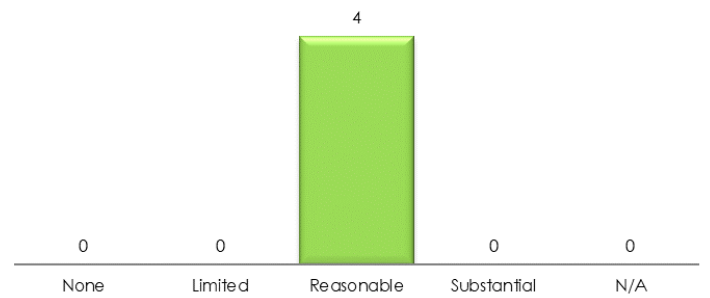
## AUDIT DASHBOARD

### Plan Progress



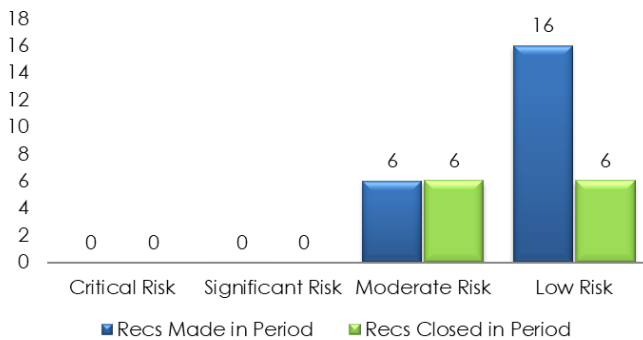
### Assurance Ratings

Control Assurance Ratings Issued During Period



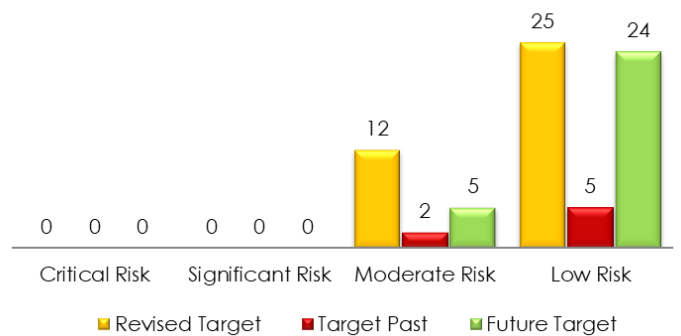
### Recommendations

Movement During Period



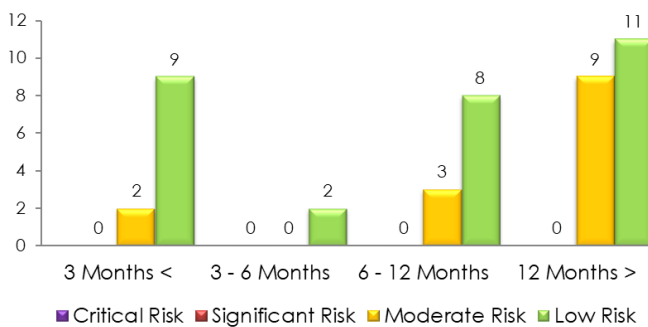
### Recommendations

Recommendations Currently Open



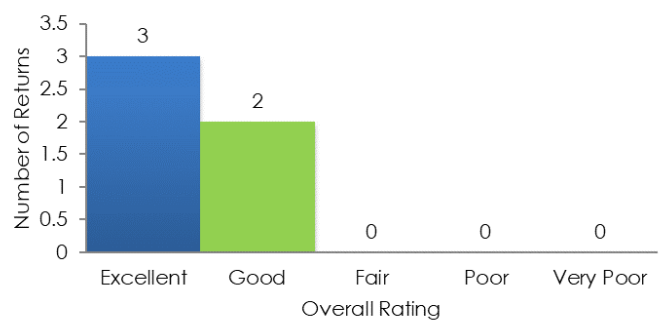
### Recommendations

Overdue Recommendations



### Customer Satisfaction

Returns Between Apr - Sept 2021



# Ashfield District Council – Audit Progress Report

## AUDIT PLAN

### Progress on Audit Assignments

The following table provides the Committee with information on how audit assignments were progressing as of 5 October 2021.

2021-22 Jobs	Status	% Complete	Assurance Rating
Scrutiny	Not Allocated	0%	
Accounting Systems	Not Allocated	0%	
Creditors (including Purchase Cards)	Not Allocated	0%	
IT Applications/Infrastructure	Not Allocated	0%	
IT Key Controls	Allocated	0%	
PCI in Organisational Transformation	Final report	100%	Reasonable
Risk Management	Allocated	5%	
Debtors	Allocated	0%	
People Management	Not Allocated	0%	
Payroll	In Progress	60%	
Planning	Not Allocated	0%	
Environmental Health	Final Report	100%	Reasonable
Outdoor Recreation	Allocated	10%	
Selective Licensing	In Progress	60%	
Housing Health & Safety Statutory Compliance	In Progress	75%	
Anti-Fraud & Corruption	In Progress	20%	
Homes England Grant Compliance	Draft Report	95%	
B/Fwd Jobs	Status	% Complete	Assurance Rating
Teleworking Security	Final Report	100%	Reasonable
Financial Health & Resilience	Final report	100%	Reasonable
Management of Fraud Risk	Final Report	100%	Limited
People Management	Final Report	100%	Reasonable
Delegated Decisions	Final Report	100%	Reasonable

### Audit Plan Changes

An IT Audit had been planned to consider the Council's ICT Asset Inventory. However, the Council recognised that there was a body of work required to bring the Inventory up to date. Therefore, with the approval of the Director of Legal and Governance, we have removed this audit from the plan and replaced it with a review of IT Key Controls. This audit will ensure that essential IT Controls continue to operate as intended.

# Ashfield District Council – Audit Progress Report

## AUDIT COVERAGE

### Completed Audit Assignments

Between 14 July 2021 and 5 October 2021, the following audit assignments have been finalised since the last progress update was given to the Audit Committee.

Audit Assignments Completed in Period	Assurance Rating	Recommendations Made				% Recs Closed
		Critical Risk	Significant Risk	Moderate Risk	Low Risk	
Financial Health & Resilience	Reasonable	0	0	1	3	75%
Teleworking Security	Reasonable	0	0	2	5	29%
Environmental Health	Reasonable	0	0	1	5	17%
PCI – Compliance in Organisational Development	Reasonable	0	0	2	3	20%
<b>TOTALS</b>		<b>0</b>	<b>0</b>	<b>6</b>	<b>16</b>	<b>32%</b>

Financial Health & Resilience				
	Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls
The Council's annual reports have adequately considered and disclosed the impact of Covid-19.	4	1	2	1
The Council has adequately considered its financial resilience in light of the impact of Covid-19.	5	4	1	0
The Council has considered the impact of Covid-19 on its control environment, identifying critical controls to reduce the risk of fraud or error.	6	6	0	0
The Council has considered the regularity of its spending to ensure it adheres to the principles set out in Managing Public Money.	3	3	0	0
<b>TOTALS</b>	<b>18</b>	<b>14</b>	<b>3</b>	<b>1</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
The Annual Governance Statement for 2019/20 did not consider and disclose whether expenditure in response to the Covid-19 pandemic was in accordance with the principles of Managing Public Money.		Low Risk	31/07/2021	
The Annual Governance Statement for 2019/20 did not provide details on any changes made to the control environment, brought about by the Council's response to the Covid-19 pandemic.		Low Risk	31/07/2021	

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The Annual Governance Statement for 2019/20, approved in August 2020, did not disclose new risks identified from May 2020 as a result of the Covid-19 pandemic.	Low Risk	31/07/2021
The Council had not assessed itself against the Chartered Institute of Public Finance & Accountancy's Financial Management Code.	Moderate Risk	02/11/2021

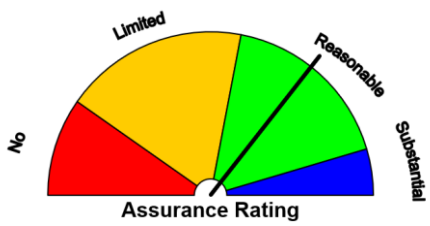
<h2>Teleworking Security</h2>	<p style="text-align: center;"><b>Assurance Rating</b></p>			
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Ensure that the configuration and management of the Council's Remote Desktop Gateway (RD Gateway) complies with best practice, and the requirements of the Council to support home working.	21	13	0	8
<b>TOTALS</b>	<b>21</b>	<b>13</b>	<b>0</b>	<b>8</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
Domain administrator accounts had been granted permissions to access the public facing Remote Desktop Gateway system.		Low Risk	Risk Accepted	
Domain user accounts with access to the Remote Desktop Gateway system were not always being disabled in an acceptable timeframe upon leaving employment with the Council.		Moderate Risk	01/10/2021	
Less than 3% of users enrolled in the Council's Multi-Factor Authentication system that was required for access to the Remote Desktop Gateway were using strong (e.g., Microsoft Authenticator app) authentication methods as default. This included a number of domain admin accounts.		Low Risk	01/11/2021	
There was a 232 licence difference between the number of users who could connect to the Council's remote desktop gateway system, and the number of remote desktop services client access licences owned by the Council. As Microsoft licensing works off a user or device model, as opposed to a connection model, the current licences owned were not sufficient based on the number of registered users.		Moderate Risk	Completed	
Not all accounts with access to the Remote Desktop Gateway system were subject to maximum password age controls, as the password never expires option had been set to TRUE. This included an enabled domain administrator account (Civica) with no account expiration date set.		Low Risk	01/11/2021	
Not all components of the Remote Desktop Gateway architecture were setup for high availability protections (including no automatic failover configured for the Remote Desktop gateway server component).		Low Risk	01/11/2021	

# Ashfield District Council – Audit Progress Report

Standard operating procedures for the maintenance, administration and recovery of the Remote Desktop Gateway system were not documented, and business continuity testing exercises within the team had not covered the unavailability of primary Remote Desktop Gateway support personnel scenario.	Low Risk	01/02/2022
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<h2>Environmental Health</h2>	<p style="text-align: center;"><b>Assurance Rating</b></p>			
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
The Environmental Health workflow processes ensure work is managed, accurate and complete.	4	2	0	2
The section has measurable and adequate performance information.	3	1	2	0
There are robust management processes over the processing and progression of complaints.	3	2	1	0
TOTALS	10	5	3	2
Summary of Weakness	Risk Rating	Agreed Action Date		
The different types of inspections, service requests and permits had varied methods of recording work activity which made it difficult for management to monitor progress.	Low Risk	31/12/2022		
The issue of permits, dealing with service requests and the completion of various inspection types was not subject to an independent check or management oversight.	Low Risk	31/03/2022		
Management had not been monitoring the Civica App system or the Service Request spreadsheet for incomplete service requests.	Moderate Risk	31/12/2021		
The Environmental Health performance indicators had not been produced since quarter 3 of 2019/20.	Low Risk	31/03/2022		
The performance indicators for Environmental Health were not meaningful or effective at providing senior management with assurance that the service area was performing to a high standard.	Low Risk	31/12/2021		
Formal complaints were not being checked or approved by management to ensure they had been satisfactorily resolved.	Low Risk	Implemented		

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PCI – Compliance in Organisational Transformation				
Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
The Council has adequate governance arrangements in place to manage Payment Card Industry Data Security Standard (PCI DSS).	9	5	3	1
The PCI standard has been taken into account where new systems have been introduced and new processes implemented.	3	2	1	0
<b>TOTALS</b>	<b>12</b>	<b>7</b>	<b>4</b>	<b>1</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
The Callsafe system could be switched off at any time, without management approval. There were no checks or controls around the disabling of the Callsafe system.		Moderate Risk	Implemented	
The Council still had a CHIP&PIN machine in place at the Northern Depot. This meant that the card holder would be present, and the customers card details would pass through the Council's systems, which was not compliant with the Self-Assessment Questionnaire A.		Moderate Risk	23/10/2021	
The ICT Security Policies had not been reviewed and updated for several years.		Low Risk	10/01/2022	
In person training on PCI requirements had not been offered since March 2019. The online training module had not been used since 2015, had not been updated since 2016 and neither of the online courses were mandatory for all employees that take payments.		Low Risk	10/01/2022	
There were no environment or equipment checks for the CHIP & PIN machine at the Northern Depot.		Low Risk	23/10/2021	



# Ashfield District Council – Audit Progress Report

## RECOMMENDATION TRACKING

Final Report Date	Audit Assignments with Open Recommendations	Assurance Rating	Recommendations Open		
			Action Due	Being Implemented	Future Action
14-Feb-19	Risk Registers	Reasonable	1	0	0
10-Jan-19	Depot Investigation	Limited	0	4	0
27-Mar-18	Rent Arrears	Substantial	0	1	0
24-Apr-18	ICT Performance Management	Reasonable	0	2	0
22-Jun-18	Health & Safety	Substantial	0	1	0
16-Aug-19	Fire Safety	Reasonable	0	1	0
12-Mar-19	Treasury Management & Banking Services	Reasonable	0	1	0
03-Dec-19	Data Quality & Performance Management	Reasonable	0	4	0
31-Jan-20	Information Governance	Reasonable	0	2	0
30-Apr-20	Creditors 2019-20	Substantial	0	2	0
27-May-20	Medium Term Financial Plan	Reasonable	0	6	0
09-Jul-20	Digital Transformation	Reasonable	0	4	0
27-Jul-20	Rent Control	Reasonable	0	1	0
16-Nov-20	Disabled Facilities Grants	Reasonable	0	1	0
26-Jan-21	Procurement Follow Up	Substantial	1	0	0
18-Feb-21	Transformation Project Assurance	Limited	0	1	0
21-Jun-21	Management of Fraud Risk	Limited	0	0	13
10-May-21	People Management	Reasonable	1	6	0
21-Jun-21	Delegated Decisions	Reasonable	3	0	2
27-Jul-21	Financial Health and Resilience	Reasonable	0	0	1
16-Aug-21	Teleworking Security	Reasonable	1	0	4
01-Oct-21	Environmental Health	Reasonable	0	0	5
05-Oct-21	PCI Compliance in Organisational Transformation	Reasonable	0	0	4
		<b>TOTALS</b>	<b>7</b>	<b>37</b>	<b>29</b>

**Action Due** = The agreed actions are due, but Internal Audit has been unable to ascertain any progress information from the responsible officer.

**Being Implemented** = The original action date has now passed and the agreed actions have yet to be completed. Internal Audit has obtained status update comments from the responsible officer and a revised action date.

**Future Action** = The agreed actions are not yet due, so Internal Audit has not followed the matter up.

# Ashfield District Council – Audit Progress Report

Audit Assignments with Recommendations Due	Action Due			Being Implemented		
	Significant Risk	Moderate Risk	Low Risk	Significant Risk	Moderate Risk	Low Risk
Risk Registers	0	0	1	0	0	0
Depot Investigation	0	0	0	0	3	1
Rent Arrears	0	0	0	0	0	1
ICT Performance Management	0	0	0	0	2	0
Health & Safety	0	0	0	0	0	1
Fire Safety	0	0	0	0	1	0
Treasury Management & Banking Services	0	0	0	0	0	1
Data Quality & Performance Management	0	0	0	0	1	3
Information Governance	0	0	0	0	1	1
Creditors 2019-20	0	0	0	0	0	2
Medium Term Financial Plan	0	0	0	0	1	5
Digital Transformation	0	0	0	0	2	2
Rent Control	0	0	0	0	1	0
Disabled Facilities Grants	0	0	0	0	0	1
Procurement Follow Up	0	0	1	0	0	0
Transformation Project Assurance	0	0	0	0	0	1
People Management	0	0	1	0	0	6
Delegated Decisions	0	1	2	0	0	0
Teleworking Security	0	1	0	0	0	0
<b>TOTALS</b>	<b>0</b>	<b>2</b>	<b>5</b>	<b>0</b>	<b>12</b>	<b>25</b>

# Ashfield District Council – Audit Progress Report

## Highlighted Recommendations

The following significant or moderate risk rated recommendations, that have not yet been implemented, are detailed for Committee's scrutiny.

### Being Implemented Recommendations

Data Quality & Performance Management	Rec No. 4
Summary of Weakness / Recommendation	Risk Rating
The Data Quality Strategy required updating and had not been formally approved by the Council.	<b>Moderate Risk</b>
We recommend that the Data Quality Strategy is reviewed to ensure it is up to date specifically with current processes and organisational structure. The updated strategy should be approved in accordance with the Council's Constitution.	
Management Response/Action Details	Action Date
The strategy will be reviewed and presented for approval.	30/04/2020
Status Update Comments	Revised Date
This action will be deferred to enable us to not only update the strategy but also make significant changes in alignment with our digital transformation programme.	31/01/2022
There have been a number of resourcing issues therefore we have taken on an Interim to undertake and complete these tasks.	

Information Governance	Rec No. 4
Summary of Weakness / Recommendation	Risk Rating
Sensitive, personal data was being stored in locations which were not suitably restricted to only those officers with a genuine business need to access such information.	<b>Moderate Risk</b>
We recommend that management take appropriate action to ensure that all personal, sensitive data is secured in files, within restrictive sub-folders, with access limited to only those officers who have a genuine business need to access such information.	
Management Response/Action Details	Action Date
The IT Security Policy Framework is under review. As part of this review we will ensure it is updated to take account of GDPR requirements. Specifically, we will introduce the following measures to assist with ensuring access to data is suitably restricted to only those officers with a genuine business need to access such information:	30/06/2020
<ul style="list-style-type: none"> <li>- Starters/Transfers/Leavers E-Form – to be completed by the Section Manager. This form will identify access rights of starters, amendments for staff transferring internally and identify when staff leave the Council. This will be used in conjunction/cross-references with the report received from HR on a quarterly basis.</li> <li>- E-Form for completion by Managers/Directors for folder access changes.</li> <li>- Introduction of new file structure guidelines and cascade through ELT/ALT, DMTs and MOD.</li> <li>- Provision of Group Access Permission lists on a quarterly basis to Service Managers for checking and confirmation/amendment. IT to meet with individual Managers to confirm, amend and clarify what is required of Managers as part of this new process.</li> </ul>	
Status Update Comments	Revised Date
Actions have been taken to restrict folders and files. Internal Audit will be reviewing these actions as part of the ICT Key Controls audit.	10/01/2022

# Ashfield District Council – Audit Progress Report

ICT Performance Management	Rec No. 1
Summary of Weakness / Recommendation	Risk Rating
<p>Despite commitment to performance management in the Council's latest Technology Strategy, we could not find any documented performance management metrics and goals to support this. Similarly, performance metrics for IT did not appear to be subject to annual review, or agreed or monitored by the Council.</p> <p>We recommend that Management defines performance management metrics for the IT service, and implements policies and procedures for monitoring and reporting compliance. Metrics, goals and targets should also be subject to annual review.</p>	Moderate Risk
Management Response/Action Details	Action Date
There is a review of the ICT Helpdesk due shortly where performance metrics will be defined and agreed.	01/09/2018
Status Update Comments	Revised Date
<p>The Service Manager for ICT has updated audit that a prerequisite for this recommendation is the implementation of a new helpdesk system which will have appropriate reporting capabilities.</p> <p>The first version of the ICT Service Desk software is now in place but ICT still need to review its reporting capabilities. The post of Service Desk Team Leader is currently being advertised.</p>	30/11/2021

ICT Performance Management	Rec No. 2
Summary of Weakness / Recommendation	Risk Rating
<p>Reviews of the team's performance in relation to the resolution of incidents and service requests did not appear to comply with a formal schedule, and evidence of previous reviews could not be provided as the actions/discussions were not documented in minutes.</p> <p>We recommend that Management defines a schedule for reviewing performance of incident and request resolution times, and ensures any agreed actions are documented in minutes which are retained.</p>	Moderate Risk
Management Response/Action Details	Action Date
There is a review of the ICT Helpdesk due shortly where performance metrics will be defined and agreed.	01/09/2018
Status Update Comments	Revised Date
<p>The Service Manager for ICT has updated audit that a prerequisite for this recommendation is the implementation of a new helpdesk system which will have appropriate reporting capabilities.</p> <p>The first version of the ICT Service Desk software is now in place but ICT still need to review its reporting capabilities. The post of Service Desk Team Leader is currently being advertised.</p>	30/11/2021

# Ashfield District Council – Audit Progress Report

Depot Investigation	Rec No. 2
Summary of Weakness / Recommendation	Risk Rating
<p>Management and staff were not always adhering to the Council's Leave Policy with meeting requests being used to request and approve leave.</p> <p>We recommend that Management ensure they are complying with the Council's Leave Policy and use the official process to authorise and record leave. After the year end, a sample of leave records should be examined by Management, independently of authorising Managers, to check for accuracy and review the appropriateness of records maintained.</p>	<b>Moderate Risk</b>
Management Response/Action Details	Action Date
<p>Review policy. Implementation of electronic leave request and approval system through MyView. Training and reminder messages for managers and officers. Introduce sample checks.</p>	01/04/2020
Status Update Comments	Revised Date
<p>Policy has been reviewed and circulated to trade unions. Training is still to be undertaken. This has been put on hold due to retirement of the System Administrator and COVID-19.</p> <p>The roll out is almost complete but there are a number of employees who have a digital skills gap or don't have a valid ADC email address in the system. These issues will need to be resolved before implementation is complete.</p>	30/08/2022

Depot Investigation	Rec No. 3
Summary of Weakness / Recommendation	Risk Rating
<p>We were informed by the Investigating officer that the Transport Manager's Purchase card had been photocopied and was available for use, unsecured in the general office.</p> <p>We recommend that all Purchase Card holders are reminded of the corporate policy and their personal responsibilities in relation to holding a card. Management should take appropriate action where instances of misuse are found.</p>	<b>Moderate Risk</b>
Management Response/Action Details	Action Date
<p>Carry out a review of the policy and procedure and then roll out to officers through the provision of information and training.</p>	31/10/2019
Status Update Comments	Revised Date
<p>Review of policy and procedure has been completed. A report will be presented to CLT before the 30th June 2021, thereafter the revised policy will be rolled out to Officers and training provided. Training to be completed by the end of October 2021.</p>	31/10/2021

# Ashfield District Council – Audit Progress Report

Depot Investigation	Rec No. 4
Summary of Weakness / Recommendation	Risk Rating
<p>There were variances between Directorates over the controls in place for the authorisation and the recording and retention of supporting information for Purchase card usage.</p> <p>We recommend that corporate guidance is provided to Card holders which detail how they should be authorising and recording card purchases and the requirements for supporting information retention. The use of Purchase cards should be subject to regular Management oversight.</p>	Moderate Risk
Management Response/Action Details	Action Date
Carry out a review of the policy and procedure and then roll out to officers through the provision of information and training. The revised policy will include a process for ensuring management oversight.	31/10/2019
Status Update Comments	Revised Date
Review of policy and procedure has been completed. A report will be presented to CLT before the 30th June 2021, Thereafter the revised policy will be rolled out to Officers and training provided. Training to be completed by the end of October 2021.	31/10/2021

Fire Safety	Rec No. 5
Summary of Weakness / Recommendation	Risk Rating
<p>Not all entrance doors to flats comply with Fire Safety Regulations.</p> <p>We recommend that the Council reviews all flat entrance doors to identify those which do not comply with Fire Safety Regulations, or those that have failed recent government tests. The Council should then take action to ensure the appropriately accredited fire safety doors are installed at the entrances to all flats.</p>	Moderate Risk
Management Response/Action Details	Action Date
An assessment of all flat entrance doors has been completed and the results forwarded to the Assets & Investment Section for building into future door replacement programme(s). However, due to uncertainties around the manufacture, testing, certification and subsequent affected supply of composite fire doors, it is currently not possible to identify a definitive timescale for completion. The option to use alternative timber fire doors of the appropriate fire safety standards and specification are currently being looked into.	31/03/2020
Status Update Comments	Revised Date
The Framework is with procurement, and legal are reviewing the lease holder agreement regarding the replacement of doors where there flat is leased.	30/09/2021

# Ashfield District Council – Audit Progress Report

Digital Transformation	Rec No. 5
Summary of Weakness / Recommendation	Risk Rating
<p>The Council did not have signed, up to date and adequate contracts in place for some of the applications tested.</p> <p>We recommend that a review is undertaken to ensure that the Council has a signed, up to date and adequate contract in place for all Council applications. Where contracts are not in place, the Council should take action to formalise the provision and maintenance of applications in use.</p>	Moderate Risk
Management Response/Action Details	Action Date
Solution architecture review to be completed across the portfolio.	31/10/2020
Status Update Comments	Revised Date
<p>This review has now commenced by the Innovations and Solutions Manager and Procurement and Projects Officer.</p> <p>We need to look at each contract and make sure that on renewal contracts are detailed and in place for each application.</p> <p>We need to look at all of the applications in the systems document and review whether there is a contract and any recurring payment.</p> <p>Suggest the implementation date is adjusted to 30/09/21 to enable the solution manager to complete all necessary contract reviews across the solution architecture.</p>	30/09/2021

Digital Transformation	Rec No. 6
Summary of Weakness / Recommendation	Risk Rating
<p>The contracts register did not include accurate detail for the applications reviewed as part of the audit.</p> <p>We recommend that the Council ensure all application contracts are included in the contracts register where appropriate, and any upgrades or new contract details are recorded on the register on a timely basis.</p>	Moderate Risk
Management Response/Action Details	Action Date
Solution architecture review to be completed across the portfolio.	31/10/2020
Status Update Comments	Revised Date
<p>We have looked at all of the contracts and dates in the contracts register but we need to make sure that all of our applications are fully covered.</p> <p>Innovations and Solutions Manager will be doing this work over the next months.</p>	30/09/2021

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Rent Control	Rec No. 2
Summary of Weakness / Recommendation	Risk Rating
<p>There was no evidence of which officers had completed and reviewed the annual housing rent reconciliation. There were also a number of reconciling items from prior years which needed to be reviewed and adjustments made to the system where possible to remove these prior year balancing items on the reconciliation.</p> <p>We recommend that documentary evidence is retained to evidence the completion and review of the annual housing rent reconciliation. Also, that the prior year reconciling items are reviewed, and adjustments made to the system where possible to remove these prior year balancing items on the reconciliation.</p>	<p><b>Moderate Risk</b></p>
Management Response/Action Details	Action Date
<p>Part 1.</p> <p>This has been completed for 2019/20 but this was after the internal rent audit. Reviewed by B.Bull. Documented on the audit deliverables presented to Mazars. Agree to continue to complete the review annually.</p> <p>Part 2.</p> <p>These reconciling items are to do with system problems within the Open Housing Rent module this has caused errors with some transactions. System fixes are required to correct the balances in the rent groups on the Open Housing System. Until the fixes are completed, this carries forwards incorrect balances, by including these problems, on the Open Housing System. These prior year reconciling items are itemised and documented and do not change year on year. If separate system fixes to the current errors are not possible in the Open Housing System, then a forced fix will be required to the Open Housing System balance on the rent group. A time frame will be set as to when to make this adjustment failing the production of a fix from the software company. Other balances for example minor variance balances and the domestic alarm issue from 2016/17 will be adjusted as soon as possible.</p>	<p>30/09/2020</p>
Status Update Comments	Revised Date
<p>Part 1 completed. Part 2 relies on system fixes by the software provider and is being worked with IT (out of our hands regarding completion date, if at all). The other items are complete. A solution has been given however it requires finance to complete labour intensive changes to the system, therefore the deadline will need to be amended.</p>	<p>31/01/2022</p>



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Medium Term Financial Plan	Rec No. 1
Summary of Weakness / Recommendation	Risk Rating
<p>A full and comprehensive Medium Term Financial Strategy had not been produced and approved by Members since October 2015.</p> <p>We recommend that a comprehensive Medium Term Financial Strategy is produced as soon as possible and approved by Members, and produced regularly thereafter.</p>	<b>Moderate Risk</b>
Management Response/Action Details	Action Date
<p>Agreed. A full MTFS will be produced which reflects the next spending round announcements in the Autumn 2020. With the impact of the Covid-19 pandemic we know that there will be delays to implementing the Fair Funding Review, level of Business Rates retention and possibly the reset. This, combined with the Governments response to recovering from the financial consequences of the Covid-19 pandemic will vastly increase the uncertainty of future funding streams and this uncertainty will be reflected in the new Strategy. The Strategy will be reviewed annually with amendments being presented to Members and a full Strategy will be produced at least every 4 years, earlier if changes to circumstances necessitate this (e.g. Significant changes to key funding streams, change in administration, etc.).</p>	28/02/2021
Status Update Comments	Revised Date
<p>Delayed due to COVID-19 and a single year settlement being announced for 2021/22. A full MTFS will be produced which reflects the next spending announcements in Autumn 2021. The strategy will be reviewed annually and presented to members. A full strategy will be produced every 4 years.</p>	31/01/2022

## Superseded Recommendations

Anti-Fraud	Rec No. 1
Summary of Weakness / Recommendation	Risk Rating
<p>The Anti-fraud Sub-group had not met regularly for some months and the Baseline Assessment had not been completed. Therefore, the review of the Council's anti-fraud measures could not be completed.</p> <p>We recommend that the Service Manager, Revenues &amp; Benefits, resumes the Anti-fraud Sub-group meetings with a priority action to complete the Baseline Assessment. This will enable the group to compare the Council's anti-fraud activities with good practice in each service area and produce a development plan. Regular updates should then be provided to Management, the Anti-Fraud Group and the Audit Committee.</p>	<b>Moderate Risk</b>
Management Response/Action Details	Action Date
<p>Data-matching Sub-Group Meetings will resume and will report on its actions to the main Anti-Fraud Officer Working Group.</p>	31/03/2020
Status Update Comments	Revised Date
<p>Action on hold due to COVID-19.</p>	30/09/2020

# Ashfield District Council – Audit Progress Report

Anti-Fraud	Rec No. 2
Summary of Weakness / Recommendation	Risk Rating
<p>The Council's use of the NFI and Data Matching exercises to identify fraud and error had been limited. We were unable to identify the Council's plans for further development in this area.</p> <p>We recommend that the Service Manager, Revenues &amp; Benefits, evaluates the current NFI and Data Matching provision within the Council and explores results of the NFI and Data Matching exercises to determine which of the matches should be pursued and appropriately resourced. The Service Manager, Revenues &amp; Benefits should also evaluate the suggested further actions in the Anti-Fraud Review and make appropriate recommendations to the Anti-Fraud Group in order to develop and embed an anti-fraud culture within the Council.</p>	<b>Moderate Risk</b>
Management Response/Action Details	Action Date
The Council is considering its current arrangements and will review these in light of best practice in order to develop an action plan designed to embed an anti-fraud culture within the Council including carrying out NFI and data matching exercises.	31/03/2020
Status Update Comments	Revised Date
Action on hold due to COVID-19.	30/09/2020

The two Anti-Fraud recommendations identified have been superseded by alternative management actions. The Director of Legal and Governance provided the following update, '*Unfortunately, due to the pressures and changed priorities for the Council caused by the COVID-19 Pandemic during 2020/21, particularly on the Director of Legal and Governance (Monitoring Officer) and the Service Manager, Revenues and Benefits, further development of a corporate approach to anti-fraud (including data matching) and delivery of the Council's anti-fraud activity was limited during the past 12 months. As a result, CLT has approved a corporate review of the Council's approach to Anti-Fraud (including data matching) and the Project Initiation Document for this project is currently being developed. The review is intended to identify how the Council can deliver sustainable and effective anti-fraud activity (including data matching) going forward. A revised significant issue is included in the 2020/21 AGS relating to the Council's anti-fraud arrangements.*

We will continue to monitor the Council's development of a corporate approach to anti-fraud and how it is embedded within the Council.