

East Staffordshire Borough Council

Internal Audit Progress Report

November 2018



Bringing public value to life

cw audit
internal audit services

1. Introduction

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

The purpose of the report is to:

- Show progress against the audit plan;
- 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

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
Project Assurance - Leisure	Briefing report issued
Project Management/Governance	Final report issued
Pensions Assurance	Certification issued
Debtors and Debt Recovery	Final report issued

3. In progress

Review	Status
Revenues & Benefits – key controls	In progress
Performance Management – Data Quality	In progress
Creditors and Payroll – key controls, and duplicate payments review	Draft report issued
Members-expenditure and assets	Scope and timing agreed
Food Safety	Scope and timing agreed
Taxi licensing	Scope and timing agreed
Cybersecurity	Scope and timing agreed
Planning applications processing	Scope and 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 31/10/18. 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 31/10/18	-	27	201	68	296
Implemented	-	27	184	63	274
Closed	-	-	15	4	19
In progress but not complete	-	-	2	1	3
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	-	-	2	1	3
3 – 6 months	-	-	-	-	-
Greater than 6 months	-	-	-	-	-
Total	-	-	2	1	3

As previously requested by the Committee, a summary for all agreed actions which were due for implementation by 31/10/18 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.

2017/18 Corporate Health & Safety – management needed to review and update a Safety Guidance Note relating to Completing Risk Assessments; opportunity is being taken to do this following implementation of a new risk management system. This action is now expected to be completed in late November. The review of this Note and new system is also planned to provide for review by the Health & Safety Officer of risk assessments for higher risk activities.

2018/19 Leisure Centres key controls assurance – a problem identified with the till system not accurately recording credit card refunds at Uttoxeter Leisure Centre has been raised with the supplier but is not yet resolved. Management continues to monitor the issue.

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	Draft report issued	
Performance Management/Data Quality	October 2018	In progress	
Project assurance	Ongoing-as required	Briefing report issued re Leisure project	N/A
Project management/governance	August/September 2018	Final report issued	Significant
General Data Protection Regulation preparedness	May/June 2018	Final report issued	N/A
Income collection – service based	December 2018 onwards	Scoping	
Members – expenditure and assets	November/December 2018 onwards	Scope agreed	
Capital disposals assurance – Dove Way/Pennycroft Road; Bargates; Lynwood Road; Burton Place.	To be agreed		
Creditors & payroll – key controls	October 2018 onwards	Draft report issued	
Pensions assurance	October 2018	Certification issued	N/A

Review	Scheduled	Status	Level of assurance (where relevant)
Revenues and Benefits – key controls	November 2018	In progress	
Financial systems (ledger, treasury management, central income/cash processes) – key controls	August 2018	Final report issued	Full
Debtors & Debt Recovery	September 2018	Final report issued	Significant
Waste Management – Smarter Waste	July/August 2018	Final report issued	Significant
Capital Programme/projects management	January 2019	Scoping	
Planning Obligations/Section 106 agreements	January 2019		
Planning applications processing	January/February 2019	Scope and timing agreed	
Homelessness Reduction Act	December 2018	Scoping	
Cybersecurity	November 2018	Scope and timing agreed	
Food Safety	December 2018	Scope and timing 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	Jan – Mar 2019		
Leisure centre key controls assurance	June/July 2018	Final report issued	Significant
Taxi licensing	December 2018	Scope and timing agreed	