

East Staffordshire Borough Council

Internal Audit Progress Report

September 2019



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internal audit services

1. Introduction

This report summarises the work of Internal Audit to early September, 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 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 review from the 2018/19 audit plan has been completed and a final report issued, since the last meeting of this Committee. The assurance opinion given is shown.

Review	Status
Service Income (Car parking)	Final report issued (significant)

4. In progress

Review	Status
Financial Systems – key controls	In progress
Markets	Fieldwork complete, draft report issued
Cemeteries	Fieldwork complete, draft report being prepared
Leisure Contract Monitoring	Scoping
Brewhouse	Fieldwork complete, draft report being prepared
Council tax	In progress
Councillor induction	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 1/9/19. 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 1/9/19	-	29	225	86	340
Implemented	-	29	210	79	318
Closed	-	-	15	4	19
In progress but not complete	-	-	-	3	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	-	-	-	-	-
3 – 6 months	-	-	-	3	3
Greater than 6 months	-	-	-	-	-
Total	-	-	-	-	3

As previously requested by the Committee, a summary for all agreed actions which were due for implementation by 1/9/19 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 Creditors and Payroll – This issue relates to the removal from the supplier Masterfile of suppliers who have not been utilised for a significant period of time.. The retention period of suppliers on the Masterfile has been determined and the team are working through the volume of supplier records to remove the relevant suppliers.

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.

2018/19 Revenue and Benefits –This issue related to the management reporting of benefit overpayments and consistency of reporting in terms of current/prior year. This action has now been agreed and will be actioned for Quarter 2 2019/20, to be reported in October 2019.

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	October - December 2019		
Capital Project assurance	To be agreed		
Procurement and contract management	Oct – Dec 2019		
Registers of interests/gifts and hospitality/inventories	Oct- Dec 2019		
Councillor induction	September 2019 onwards		
Capital disposals assurance – Dove Way/Pennycroft Lane; Bargates.	Under discussion		
Creditors	October – December 2019		
Payroll – key controls	October – December 2019		
Pensions Assurance	October 2019		
Benefits / Council Tax Support	October – December 2019		

Review	Scheduled	Status	Level of assurance (where relevant)
Council Tax	October – December 2019	In progress	
Business Rates	October – December 2019		
Debtors & Debt Recovery	October – December 2019		
Financial Systems – key controls	September 2019	In progress	
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)	July – September 2019	Fieldwork complete	
Building Services Contract	January-March 2020		
Leisure contract monitoring	September 2019 onwards	Scoping	
Brewhouse	July-September 2019	Draft report imminent	
Markets	April-June 2019	Draft report issued	
Cemeteries	July-September 2019	Draft report imminent	
Enforcement	October – December 2019		