



central midlands audit partnership

# Ashfield District Council – Audit Progress Report

Audit Committee: 18 July 2024



## Contents

## Page

AUDIT DASHBOARD	3
AUDIT PLAN	4
AUDIT COVERAGE	5
RECOMMENDATION TRACKING	9

## 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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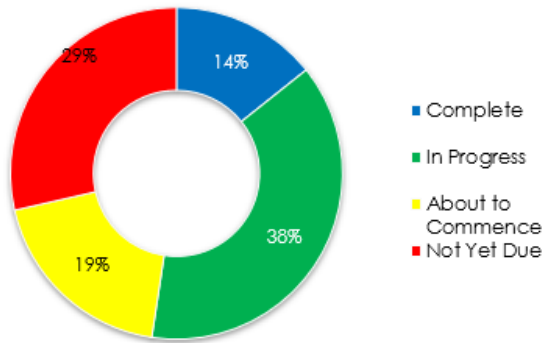
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# Ashfield District Council – Audit Progress Report

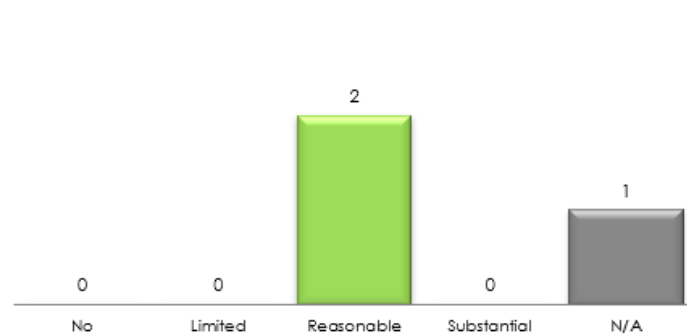
## AUDIT DASHBOARD

### Plan Progress



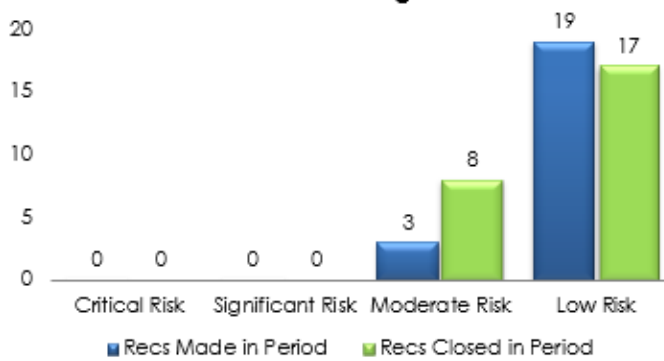
### Assurance Ratings

Control Assurance Ratings Issued During Period



### Recommendations

Movement During Period



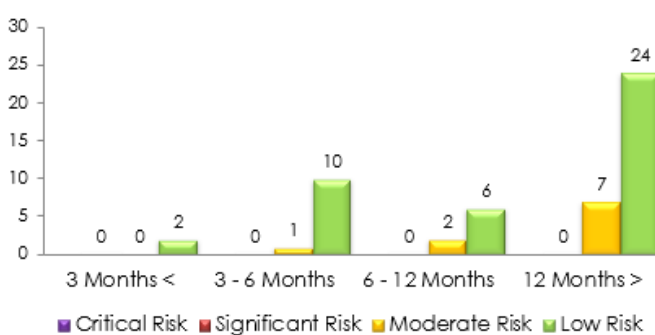
### Recommendations

Recommendations Currently Open



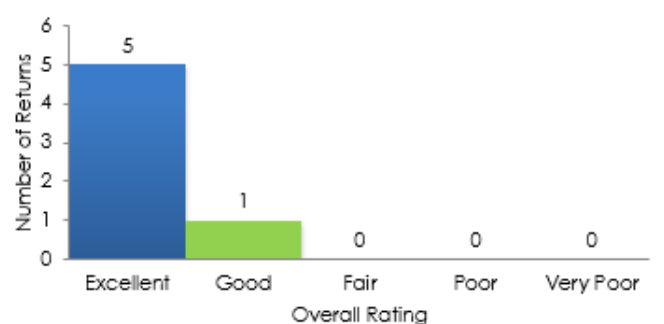
### Recommendations

Overdue Recommendations



### Customer Satisfaction

Returns 2024



# 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 4 July 2024.

2023-24 Jobs	Status	% Complete	Assurance Rating
Health & Safety – Damp & Mould	In Progress	60%	
Training Records	Allocated	5%	
Anti-fraud & Corruption 2024-25	In Progress	10%	
Main Accounting – Data Assurance 2024-25	Allocated	5%	
IT Application Audit - IKEN	Allocated	0%	
Debtors	Not Allocated	0%	
Grant Certification	Not Allocated	0%	
Right to Buy 2024-25	Draft Report	95%	
Food Safety	Not Allocated	0%	
Housing Stocks & Stores	Not Allocated	0%	
Contract Management	Not Allocated	0%	
Depot Project	In Progress	25%	
Rents 2024-25	Allocated	5%	
Transport Stocks & Stores	Not Allocated	0%	
B/Fwd Jobs	Status	% Complete	Assurance Rating
Finance System Implementation 2023-24	Complete	100%	N/A
Cyber Security & Entity Level Controls 2023-24	In Progress	65%	
Performance Management 2023-24	Final Report	100%	Reasonable
Commercial Investment Property 2023-24	Draft Report	95%	
High Pavement House	In Progress	5%	
Trade Waste 2023-24	Final Report	100%	Reasonable
Pest Control 2023-24	In Progress	70%	

### Audit Plan Changes

The Executive Director – Governance has agreed that an audit of the Contract Procedure Rules is withdrawn from the 2023-24 Audit Plan and replaced by an audit of High Pavement House.

# Ashfield District Council – Audit Progress Report

## AUDIT COVERAGE

### Completed Audit Assignments

Between 15 February 2024 and 4 July 2024, 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	
Finance System Implementation	N/A	0	0	0	0	n/a
Trade Waste 2023-24	Reasonable	0	0	2	9	27%
Performance Management 2023-24	Reasonable	0	0	1	10	9%
<b>TOTALS</b>		<b>0</b>	<b>0</b>	<b>3</b>	<b>19</b>	<b>18%</b>

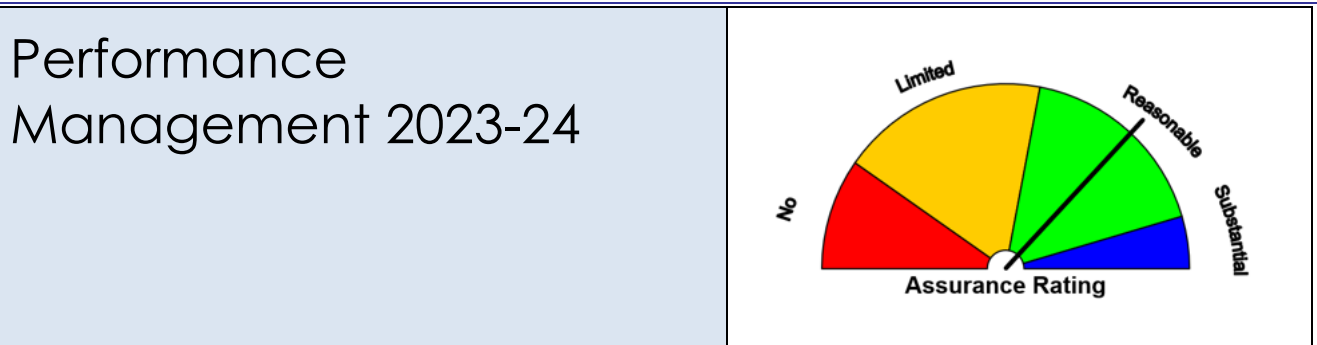
<h2>Finance System Implementation</h2>	Assurance Rating - Not Applicable
Time was agreed in the 2023-24 Internal Audit Plan to support the Council in the implementation of a new finance system, Technology One. An officer from CMAP worked with the Council on the Finance System Implementation Board by providing advice and guidance to assist in highlighting and mitigating risk.	

<h2>Trade Waste 2023-24</h2>	<p>Assurance Rating</p>																			
<b>Control Objectives Examined</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #4f81bd; color: white;">Controls Evaluated</th> <th style="background-color: #4f81bd; color: white;">Adequate Controls</th> <th style="background-color: #4f81bd; color: white;">Partial Controls</th> <th style="background-color: #4f81bd; color: white;">Weak Controls</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">The financial arrangements relating to Trade Waste are robust and controlled effectively.</td> <td style="text-align: center;">6</td> <td style="text-align: center;">2</td> <td style="text-align: center;">3</td> <td style="text-align: center;">1</td> </tr> <tr> <td style="text-align: center;">Operational activity is managed in a logical, cost effective and efficient manner.</td> <td style="text-align: center;">6</td> <td style="text-align: center;">1</td> <td style="text-align: center;">3</td> <td style="text-align: center;">2</td> </tr> <tr> <td style="text-align: center;">Prices charged are calculated to maximise income and to maintain the customer base.</td> <td style="text-align: center;">2</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> <td style="text-align: center;">2</td> </tr> </tbody> </table>	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls	The financial arrangements relating to Trade Waste are robust and controlled effectively.	6	2	3	1	Operational activity is managed in a logical, cost effective and efficient manner.	6	1	3	2	Prices charged are calculated to maximise income and to maintain the customer base.	2	0	0	2
Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls																	
The financial arrangements relating to Trade Waste are robust and controlled effectively.	6	2	3	1																
Operational activity is managed in a logical, cost effective and efficient manner.	6	1	3	2																
Prices charged are calculated to maximise income and to maintain the customer base.	2	0	0	2																

# Ashfield District Council – Audit Progress Report

Plans are being developed to ensure compliance with the changes to the Environmental Bill.	1	0	0	1
<b>TOTALS</b>	<b>15</b>	<b>3</b>	<b>6</b>	<b>6</b>
Summary of Weakness		Risk Rating	Agreed Action Date	
There was no formal target set for the amount of time to raise an invoice. Testing noted that only 4 out of 10 new customer invoices for trade waste collections were raised within 2 weeks of the first collection.		Low Risk	31/07/2024	
There was no trade waste pricing policy in place and discretionary discounts had been awarded to trade waste customers without been supported by a trade waste pricing policy to set out allowable discounts and the basis on which they can be awarded. In addition, the annual pricing increase for trade waste was not approved by Cabinet.		Moderate Risk	31/03/2025	
The calculation for ad-hoc and first invoices for new customers were not being checked by a second officer to ensure calculations were accurate.		Low Risk	31/10/2024	
Testing identified one occasion where some confusion over the completion of a direct debt mandate had meant the collection of trade waste was not suspended and arrears had resulted. This meant the Council had to write off the outstanding debt of £648.		Low Risk	Implemented	
There was no inspection programme in place to ensure trade waste operatives only collected waste from legitimate Council customers.		Low Risk	31/10/2024	
Collection rounds were not planned to ensure they were completed efficiency. Instead, the Trade Waste Collection Team was given freedom to complete the rounds at their discretion.		Low Risk	30/06/2024	
There was no performance information on the trade waste service area.		Low Risk	31/03/2025	
Manual handling training was not up to date for one of the Trade Waste Collectors. Also, the Waste Manager's proposed Health and Safety inspections had not been discussed with the Council's Health and Safety team.		Low Risk	Implemented	
There was either no Trade Waste Strategy in place or officers managing the service were not aware of its existence.		Low Risk	31/03/2025	
There was no evidence that trade waste collection prices had been benchmarked against other providers to ensure the Council had a competitive pricing structure.		Low Risk	Implemented	
The Council had not fully considered and planned for how they would enact the Government's proposed changes to waste collection requirements (expected to be by 31 <sup>st</sup> March 2025) in respect of trade waste.		Moderate Risk	31/03/2025	

# Ashfield District Council – Audit Progress Report



Control Objectives Examined	Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
The Council is outcome focused, with clear priorities that are relevant to customers and residents.	4	2	2	0
The Council ensures measurement and monitoring that adds value and is focused on impacts, and the difference that the Council is making.	4	2	2	0
The Council has an agile and dynamic planning framework that recognises that every day and every customer or scenario is different but seeks to contribute to priorities.	5	4	1	0
The Council is investing time in performance, recognising that the sum of its parts can achieve more than the individual elements.	5	2	3	0
The Council has a commitment to learning and improvement being an outward facing organisation.	4	2	2	0
The Council supports and empowers Council officers with clear roles and responsibilities.	3	2	1	0
<b>TOTALS</b>	<b>25</b>	<b>14</b>	<b>11</b>	<b>0</b>

Summary of Weakness	Risk Rating	Agreed Action Date
The Council has been unable to demonstrate all service areas had a finalised service plan at the beginning of the financial year.	Low Risk	31/12/2024
There was no Performance Management framework document to set out a foundation to drive improvement and achieve the best results for Ashfield.	Moderate Risk	31/12/2024
The performance information in the corporate scorecard did not cover all objectives and actions in the Corporate Plan.	Low Risk	Implemented
At the time of the audit an issue with licences meant that access to Power BI, the Council's analytical digital data platform software for reporting and monitoring, was restricted.	Low Risk	30/09/2024
Ashfield residents had not been provided with an annual report on the Council's performance against the Corporate Plan.	Low Risk	31/12/2024
The analysis of data over individual areas throughout the district has not been completed for a significant number of years.	Low Risk	30/09/2024

# Ashfield District Council – Audit Progress Report

<p>Only 35% of the Personal Development Reviews had been completed from the 1 April 2023 to the end of February 2024.</p>	<p>Low Risk 31/12/2024</p>
<p>It was evident from the review of the service plans that cross-service working was not adequately documented or assessed, to ensure the Council was working efficiently and effectively.</p>	<p>Low Risk 31/07/2024</p>
<p>Some measures to assess the efficiency and effectiveness of Council services were not yet in place;                  - market assessments were not undertaken                  - targets were not revised to ensure that performance is improved                  - there was no evidence that the Council were reviewing their performance for trends</p>	<p>Low Risk 31/07/2024</p>
<p>There was no evidence that performance reports had been taken to the Principal Select Committee on a quarterly basis as required in the Select Committee's work programme.</p>	<p>Low Risk 31/03/2025</p>
<p>The Policy and Performance service area was in the process of being developed at the time of the audit and therefore was not fully resourced, impacting on its ability to operate effectively.</p>	<p>Low Risk 31/07/2024</p>



# 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	0	1	0
16-Aug-19	Fire Safety	Reasonable	0	1	0
21-Jun-21	Management of Fraud Risk	Limited	0	8	0
10-May-21	People Management	Reasonable	0	4	0
21-Jun-21	Delegated Decisions	Reasonable	0	1	0
05-Oct-21	PCI Compliance in Organisational Transformation	Reasonable	0	1	0
28-Feb-22	Outdoor Recreation - Sports Bookings	Limited	0	3	0
28-Jul-22	Housing - Data Quality 2022-23	No	0	2	0
25-Oct-22	Licensing 2022-23	Reasonable	0	3	0
17-Apr-23	Leisure Centre 2022-23	Reasonable	0	1	0
12-May-23	Estates	Reasonable	9	1	0
23-Jun-23	Future High Streets Fund & Towns Fund	Limited	2	0	0
16-Oct-23	Information Governance 2023-24	Reasonable	2	3	0
19-Oct-23	Outdoor Recreation - Equipment Safety	Reasonable	0	5	0
21-Nov-23	Markets 2023-24	Reasonable	0	1	0
16-Jan-24	Members Code of Conduct	Reasonable	2	0	7
26-Jan-24	Responsive Repairs 2023-24	Reasonable	0	1	2
10-Jun-24	Trade Waste 2023-24	Reasonable	1	0	7
02-Jul-24	Performance Management 2023-24	Reasonable	0	0	10
		<b>TOTALS</b>	<b>16</b>	<b>36</b>	<b>26</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	0	0	0	1
Fire Safety	0	0	0	0	1	0
Management of Fraud Risk	0	0	0	0	2	6
People Management	0	0	0	0	0	4
Delegated Decisions	0	0	0	0	0	1
PCI Compliance in Organisational Transformation	0	0	0	0	0	1
Outdoor Recreation - Sports Bookings	0	0	0	0	0	3
Housing - Data Quality 2022-23	0	0	0	0	2	0
Licensing 2022-23	0	0	0	0	0	3
Leisure Centre 2022-23	0	0	0	0	0	1
Estates	0	2	7	0	0	1
Future High Streets Fund & Towns Fund	0	2	0	0	0	0
Information Governance 2023-24	0	1	1	0	0	3
Outdoor Recreation – Equipment Safety	0	0	0	0	0	5
Markets 2023-24	0	0	0	0	0	1
Members Code of Conduct	0	0	2	0	0	0
Responsive Repairs 2023-24	0	0	0	0	0	1
Trade Waste 2023-24	0	0	1	0	0	0
<b>TOTALS</b>	<b>0</b>	<b>5</b>	<b>11</b>	<b>0</b>	<b>5</b>	<b>31</b>

# Ashfield District Council – Audit Progress Report

## Highlighted Recommendations

The following recommendations, that have not yet been implemented, are detailed for Committee's scrutiny.

## Being Implemented Recommendations

<b>Fire Safety</b>	<b>Rec No. 5</b>
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>	<p>Moderate Risk</p>
Management Response/Action Details	Action Date
<p>An assessment of all flat entrance doors has been completed and the results forwarded to the Assets &amp; 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.</p>	<p>31/03/2020</p>
Status Update Comments	Revised Date
<p>Standard fire doors (majority); installations to commence 07/02/22.</p> <p>The works are not yet complete. We have continued to have difficulties in terms of supply to source doors which comply with the regulations and at a fair price and meet other requirements. We have also had difficulty with closing strengths of doors (which stopped us from fitting Sherwood Court doors previously).</p> <p>We are making progress in terms of sourcing suppliers and our Contractor, J Tomlinson are hoping to fit the remaining doors as follows:-</p> <ul style="list-style-type: none"> <li>• Leaseholder fire doors (Feb/March)</li> <li>• Sherwood Court doors (requiring additional works to the door heads and surrounds up to ceiling height (March/April)</li> <li>• Fire doors with sidelights (April/May).</li> </ul> <p>Nov 2023 Update - there have been numerous difficulties with implementing this recommendation, including issues with contractors. The Council should enter into a contract with a new contractor in the next couple of weeks, whose works will include completing the residual replacement fire doors. Circa 60 doors are still to be completed.</p>	<p>31/03/2024</p>

# Ashfield District Council – Audit Progress Report

<b>Management of Fraud Risk</b>	<b>Rec No. 6</b>
Summary of Weakness / Recommendation	Risk Rating
<p>The Council did not have trained fraud investigators with professional accreditation to review and investigate all areas of potential fraud.</p> <p>We recommend that the Council ensure they have access to fully trained fraud investigators, who can be called upon to investigate any areas of suspected fraudulent activity.</p>	Moderate Risk
Management Response/Action Details	Action Date
The Council will consider how to access a suitably trained fraud investigator.	30/04/2022
Status Update Comments	Revised Date
Gap analysis to be undertaken to understand the extent to which access to trained fraud investigators is necessary.	30/06/2024

<b>Management of Fraud Risk</b>	<b>Rec No. 10</b>
Summary of Weakness / Recommendation	Risk Rating
<p>The Council's fraud detection activities were limited, and they did not belong to any fraud groups nor were they a member of the National Anti-Fraud Network (NAFN).</p> <p>We recommend that the Council consider the use of fraud networking groups, such as NAFN, and arrange further regular activities to detect fraud in high risk areas.</p>	Moderate Risk
Management Response/Action Details	Action Date
The Council will consider becoming a member of NAFN or other fraud networking groups.	31/10/2021
Status Update Comments	Revised Date
This is not yet complete. Application form was completed but a recent review of Anti-fraud practices has shown that the legal team were questioning the requirement to have this and have not completed the DPIA's, and had placed the application on hold.	18/07/2024

<b>Housing Data Quality 2022-23</b>	<b>Rec No. 9</b>
Summary of Weakness / Recommendation	Risk Rating
<p>The personal and sensitive data stored in the Capita Housing System, may be out of date as it was obtained at the point of tenancy application and not refreshed thereafter.</p> <p>We recommend that the personal and sensitive data included in the Capita Housing System is reviewed to ensure it is accurate and up to date. Any personal and sensitive data not required should be deleted from the System.</p>	Moderate Risk
Management Response/Action Details	Action Date
<p>Data characteristics to enable accurate profiling to be determined.</p> <p>Current data to be extracted and cleansed.</p> <p>Rolling programme of collection and deletion to be established.</p> <p>Creation of role to ensure Capita data is reconciled, accurate and relevant.</p>	31/03/2023
Status Update Comments	Revised Date
An action plan has been developed and approved by the Social Housing Regulation Team. Work has commenced on completing actions in the plan - evidence has been seen of monthly meetings taken place to monitor action plan. Some actions have slipped therefore it is now forecasted that works will conclude before the end of Quarter 2 2024/25.	30/09/2024

# Ashfield District Council – Audit Progress Report

<b>Housing Data Quality 2022-23</b>	<b>Rec No. 10</b>
Summary of Weakness / Recommendation	Risk Rating
<p>Access to the various Excel spreadsheets used to record component works such as checks, installations and replacements, had not been appropriately restricted.</p> <p>We recommend that management reviews the permissions on the folders storing the Excel spreadsheets that currently represent a master copy of component related works. Where possible, access to amend the data in the files should be significantly restricted, and other users where appropriate should only be given read only access permissions.</p>	<p>Moderate Risk</p>
Management Response/Action Details	Action Date
<p>All housing folders to be reviewed for permissions/restrictions NB needs to be measured against the move to SharePoint /Windows 365 as to the appropriate time to enact.</p> <p>IT to restrict access to housing specific folders (file holding areas) to a list of identified users, preferably belonging, and controlled by departmentally assigned Active Directory group(s).</p>	<p>31/10/2022</p>
Status Update Comments	Revised Date
<p>ICT have restructured Active Directory for the Housing section into its new layout. Groups have been created:</p> <ul style="list-style-type: none"> <li>• Housing Operations</li> <li>• Assets and Investments</li> <li>• Strategic Housing and Lettings</li> <li>• Housing Management and Tenancy Services</li> </ul> <p>ICT are now working through the folders on S: to further tighten down the permissions to folders where feasible.</p>	<p>30/11/2023</p>

## Action Due

<b>Future High Street Funds</b>	<b>Rec No. 9</b>
Summary of Weakness / Recommendation	Risk Rating
<p>Cabinet had not been informed of the risks to the Council should the projects and/or the programme fail.</p> <p>We recommend the Council re-examine the risks specifically to the Council associated with the programme/project arrangements and put mitigating actions in place. This information should be reported to the Cabinet.</p>	<p>Moderate Risk</p>
Management Response/Action Details	Action Date
<p>Noted, the risk was flagged at SLT and was being managed within the delegated authority and funds available. Noted this should be reflected in a Cabinet update.</p>	<p>31/10/2023</p>
Status Update Comments	Revised Date

# Ashfield District Council – Audit Progress Report

Estates	Rec No. 2
Summary of Weakness / Recommendation	Risk Rating
<p>The use of an application form for commercial letting was not being enforced, and the form required updating as it referred to outdated data protection legislation.</p> <p>We recommend that the service area reviews and updates the application form to refer to the Data Protection Act 2018 and brings it back into use for all new tenancy applications.</p>	Moderate Risk
Management Response/Action Details	Action Date
Agreed.	30/06/2023
Status Update Comments	Revised Date

Estates	Rec No. 3
Summary of Weakness / Recommendation	Risk Rating
<p>Pre-tenancy checks did not include credit checks, identity checks or Companies House checks. Testing also noted 3 occasions where current pre-tenancy checks could not be evidenced.</p> <p>We recommend that pre-tenancy checks are improved, to include credit checks, identity checks and Companies House checks where possible. The same checks should be undertaken on all tenants and guarantors. All pre-tenancy checks should be evidenced.</p>	Moderate Risk
Management Response/Action Details	Action Date
Agreed.	30/06/2023
Status Update Comments	Revised Date

Information Governance 2023-24	Rec No. 6
Summary of Weakness / Recommendation	Risk Rating
<p>Review of employee file access permissions across a number of service areas noted occasions where access was not appropriate in SharePoint and shared drives.</p> <p>We recommend that the Council ensures there are controls in place to make sure that file access is appropriately restricted to those employees with a business need, taking into account the need to read, edit or have full control over files. We also recommend that the access issues noted in this audit are addressed.</p>	Moderate Risk
Management Response/Action Details	Action Date
<p>The access issues noted in the report were corrected where required. Reminders will be sent out to managers regarding the need to inform IT of any agency staff which have left the Council. Also, regarding the SharePoint restricted access this is not failure of how security of files will be in teams. Section files will be more secure, can be easily locked down and is highly viewable by the managers who are responsible for checking who has what access. I will have to look at creating new private channels in the areas noted and migrating files. We will put a one page guide together for checking membership of channels (when we start moving more sections from s: drive to teams/sharepoint again we have to discuss channels with data owners anyway as part of setting them up and deciding on initial membership).</p>	31/12/2023
Status Update Comments	Revised Date