

East Staffordshire Borough Council

Internal Audit Progress Report

September 2018



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1. Introduction

This report summarises the work of Internal Audit to early September, 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 final 2017/18 Internal Audit reviews is complete, with the issue of our reports referred to below. 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. The assurance opinion given in each case is shown, where relevant.

Review	Status
2017/18 Corporate Health & Safety	Final report issued (significant assurance)
2017/18 Neighbourhood Fund	Final report issued (significant assurance)
2017/18 Environmental Health – selective licensing	Final report issued (significant assurance)

Review	Status
2018/19 Leisure Centres – key controls assurance	Final report issued (significant assurance)
Disabled Facilities Grants certifications	Work complete, certifications provided.
2018/19 Smarter Waste	Final report issued (significant assurance)
2018/19 Financial Systems (General Ledger, Treasury Management, central Income Management) – key controls	Final report issued (full assurance)
2018/19 General Data Protection Regulation	Final report issued

3. In progress

Review	Status
Debtors and Debt Recovery	In progress
Revenues & Benefits – key controls	Scope and timing agreed
Project Management/Governance	Draft report imminent
Performance Management – Data Quality	In progress
Creditors and Payroll – key controls, and duplicate payments review	Scope and timing agreed
Pensions assurance	Timing agreed

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 30/9/18. 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 30/9/18	-	27	192	65	284
Implemented	-	27	177	61	265
Closed	-	-	15	4	19
In progress but not complete	-	-	-	-	0
Outstanding (not started)	-	-	-	-	0

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	-	-	-	-	-
Total	-	-	-	-	-

As previously requested by the Committee, a summary for all agreed actions which were due for implementation by 30/9/18 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 are no such outstanding actions.

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-duplicate payments	October 2018	Scope agreed	
Performance Management/Data Quality	September 2018	Scope agreed	
Project assurance	Ongoing-as required		
Project management/governance	August/September 2018	Draft report imminent	
General Data Protection Regulation preparedness	May/June 2018	Final report issued	N/A
Income collection – service based	December 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	Scope and timing agreed	
Pensions assurance	October 2018	Timing agreed	

Review	Scheduled	Status	Level of assurance (where relevant)
Revenues and Benefits – key controls	October – November 2018	Scope and timing agreed	
Financial systems (ledger, treasury management, central income/cash processes) – key controls	August 2018	Final report issued	Full
Debtors & Debt Recovery	September 2018	Scope and timing agreed	
Waste Management – Smarter Waste	July/August 2018	Final report issued	Significant
Capital Programme/projects management	To be agreed		
Planning Obligations/Section 106 agreements	January 2019		
Planning applications processing	January 2019	Scoping	
Homelessness Reduction Act	October – December 2018	Scoping	
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)	Certification work complete	N/A
Building Services Contract	October – December 2018		
Leisure centre key controls assurance	June/July 2018	Final report issued	Significant
Taxi licensing	October – December 2018		