

# East Staffordshire Borough Council

## Internal Audit Progress Report

June 2017



**cw audit**  
internal audit services

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# 1. Introduction

This report summarises the work of Internal Audit to late May 2017, in relation to 2016/17 and 2017/18 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 Internal Audit plan for 2016/17 is substantially complete and further detail is set out in the Annual Head of Internal Audit opinion report provided elsewhere on this agenda. Appendix 1 provides the current status of all audit assignments from the 2017/18 plan, together with the opinions we have provided in each case where appropriate.

# 3. Reviews completed

The following 2016/17 reviews have been completed and a final report issued, since the last full meeting.

Review	Status	Level of assurance
Millers Lane – Health & Safety	Final report issued	<b>Significant</b>
Safeguarding - Governance	Final letter issued	<b>Significant</b>

Review	Status	Level of assurance
Brewhouse	Final (follow-up) report issued	N/A
Meadowside Leisure Centre - key systems/ processes	Final report issued	Significant
Workforce Planning - Appraisals	Final letter issued	Full
Markets	Final report issued	Significant
Key controls – payroll	Final report issued	Significant

In relation to the assurance reviews completed since the previous meeting, we provide for each meeting of this committee a summary of any matters raised with management in our final reports, which we considered to be high risk or key matters raised in relation to reviews providing less than significant assurance, and of the actions agreed by management to address these.

In relation to our Meadowside Leisure Centre review we raised one such issue which related to the need to ensure all new staff completed required health and safety training in a timely manner and management have committed to actions to ensure such cases are addressed.

### 3. In progress

Review	Status
2016/17 Licensing service and income	Draft report issued

Review	Status
2016/17 Asset Register	Draft report imminent
2017/18 Business Continuity Planning	Scoping/in progress
2017/18 Environmental Health – public safety	Scoping
2017/18 IT Risk Assessment	Scoping

## 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 30/4/17. 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 30/4/17	-	16	153	43	212
Implemented	-	15	135	38	188
Closed	-	-	15	4	19
In progress but not complete	-	1	-	1	2
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	-	1	-	-	1
3 – 6 months	-	-	-	-	-
Greater than 6 months	-	-	-	1	1
Total	-	1	-	1	2

As previously requested by the Committee, a summary for all agreed actions which were due for implementation by 30/4/17 and which managers have not yet recorded as fully implemented, are set out below, together with (in italics) 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 these cases. In this case there are 2 outstanding actions:

2014/15 Creditors and Payroll: key controls review – complete and long-standing orders to be closed off on the Agresso system – *this is underway and work is ongoing to close off relevant orders, now expected to be complete by 31/5/17*

The other agreed action related to our 2016/17 Meadowside Leisure Centre review, in relation to ensuring timely health and safety training for all staff (as referred to earlier). Management has advised that reminders have been issued to staff as agreed and we will liaise further with management to update at the next Committee meeting.

## Status update – 2017/18 Audit Plan

Review	Scheduled	Status	Level of assurance (where relevant)
Budgetary Control	Oct-Dec 2017		
National Fraud Initiative	Ongoing		
Anti-fraud – Support, proactive work and review(duplicate payments)	Oct 2017 – March 2018		
Cash & Bank	Oct-Dec 2017		
Scrutiny review – implementation review	Jan – March 2018		
Creditors & payroll – key controls	Oct 2017 – March 2018		
Dove Way/Pennycroft – disposal - assurance	To be confirmed		
Taxi licensing	Apr – June 2017	Requested to defer into 2018/19	<b>N/A</b>
Benefits / Council Tax Support	Oct – Dec 2017		
Council Tax	Oct – Dec 2017		
Business Rates	Oct – Dec 2017		
Debtors & Debt Recovery	July – Dec 2017		
Main Accounting	July – Dec 2017		

Review	Scheduled	Status	Level of assurance (where relevant)
Treasury Management	July – Dec 2017		
IT Risk Assessment	April – Sept 2017	Scoping	
Planning applications processing	Oct 2017 – March 2018		
Business Continuity Planning	Apr – June 2017	Scoping/in progress	
Town Centre Regeneration Initiative – programme assurance	To be confirmed		
Homelessness/Housing Options	July – Sept 2017		
Asset control/security - Millers Lane	July – Sept 2017		
Project support/assurance – Culture/leisure options	To be confirmed		
Corporate Health & Safety	Jan – Mar 2018		
Neighbourhood Fund	Oct 2017 – Mar 2018		
Project support/assurance - Accommodation Review	To be confirmed		
Grounds Maintenance contracting	Oct – Dec 2017		
Environmental Health – selective licensing	July – Sept 2017		
Environmental Health – public safety	Apr – Sept 2017	Scoping	
Contingency – for additional reviews/follow ups as required	To be agreed		

Review	Scheduled	Status	Level of assurance (where relevant)
External assurance/compliance reviews – eg Disabled Facilities Grants, pensions – to Staffordshire County Council	July – Dec 2017		