

East Staffordshire Borough Council

Internal Audit Progress Report

June 2018



Bringing public value to life

cw audit
internal audit services

1. Introduction

This report summarises the work of Internal Audit to early June, in relation to the 2017/18 and 2018/19 internal audit plan delivery.

The purpose of the report is to:

- Show progress against the audit plans;
- Summarise the key findings and conclusions arising from our work during the period;
- Provide details of planned work;
- Update on the implementation of actions agreed by management in relation to internal audit recommendations.

2. Progress summary

Delivery of the 2017/18 Internal Audit plan is substantially complete, with a limited number of reports still to be finalised. The annual Internal Audit report provided separately on this agenda sets out a summary of the position.

Appendix 1 provides the current status of all audit assignments from the 2018/19 plan, and currently-planned timings, together with the opinions we have provided in each case where appropriate.

3. Reviews completed

The following reviews have been completed and a final report issued, since the last meeting of this Committee.

Review	Status
Creditors & Payroll key controls	Final report issued
Anti-fraud – duplicate payments	Final report issued

3. In progress

Review	Status
2017/18 Corporate Health & Safety	Draft report issued
2017/18 Neighbourhood Fund	Draft report issued
2017/18 Environmental Health – selective licensing	Draft report issued
2018/19 Disabled Facilities Grants – certification work	In progress
2018/19 Leisure Centres – key controls assurance	In progress
2018/19 General Data Protection Regulation	In progress

4. Recommendation tracking

Recommendations and agreed actions are uploaded to a web-based database when reports are finalised. Managers access the system, and update status and mark actions as implemented when appropriate. The first table below sets out a summary of agreed actions, which were due to be implemented by 31/5/18. The second table shows the age of those agreed actions (based on the original date due for implementation) which are not yet complete. Members should note that the status of each action is as stated by management and not verified by Internal Audit unless a specific follow up has been undertaken.

Summary	1 Critical	2 High	3 Medium	4 Low	Total
Due by 31/5/18	-	20	189	62	271
Implemented	-	20	173	58	251
Closed	-	-	15	4	19
In progress but not complete	-	-	1	-	1
Outstanding (not started)	-	-	-	-	-

Time overdue for actions o/s or not complete	1 Critical	2 High	3 Medium	4 Low	Total
Less than 3 months	-	-	-	-	-
3 – 6 months	-	-	-	-	-
Greater than 6 months	-	-	1	-	1
Total	-	-	1	-	1

As previously requested by the Committee, a summary for all agreed actions which were due for implementation by 31/5/18 and which managers have not yet recorded as fully implemented, are set out below, together with a summary of the most recent update from managers/officers responsible. As the action tracking system is based on management updates to agreed actions, this does not imply that Internal Audit has verified the status in such cases. In this case there is 1 outstanding action:

2017/18 IT Risk Assessment – management is continuing to work to address the issue previously highlighted regarding internet use filtering, with completion now planned by the end of June, given the office relocation.

Status update – 2018/19 Audit Plan

Review	Scheduled	Status	Level of assurance (where relevant)
Budgetary Control and Medium Term Financial Strategy	January 2019		
National Fraud Initiative	Ongoing		
Anti-fraud – Support, proactive work and review	January 2019		
Performance Management/Data Quality	September 2018		
Project assurance	Ongoing-as required		
Project management/governance	August/September 2018		
General Data Protection Regulation preparedness	May/June 2018	In progress	
Income collection – service based	October 2018 onwards		
Members – expenditure and assets	To be agreed		
Capital disposals assurance – Dove Way/Pennycroft Road; Bargates; Lynwood Road; Burton Place.	To be agreed		
Creditors & payroll – key controls	October 2018 onwards		

Review	Scheduled	Status	Level of assurance (where relevant)
Pensions assurance	August/September 2018		
Revenues and Benefits – key controls	September - December 2018		
Financial systems (ledger, treasury management, central income/cash processes) – key controls	August – December 2018		
Debtors & Debt Recovery	September - December 2018		
Waste Management – Smarter Waste	July/August 2018		
Capital Programme/projects management	To be agreed		
Planning Obligations/Section 106 agreements	January 2019		
Planning applications processing	January 2019		
Homelessness Reduction Act	October – December 2018		
Cybersecurity	October 2018		
Food Safety	To be agreed		
Disabled Facilities Grants (including assurance to external funders)	May-July 2018 (for certification work) Oct – Dec 2018 (to assess revised processes)	In progress	
Building Services Contract	October – December 2018		
Leisure centre key controls assurance	June/July 2018	In progress	

Review	Scheduled	Status	Level of assurance (where relevant)
Taxi licensing	October – December 2018		