

East Staffordshire Borough Council

Internal Audit Progress Report

December 2019



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internal audit services

1. Introduction

This report summarises the work of Internal Audit to the end of November, in relation to the 2019/20 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; and
- 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 2019/20 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 is shown.

Review	Status
Financial Systems – key controls	Final report issued (full assurance)
Markets	Final report issued (significant assurance)
Cemeteries	Final report issued (significant assurance)
Brewhouse	Final report issued (significant assurance)

Review	Status
Digital Strategy	Final report issued (significant assurance)
Disabled Facilities Grants	Final report issued (significant assurance), and funder certification issued
Pensions Assurance	Certification issued

4. In progress

Review	Status
Leisure Contract Monitoring	In progress
Councillor induction	Draft report issued/imminent
Council tax	In progress
Business Rates	In progress
Benefits/Council Tax Support	In progress
Creditors (incl duplicate payments review)	Draft report issued/imminent
Payroll	Draft report issued/imminent
Procurement & Contract Management	In progress

Review	Status
IT Disaster Recovery Planning	In progress
Debtors/Debt Recovery	In progress

5. 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 1/12/19. 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 1/12/19	-	28	232	87	347
Implemented	-	28	216	82	326
Closed	-	-	16	4	20
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	-	-	-	1	1
Greater than 6 months	-	-	-	-	-
Total	-	-	-	-	1

As previously requested by the Committee, a summary for all agreed actions which were due for implementation by 1/12/19 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.

2018/19 Waste Management – This issue relates to wheelie bin stock control which is linked to the Bartec system upgrade. Discussions are ongoing for the timetable of the upgrade during 2019/20, currently planned for 31/3/2020.

Status update – 2019/20 Audit Plan

Review	Scheduled	Status	Level of assurance (where relevant)
Budgetary Control & Medium Term Financial Planning	January-March 2020		
National Fraud Initiative	Ongoing		
Anti-fraud – Support, pro-active work and review-duplicate payments review	October – December 2019	Draft report issued/imminent	
Human Resources	October - December 2019		
Capital Project assurance	To be agreed		
Procurement and contract management	Oct – Dec 2019	In progress	
Registers of interests/gifts and hospitality/inventories	To be agreed		
Councillor induction	September 2019 onwards	Draft report issued/imminent	
Capital disposals assurance – Dove Way/Pennycroft Lane; Bargates.	Under discussion		
Creditors	October – December 2019	Draft report issued/imminent	
Payroll – key controls	October – December 2019	Draft report issued/imminent	
Pensions Assurance	October 2019	Certification issued	N/A
Benefits / Council Tax Support	October – December 2019	In progress	

Review	Scheduled	Status	Level of assurance (where relevant)
Council Tax	October – December 2019	In progress	
Business Rates	October – December 2019	In progress	
Debtors & Debt Recovery	October – December 2019	In progress	
Financial Systems – key controls	September 2019	Final report issued	Full
Waste Management – Smarter Waste	January-March 2020		
Digital Strategy	October – December 2019	Final report issued	Significant
IT Disaster Recovery planning	October – December 2019	In progress	
Street Cleaning	January -March 2020		
Disabled Facilities Grants (including assurance to external funders)	July – September 2019	Final report and certification issued	Significant
Building Services Contract	January-March 2020		
Leisure contract monitoring	September 2019 onwards	In progress	
Brewhouse	July-September 2019	Final report issued	Significant
Markets	April-June 2019	Final report issued	Significant
Cemeteries	July-September 2019	Final report issued	Significant
Enforcement	October – December 2019	Scoping	