

East Staffordshire Borough Council

Internal Audit Progress Report

June 2019



cw audit
internal audit services

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1. Introduction

This report summarises the work of Internal Audit to early June, in relation to the 2019/20 internal audit plan delivery and to completion of the 2018/19 internal audit plan.

The purpose of the report is to:

- Show progress against the internal 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 from the 2018/19 audit plan 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
Revenues & Benefits – key controls	Final report issued (Significant assurance)
Performance Management – Data Quality	Final report issued (Significant assurance)
Creditors and Payroll – key controls, and duplicate payments review	Final report issued (Significant assurance)

Review	Status
Members-expenditure and assets	Final report issued (Significant assurance)
Homelessness Reduction Act	Final report issued (Significant assurance)
Budgetary Control & MTFS	Final report issued (Full assurance)

4. In progress

Review	Status
2018/19 Food Safety	Draft report issued
2018/19 Income collection-service based	Draft report issued
2018/19 Planning applications processing	Draft report issued
2019/20 Markets	In progress
2019/20 Cemeteries	Scoping
2019/20 Leisure Contract Monitoring	Scoping
2019/20 Brewhouse	Scoping

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 1/5/19. 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 1/5/19	-	27	220	84	331
Implemented	-	27	204	78	309
Closed	-	-	15	4	19
In progress but not complete	-	-	1	2	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	-	-	1	2	3
3 – 6 months	-	-	-	-	-
Greater than 6 months	-	-	-	-	-
Total	-	-	1	2	3

As previously requested by the Committee, a summary for all agreed actions which were due for implementation by 1/5/19 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.

In this case there are 3 such outstanding actions:

2017/18 Millers Lane Asset Control/Security review – Wheelie Bin Stock Control: work to implement a stock control system with the Bartec IT system are ongoing.

2018/19 Performance Management – data quality review: work to formally document a procedure for collating missed bin data is ongoing - a procedure is in place but now needs to be approved.

2018/19 Revenues & Benefits key controls – unallocated cash: work to address certain unallocated items in suspense is ongoing.

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	October – December 2019		
Human Resources	July-September 2019		
Capital Project assurance	To be agreed		
Procurement and contract management	To be agreed		
Registers of interests/gifts and hospitality/inventories	To be agreed		
Councillor induction	July-September 2019		
Capital disposals assurance – Dove Way/Pennycroft Lane; Bargates.	January-March 2020		
Creditors	October – December 2019		
Payroll – key controls	October – December 2019		
Pensions Assurance	October – December 2019		
Benefits / Council Tax Support	October – December 2019		

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