

East Staffordshire Borough Council

Internal Audit Progress Report

September 2020



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internal audit services

1. Introduction

This report summarises the work of Internal Audit to the end of August 2020, in relation to the 2020/21 internal audit plan delivery and the progress made in respect of the remaining audits in the 2019/20 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

2019/20 Internal Audit Plan

Appendix 1 provides the current status of all audit assignments from the 2019/20 plan together with the opinions we have provided in each case where appropriate. This includes revised timings with management and deferrals and delays due to Covid 19.

2020/21 Internal Audit Plan

Appendix 1 provides the current status of all audit assignments from the 2020/21 plan together with the opinions we have provided in each case where appropriate. We have liaised with management and reviewed the timings of some of the audits in the plan to allow for delays due to Covid 19 and allow the completion of the business support grant assurance work.

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 (20/21 unless stated)	Status
Leisure Contract Monitoring (Capital)	Final Report issued (Full Assurance)
CCTV	Final Report issued (Significant Assurance)
Waste Management - Contamination	Final Report issued (Significant Assurance)
2019/20 Procurement & Contract Management	Final Report issued (Significant Assurance)
2019/20 Registers of interests/gifts and hospitality/ inventories	Final Report issued (Significant Assurance)
2019/20 Council Tax	Final Report Issued (Significant Assurance)
2019/20 Business Rates	Final Report Issued (Significant Assurance)
2019/20 Housing Benefits and Council Tax Support	Final Report Issued (Significant Assurance)

4. In progress

Review (20/21 unless stated)	Status
Business Support Grants	In Progress
Safeguarding	In Progress
Horticulture / Grounds Maintenance	In Progress
Key Financial Systems	In progress
DFG Grants	In Progress
2019/20 Debtors & Debt Recovery	In Progress
2019/20 Building Services Contract	In Progress
2019/20 Enforcement	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 1/9/20. 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 1/9/20	-	28	239	88	355
Implemented	-	28	221	83	332
Closed	-	-	16	4	20
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	-	-	-	-	-
3 – 6 months	-	-	-	-	-
Greater than 6 months	-	-	2	1	3
Total	-	-	2	1	3

As previously requested by the Committee, a summary for all agreed actions which were due for implementation by 1/9/20 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. The Bartec system was due to go live in March 2020 with wheelie bin stock due to be added at a later date with the implementation date being revised to 30th June 2020. Due to delays relating to Covid 19 management have advised this work is now aimed for completion in quarter 4 of 2020/21.

2018/19 Food Safety – This issue relates to the registration of new food businesses. The council has signed up to the Food Standards Agency registration process and is awaiting implementation, with the implementation date being revised to October 2020.

2019/20 DFG Procedures – This issue related to the development of formal procedures for the DFG awards, works and payments to provide clear guidance on the processing and management of DFG awards. The draft procedures have been developed and were expected to be finalised and completed by the end of July 2020. The delivery of this action has been impacted by Covid 19. We will review progress made in this area as part of our 2020/21 audit.

Status update – 2019/20 Audit Plan

Review	Scheduled	Status	Level of assurance (where relevant)
Procurement and Contract Management	Oct – Dec 2019	Final Report issued	Significant
Registers of interests/gifts and hospitality/inventories	April – May 2020	Final report issued	Full
Benefits / Council Tax Support	October – December 2019	Final report issued	Significant
Council Tax	October – December 2019	Final report issued	Significant
Business Rates	October – December 2019	Final report issued	Significant
Debtors & Debt Recovery	October – December 2019	In progress	
Street Cleaning	January -March 2020	Deferred to Q3/4 2020/21	
Building Services Contract	May – June 2020	In progress	
Enforcement	October – December 2019	In progress	

Status update – 2020/21 Audit Plan

Review	Scheduled	Status	Level of assurance (where relevant)
Budgetary Control and Medium Term Financial Planning	January – March 2021		
National Fraud Initiative	As required	Ongoing	
Anti-fraud – Support, pro-active work and review	November/December 2020	Scope agreed	
Capital Project assurance (including grant claims)	As required	Under discussion	
Capital disposals assurance – Dove Way/Pennycroft Lane; Bargates. Creditors	To be agreed		
	November/December 2020	Scope agreed	
Payroll – key controls	November/December 2020	Scope agreed	
Pensions Assurance	October 2020		
Stronger Towns Fund	To be agreed		
Small Business Fund	To be agreed		
Corporate Training	September 2020	Scope agreed	
Project Assurance	As required		
Revenues and Benefits	October – December 2020		
Debtors & Debt Recovery	To be agreed		

Review	Scheduled	Status	Level of assurance (where relevant)
Financial Systems – key controls	September – December 2020	In progress	
Waste Management - Contamination	July – September 2020	Final report issued	Significant
Waste Management - Smarter Waste	January – March 2021		
Disabled Facilities Grants (including assurance to external funders) CCTV	August 2020 start	In progress	
	June 2020 start	Final report issued	Significant
Leisure contract monitoring (capital)	July 2020 start	Final report issued	Full
Facilities Statutory responsibilities	September 2020 start	Scope agreed	
Climate Change	To be agreed		
Safeguarding	July 2020 start	In progress	
Car parking	September 2020 start	Scope agreed	
Horticulture / Grounds Maintenance	July 2020 start	In progress	
Business Support Grants	July 2020 start	In progress	