

Audit and Corporate Governance Committee Report



Listening Learning Leading

Report of Audit Manager

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To: Audit and Corporate Governance Committee

DATE 29 June 2009

AGENDA ITEM NO 10

Internal Audit Management Report Quarter 1 2009/2010

Purpose of Report

1. The purpose of this report is:
 - to report on management issues
 - to summarise the progress of internal audit against the 2009/2010 audit plan up to the 17 June 2009.
 - to summarise the priorities and planned audit work for quarter 2 2009/2010.
2. The Committee is asked to note the report.

Background

3. The CIPFA Code of Practice for Internal Audit in Local Government in the UK 2006 states that the Head of Internal Audit should prepare a risk-based audit plan, which should outline the assignments to be carried out and the broad resources required to deliver the plan.

- The CIPFA Code also states that the Audit Committee should approve the annual Internal Audit Plan and monitor progress against the plan. This Committee approved the annual Internal Audit Plan on the 25 March 2009.

Management Issues

- There are no management issues to report at this time, the team is at full complement and progressing well with planned audit and consultancy work.

Progress against the 2009/2010 Audit Plan

- Progress against the approved audit plan has been calculated for the quarter up to the 17 June 2009 and year to date and is summarised in **Appendix 2** attached.
- Performance figures are as follows:

	Target	YTD	Q1 09/10	Q2 09/10	Q3 09/10	Q4 09/10
Chargeable	71%	66%	66%	-	-	-
Non-Chargeable	9.5%	11%	11%	-	-	-
Lost	19.5%	23%	23%	-	-	-

- The performance figures for Q1 take into account annual leave taken in May to clear carry-forward leave. The Audit Manager has no concerns with the team's performance.
- As at the 17 June 2009, the status of audit work is as follows:

Planned

Strategic, operational and financial assurance work known and approved by the Audit and Governance Committee.

	Planned	Complete	Draft	In progress	To commence
PLANNED	38	0 (0%)	2 (5%)	8 (21%)	28 (74%)
Joint	25	0	0	4	21
SODC	7	0	1	2	4
VWHDC	6	0	1	2	3

Adhoc

Unplanned project work based on agreed terms of reference with the Audit Manager (i.e. implementation of new systems) and responsive work issued and agreed by the S151 Officer, Members or Senior Management Team (i.e. investigations).

	Planned	Complete	Draft	In progress	To commence
ADHOC	3	1	1	1	0
Joint	0	0	0	0	0
SODC	1	1	0	0	0
VWHDC	2	0	1	1	0

Follow Up

Work undertaken to ensure that agreed recommendations have been implemented.

	Planned	Complete	Draft	In progress	To commence
FOLLOW - UP	21	3	0	1	17
SODC	11	3	0	0	8
VWHDC	10	0	0	1	9

Priorities for 2009/2010 Quarter 2 (July 2009 – September 2009)

10. The priority for quarter 2 is:
- Complete outstanding follow-up reviews.
 - Commence drafting the anti-fraud and corruption policy and response plan and money laundering policy.
11. Planned audit work which is currently ongoing and has been scheduled for quarter 2 is as follows:

Joint Audits	SODC Audits	VWHDC Audits
Bank Rec. Process Design Brown Bins Council Tax Creditor Payments Facilities Management FFTF Implementation Review Housing and Council Tax Benefits Partnership Perf. Monitoring Pro-Active Anti-Fraud Review Records Management Rent Accounting S106 Commuted Sums Verification of BVPI VFM in Procurement	Cornerstone – Couture Cornerstone – Membership OWP VFM from CCTV Contract	Lone Working & Officer Security

12. Follow-up work which is scheduled for quarter 2 is as follows:

SODC Audits	VWHDC Audits
Bank Contract Arrangements	Affordable Housing
Car Park Income	Consultation
Elections	Gazateer Unit
Gifts & Hospitality	Guildhall
ICT	ICT
Land Charges	Land and Property
Licensing	Out of Hours
Tender Process	Tender Process

ADRIANNA PARTRIDGE
AUDIT MANAGER

PROGRESS AGAINST AUDIT PLAN 2009/2010

APPENDIX 1

System Name	Status	Audit Allocation	Total Days Used	Exception Issues	Audit Opinion	No. of Recs	High	No. Agreed	Medium	No. Agreed	Low	No. Agreed	Total Not Agreed
As at 17 June 2009													
JOINT													
Bank Reconciliation Process Design SODC VWHDC	To Commence	20											
Brown Bin Scheme SODC VWHDC	To Commence	20											
Capital Accounting SODC VWHDC	To Commence	14											
Council Tax SODC VWHDC	To Commence	20											
Creditor Payments SODC VWHDC	To Commence	30											
Facilities Management SODC VWHDC	In Progress	20											
Financial Systems Reconciliations SODC VWHDC	To Commence	24											
General Ledger SODC VWHDC	To Commence	20											
Housing & Council Tax Benefits SODC VWHDC	To Commence	30											
HR Grievance Procedure SODC VWHDC	To Commence	20											
Information Governance (Sensitive Data) SODC VWHDC	To Commence	30											

System Name	Status	Audit Allocation	Total Days Used	Exception Issues	Audit Opinion	No. of Recs	High	No. Agreed	Medium	No. Agreed	Low	No. Agreed	Total Not Agreed
As at 17 June 2009													
NNDR SODC VWHDC	To Commence	20											
Partnership Performance Monitoring SODC VWHDC	In Progress	20											
Payroll (Capita) SODC VWHDC	To Commence	20											
Payroll (Client) SODC VWHDC	To Commence	20											
Pro-Active Anti-Fraud Review SODC VWHDC	To Commence	30											
Project Management SODC VWHDC	To Commence	30											
Records Management SODC VWHDC	In Progress	14											
Rent Accounting SODC VWHDC	TOR Sent	20											
S106 Commuted Sums SODC VWHDC	TOR Sent	24											
Sundry Debtors SODC VWHDC	To Commence	30											
Treasury Management SODC VWHDC	To Commence	14											
Verification of Performance Indicator Calculations SODC VWHDC	To Commence	30											
VFM from CCTV Contract SODC VWHDC	TOR Sent Draft Out	14	8										
VFM in Procurement	TOR Sent	24											

System Name	Status	Audit Allocation	Total Days Used	Exception Issues	Audit Opinion	No. of Recs	No. Agreed			Total Not Agreed
							High	Medium	Low	
As at 17 June 2009										
SODC VWHDC										
SODC										
Cornerstone – Couture Contract	In Progress	10								
Cornerstone – Emergency Planning, Disaster Recovery, Business Continuity Planning	To Commence	8								
Cornerstone - Membership	To Commence	6								
Fit for The Future Implementation Review	To Commence	10								
Oxfordshire Waste Partnership	In Progress	10								
Pest Control	To Commence	8								
Temporary Accommodation	Draft Out	10	10.5							
VWHDC										
Car Loans	To Commence	7								
Comments & Complaints Process	Draft Out	10	7							
Corporate Administration	To Commence	10								
DSO Accounting	In Progress	15								
Lone Working / Officer Security	In Progress	10								
Stray Dogs Contract	To Commence	10								
TOTALS	-	682	25.5		Full Satisfactory Limited Nil					

FOLLOW UP AUDITS 2008/2009

System Name	Total Used	Days	Audit Opinion Issued	Total No. of Recs Agreed	Implemented	Partly Implemented	Not Implemented	Ongoing
SODC								
None	-		-	-	-	-	-	-
VWHDC								
None	-		-	-	-	-	-	-
TOTALS								

FOLLOW UP AUDITS 2009/2010

System Name	Total Used	Days	Audit Opinion Issued	Total No. of Recs Agreed	Implemented	Partly Implemented	Not Implemented	Ongoing
SODC								
None	-		-	-	-	-	-	-
VWHDC								
None	-		-	-	-	-	-	-
TOTALS								

UNPLANNED WORK 2009/2010

CONSULTANCY

System Name	Status	Audit Allocation	Total Days Used	Requested By
JOINT				
None	-	-	-	-
SODC				
HCA Housing Growth Bid	Complete	1	1	Head of Economy, Leisure and Property
VWHDC				
OWP Auditing Authority – Year End	Draft Out	5	5.5	OWP Agreement
DSO Overtime Claims	In Progress	5	-	Chief Executive

CONTINGENCY

System Name	Status	Audit Allocation	Total Days Used	Requested By
JOINT				
None	-	-	-	-
SODC				
None	-	-	-	-
VWHDC				
None	-	-	-	-

SYSTEM DEVELOPMENT

System Name	Status	Audit Allocation	Total Days Used	Requested By
JOINT				
None	-	-	-	-
SODC				
None	-	-	-	-

System Name	Status	Audit Allocation	Total Days Used	Requested By
VWHDC				
None	-	-	-	-