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RSM Tenon

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

Internal Audit Progress Report

Corporate Governance Committee Meeting: March 2012

Recommendation: That the Committee **Notes** the Internal Audit Progress Report

RSM Tenon

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The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, based on the information provided and documentation reviewed, no complete guarantee or warranty can be given with regard to the advice and information contained herein. Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

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1. INTRODUCTION

1.1 The periodic internal audit plan for 2011/12 was approved by the Corporate Governance Committee in March 2011. This report summarises the outcome of work completed to date against that plan. Appendices A and B provide cumulative data in support of internal audit performance for the 2011/12 plan to date.

2. FINAL REPORTS ISSUED

2.1 We have finalised six 2011/12 reports since the last Committee meeting; these are in the areas of:

- Governance – Good Governance Framework (10.11/12);
- Creditors (11.11/12);
- Payroll including Expenses (13.11/12);
- Risk Management and Assurance Stocktake (18.11/12);
- Council Tax. (19.11/12); and
- Reconciliations (20.11/12).

2.2 Appendix A summarises our opinions and the number of recommendations made during 2011/12 to date.

2.3 In addition, we have completed our work with Management on the Annual Governance Statement.

3. KEY FINDINGS FROM INTERNAL AUDIT WORK

3.1 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 We have not identified any issues from our 2011/12 work to date that will impact negatively on this year's annual opinion.

3.3 No common weaknesses have been identified within our reports for 2011/12. Management have agreed all of the recommendations in the reports finalised at 2.2 above, with agreed target dates for implementation.

4. WORK IN PROGRESS OR PLANNED

4.1 We have issued six draft reports since the last Committee meeting; these are in the areas of:

- Housing Allocations (8.11/12);
- NNDR (14.11/12);
- Cash, Banking and Treasury Management (16.11/12);
- Capital Expenditure and Asset Management (17.11/12);
- Housing Benefits (21.11/12); and
- Follow Up (22.11/12).

4.2 We are currently at the fieldwork stage of the following review:

- Proactive Fraud Review.

5. LIAISON WITH MANAGEMENT AND EXTERNAL AUDIT

5.1 Since the last Corporate Governance Committee we have met with Management to discuss the progress of the audit plan and to scope a number of 2011/12 audits.

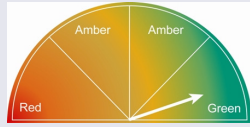
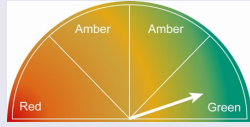
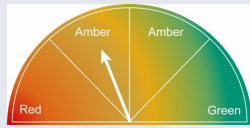
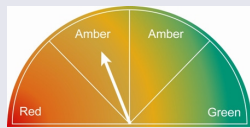
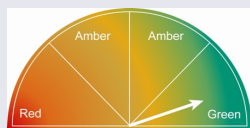
6. CHANGES TO OUR PLAN

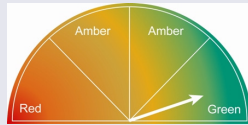
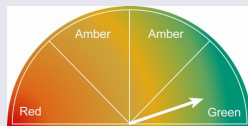
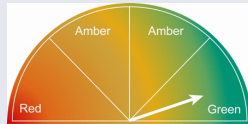
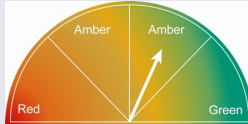
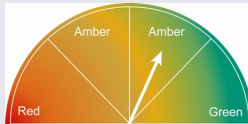
6.1 There have been no changes to the audit plan since the last meeting.

7. CLIENT BRIEFINGS

7.1 There has been one new Local Government eUpdate issued since the last Corporate Governance Committee.

APPENDIX A: 2011/12 WORK COMPLETED TO DATE INCLUDING SUMMARY OF ASSURANCE LEVELS AND RECOMMENDATIONS

Auditable Area	Start Date	Debrief date	Draft report issued	Responses received	Final report issued	Corporate Governance Committee	Assurance level given	Number of Recommendations Made				
								Actual	High	Medium	Low	In Total
HR – Absence Management including the Impact of Redundancies (1.11/12)	18/04/11	21/04/11	16/05/11	27/05/11	27/05/11	June 11		0	0	5	5	5
Supporting Housing (2.11/12)	18/04/2011	28/04/2011	19/05/2011	13/07/11	13/07/11	September 11		0	0	1	1	1
Housing Maintenance – Planned & Cyclical (3.11/12)	10/06/2011	17/06/2011	13/07/11	28/07/11	29/07/11	September 11		2	3	2	7	7
Information Governance (4.11/12)	25/07/2011	01/08/11	16/08/11	21/09/11	21/09/11	September 11		0	6	6	12	12
Housing Rents (5.11/12)	08/08/2011	15/08/11	25/08/11	26/08/11	26/08/11	September 11		0	1	3	4	4
Project Management (6.11.12)	15/08/2011	16/08/11	01/09/11	22/09/11	22/09/11	December 11	ADVISORY	-	-	-	8	8

Auditable Area	Start Date	Debrief date	Draft report issued	Responses received	Final report issued	Corporate Governance Committee	Assurance level given	Number of Recommendations Made				
								High	Medium	Low	In Total	Agreed
General Ledger (including Budgetary Control) (7.11/12)	05/09/2011	13/09/11	07/10/11 08/11/11	17/10/11	15/11/11	December 11		0	0	3	3	3
VAT Advisory Review (9.11/12)	26/09/11	29/09/11	24/10/11	04/11/11	04/11/11	December 11	ADVISORY	0	3	5	8	8
Contract Services (12.10/11)	10/10/2011	14/10/11	09/11/11	07/12/11	07/12/11	December 11		0	0	2	2	2
Income & Debtors (15.11/12)	01/11/2011	04/11/11	24/11/11	07/12/11	07/12/11	December 11		0	0	1	1	1
Governance – Good Governance Framework (10.11/12)	10/10/2011	17/10/11	25/10/11	14/03/12	14/3/12	March 2012		0	1	4	5	5
Creditors (11.11/12)	03/10/2011	18/10/11	28/10/11	05/03/12	06/03/12	March 2012		0	2	3	5	5
Payroll (including Expenses & Pensions) (13.11/12)	12/10/2011	21/10/11	09/11/11	05/03/12	05/03/12	March 2012		0	0	2	2	2
Risk Management and Assurance Stocktake (18.11/12)	12/12/2011	16/12/11	20/01/12	05/03/12	08/03/12	March 2012	ADVISORY	1	1	6	8	8

Auditable Area	Start Date	Debrief date	Draft report issued	Responses received	Final report issued	Corporate Governance Committee	Assurance level given	Number of Recommendations Made				
								High	Medium	Low	In Total	Agreed
<i>Council Tax (19.11/12)</i>	<i>04/01/2012</i>	<i>10/01/12</i>	<i>24/01/12</i>	<i>07/02/12</i>	<i>07/02/12</i>	<i>March 2012</i>		<i>0</i>	<i>0</i>	<i>3</i>	<i>3</i>	<i>3</i>
<i>Reconciliation (20.11/12)</i>	<i>05/12/2011</i>	<i>08/12/11</i>	<i>27/01/12</i>	<i>07/03/12</i>	<i>07/03/12</i>	<i>March 2012</i>		<i>0</i>	<i>0</i>	<i>1</i>	<i>1</i>	<i>1</i>
Totals to date:								3	17	47	75*	75*

* 8 recommendations have not been categorised

APPENDIX B: 2011/12 WORK IN PROGRESS OR YET TO START (INCLUDING REPORTS STILL IN DRAFT)

Auditable Area	Start Date	Debrief date	Draft report issued
Housing Allocations and Voids (8.11/12)	13/09/2011	19/09/11	14/10/11
NNDR (14.11/12)	20/10/2011	28/10/11	09/11/11
Cash, Banking & Treasury Management (16.11/12)	14/11/2011	17/11/11	13/12/11
Capital Expenditure and Asset Management (17.11/12)	17/11/2011	22/11/11	22/12/11
Housing Benefits (21.11/12)	23/01/2012	27/01/12	06/02/12
Follow Up (22.11/12)	16/01/2012	19/01/12	16/02/12
Proactive Fraud Work	20/2/2012		
Top Up Testing	19/03/2012		
Performance Management	22/03/2012		
Environmental Health	29/03/2012		
Partnerships	12/04/2012		