

South Cambridgeshire District Council

Internal Audit Progress Report

June 2009

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1. Introduction

- 1.1 The periodic internal audit plan for 2009/10 has previously been approved by the Corporate Governance Committee. This report summarises the outcome of work completed to date against the plan, and Appendix A provides cumulative data in support of internal audit performance.

2. Final Reports Issued

- 2.1 We have issued the following 2008/09 final reports since the last Corporate Governance Committee:

- Section 106 Follow Up;
- Pro-active Fraud;
- Follow Up of the 2007/08 Internal Audit Reports; and
- IT Disaster Recovery Planning.

- 2.2 We have issued the following 2009/10 final report since the last Corporate Governance Committee:

- Response Maintenance.

3. Key Findings from Internal Audit Work

- 3.1 The Corporate Governance Committee should note that the assurances given in our audit assignments will be taken into account when we form our overall opinion on the assurance that we can provide in our Annual Report at the end of the year. In particular the Corporate Governance Committee should note that any negative assurance opinions will need to be noted in the annual report and may result in a qualified or negative annual opinion.

- 3.2 No common weaknesses have been identified within our reports.

4. Work in Progress or Planned

- 4.1 The following audit from the 2009/10 plan is currently at the draft report stage:

- Housing Maintenance – Planned and Cyclical.

5. Changes to our Plan

- 5.1 There have been no changes to the Audit Plan since the last Corporate Governance Committee.

Appendix A: Operational Plan Performance 2009/10

Detailed below is a summary of the work undertaken in 2009/10 to date, showing the levels of assurance given and the number of recommendations arising. In addition the outstanding reports for 2008/09 have been now been finalised which concludes the plan. Reports being considered at this Committee are shown in italics. Definitions with regard to the levels of assurance and the classification of recommendations are provided below.

Recommendation Categorisation

Our findings and recommendations are categorised as follows:

Fundamental (F): <i>action is imperative to ensure that the objectives for the area under review are met</i>	Significant (S): <i>requires action to avoid exposure to significant risks in achieving the objectives for the area under review.</i>	Merits Attention (MA): <i>action advised to enhance control or improve operational efficiency</i>
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Opinions

Risk Based Internal Audit Assignments

The definitions for the level of assurance that can be given are:

	Level	System Adequacy	Control Application
(positive opinions)	Substantial Assurance	Robust framework of controls ensures objectives are likely to be achieved.	Controls are applied continuously or with minor lapses.
	Adequate Assurance	Sufficient framework of key controls for objectives to be achieved but, control framework could be stronger.	Controls are applied but with some lapses.
(negative opinion)	Limited Assurance	Risk of objectives not being achieved due to the absence of key internal controls.	Significant breakdown in the application of controls.

Follow Up Reviews

Our opinions reflect the progress made in implementing previous internal audit recommendations:

(positive opinions)	Good Progress
	Reasonable Progress
(negative opinion)	Little Progress

2008/09 Internal Audit Plan

Auditable Area	Date Planned	Date Completed	Status	Audit approach	Days Planned	Days Actual	Last year actual	Assurance level given	Number of Recommendations Made				
									F	S	MA	In Total	Agreed
<i>Section 106 F/U</i>	<i>Q3 02.02.09</i>	<i>03.03.09</i>	<i>Final Report Issued</i>	<i>Follow Up</i>	<i>3</i>	<i>3</i>	<i>6.5</i>	<i>Reasonable Progress</i>	<i>0</i>	<i>1</i>	<i>3</i>	<i>4</i>	<i>4</i>
<i>Pro-active Fraud</i>	<i>Q4</i>	<i>N/A</i>	<i>Final Report Issued</i>	<i>Advisory</i>	<i>10</i>	<i>5</i>	<i>6</i>	<i>N/A</i>	<i>0</i>	<i>0</i>	<i>6</i>	<i>6</i>	<i>6</i>
<i>IT Disaster Recovery Planning</i>	<i>Q3/4</i>	<i>18.02.09</i>	<i>Final Report Issued</i>	<i>Awaiting Management Responses</i>	<i>10</i>	<i>10</i>	<i>N/A</i>	<i>Adequate</i>	<i>0</i>	<i>3</i>	<i>4</i>	<i>7</i>	<i>7</i>
<i>Follow up</i>	<i>Q4</i>	<i>13.02.09</i>	<i>Final Report Issued</i>	<i>Awaiting Management Responses</i>	<i>7</i>	<i>7</i>	<i>6.5</i>	<i>Reasonable Progress</i>	<i>0</i>	<i>4</i>	<i>13</i>	<i>17</i>	<i>17</i>

2009/10 Internal Audit Plan

Auditable Area	Date Planned	Date Completed	Status	Audit approach	Days Planned	Days Actual	Last year actual	Assurance level given	Number of Recommendations Made					
									F	S	MA	In Total	Agreed	
Work complete to date														
Housing Responsive Repairs	09/04/09	17/04/09	Final Report Issued	Systematic	8	8	8	Adequate	0	0	11	11	11	
Totals to date:					8	8			0	0	11	11	11	

Auditable Area	Date Planned	Date Completed	Draft Issued	Status	Days Planned	Audit approach	Assurance level given	Number of Recommendations Made								
								F	S	MA	In Total	Agreed				
Work in progress or yet to start (including reports still in draft)																
Housing Maintenance – Planned & Cyclical	11/05/09	28/05/09	11/06/09	Awaiting Management Responses	8											
Absence Management	22/06/09				8											
Risk Maturity	Jul-09				8											
Civil Contingencies Act (Business Continuity Plans)	13/07/09				8											
Contract Services	20/07/09				8											
ICT Review	03/08/09				10											
Housing Rents	12/08/09				8											
Housing Allocations and Voids	12/08/09				8											
Income & Debtors	Sep-09				7											
General Ledger	Sep-09				7											
Creditors	Sep-09				7											

Cash, Banking & Treasury Management	Sep-09				7							
Payroll (including Expenses & Pensions)	Sep-09				12							
Capital Expenditure and Asset Management	Sep-09				7							
Procurement	28/09/09				8							
Insurance	06/11/09				6							
NNDR	09/11/09				7							
Council Tax	16/11/09				7							
Housing Benefits	04/01/10				14							
Performance Management	11/01/10				8							
Environmental Health	01/02/10				8							
Customer Services	01/02/10				8							
Growth					10							
Housing Futures					10							
Corporate Governance					8							
Proactive Fraud Thematic Review					10							
Annual Governance Statement					10							
Follow Up					7							
Contingency					8							
Total					242							