



South Cambridgeshire District Council

Internal Audit Progress Report  
Corporate Governance Committee Meeting: 14 December 2012

## Introduction

The internal audit plan for 2012/13 was approved by the Corporate Governance Committee in March 2012. This report provides an update on progress against that plan and summarises the results of our work to date.

## Summary of Progress against the Internal Audit Plan

Assignment <i>Reports considered today are shown in italics</i>	Status	Opinion	Actions Agreed (by priority)		
			High	Medium	Low
<b>2012/13</b>					
Section 106 Housing and Other Requirements including Open Spaces (1.12/13)	FINAL	Amber / Green	0	3	4
Planning and Growth (2.12/13)	FINAL	Amber / Green	0	1	4
Medium Term Financial Planning (3.12/13)	FINAL	Green	0	0	0
Governance (4.12/13)	FINAL	Amber / Green	0	4	3
<i>Housing Rents (5.12/13)</i>	<i>FINAL</i>	<i>Green</i>	0	1	2
<i>Repairs – Partnership Arrangements (6.12/13)</i>	<i>FINAL</i>	<i>Red</i>	1	6	3
<i>Supported Housing (7.12/13)</i>	<i>FINAL</i>	<i>Amber/Green</i>	0	1	2
<i>General Ledger (8.12/13)</i>	<i>FINAL</i>	<i>Green</i>	0	0	0
Housing Allocations and Voids (9.12/13)	Draft issued 9 October 2012				
Capital Expenditure and Capital Accounting (10.12/13)	Draft issued 9 October 2012				
<i>Creditors (11.12/13)</i>	<i>FINAL</i>	<i>Green</i>	0	1	2
Insurances (12.12/13)	Draft issued 12 October 2012				
Asset Management (Housing) (13.12/13)	Draft issued 19 October 2012				
Income & Debtors (14.12/13)	Draft issued 22 October 2012				
Procurement (15.12/13)	Draft issued 2 November 2012				
NNDR (16.12/13)	Draft issued 19 November 2012				
Payroll (including Expenses & Pensions)	12 November 2012				
Cash, Banking & Treasury	22 November				

Management	2012				
Reconciliation testing	28 November 2012				
Council Tax	13 December 2012				
ICT Review	December 2013				
Risk Management	03 December 2012				
Environmental Health / Waste Management	03 January 2013				
Housing Benefits	08 January 2013				
Annual Governance Statement	18 February 2013				
Follow Up	18 February 2013				
Top up testing	11 March 2013				
Performance Management	11 March 2013				
Mears Follow Up Review	25 March 2013				

## Other Matters

### Planning and Liaison:

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 2012/13 audits.

We had an agreed protocol with the previous External Auditor (Audit Commission) to ensure maximum reliance can be placed on our work and reduce where possible any duplication. Following the changes to External Audit for 2012/13 (as a result of the national procurement exercise reported previously), the new External Auditors may have a differing methodology which could result in the protocol changing moving forward. This may impact on the level of resources required within the Internal Audit Plan to deliver the protocol. We are in contact with Ernst and Young and have a meeting arranged for the 18<sup>th</sup> December to discuss joint working and will report back to the Corporate Governance once further information is known.

We have issued one red (negative) opinion on the Repairs – Partnership Arrangements audit since the previous Committee meeting. The Corporate Governance Committee should note that any negative assurance opinions will be noted in the annual report. However, no common weaknesses have been identified so far within our reports for 2012/13.

Management have agreed all of the recommendations in the reports finalised above, with agreed target dates for implementation.

### Internal Audit Plan 2012/13 - Change Control:

Since the last Corporate Governance Committee, the Executive Director – Corporate Services has requested an additional follow up review of the Red opinion on the Repairs – Partnership Arrangements (6.12/13) review reported at this meeting. This will involve working closely with the Partner (Mears) along with council officers.

## Information and Briefings:

We have issued three updates electronically since the last Corporate Governance Committee:

- LG eUpdate August 2012
- LG eUpdate September 2012
- LG eUpdate October 2012

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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