

SUBJECT:	Internal Audit: Progress Report
MEETING:	Audit Committee
DATE OF MEETING:	26 September 2013
REPORT OF:	Chief Internal Auditor
REPORT DATE:	23 August 2013

1 Opinion definitions

Opinion	Framework of governance, risk management and management control
Substantial assurance	A sound framework of internal control is in place and is operating effectively. No risks to the achievement of system objectives have been identified.
Adequate Assurance	Basically a sound framework of internal control with opportunities to improve controls and / or compliance with the control framework. No significant risks to the achievement of system objectives have been identified.
Limited assurance	Significant weakness identified in the framework of internal control and / or compliance with the control framework which could place the achievement of system objectives at risk.
No assurance	Fundamental weakness identified in the framework of internal control or the framework is ineffective or absent with significant risks to the achievement of system objectives.

2 Status of 'live' reports:

Audit title	Report date	Audit Sponsor	Audit Assessment		Management Actions (of which are 'high' priority)			
			Original	Current	Reported	Cleared	Pending	Overdue
Business Continuity & Emergency Planning	21.05.12	DoCR	Adequate	Adequate	28(3)	25(2)	0(0)	3(1)
Hantsnet access and security	06.07.12	DoCR	Adequate	Adequate	8(0)	7(0)	0(0)	1(0)
Home to school transport	18.09.12	CS/ETE	Adequate	Adequate	3(2)	1(1)	0(0)	2(1)
Procurement	02.11.12	CCBS	Limited	Adequate	4(2)	2(1)	1(0)	1(1)
IT governance	12.11.12	DoCR	Adequate	Adequate	5(2)	4(2)	1(0)	0(0)
Payroll eforms development	20.11.12	DoCR	Adequate	Adequate	2(0)	1(0)	1(0)	0(0)
Contract management – Manpower	23.11.12	CCBS	Limited	Adequate	10(8)	8(6)	0(0)	2(2)
Winter maintenance	09.01.13	ETE	Adequate	Adequate	5(0)	4(0)	0(0)	1(0)
Equality impact assessment	07.02.13	CEX	Limited	Limited	11(6)	3(0)	0(0)	8(6)
Fraud thematic review – petty cash	08.02.13	DoCR	Adequate	Adequate	3(2)	0(0)	1(0)	2(2)
Developer contributions	11.02.13	ETE	Adequate	Adequate	4(3)	3(2)	0(0)	1(1)
Taxation	19.02.13	DoCR	Adequate	Adequate	1(0)	0(0)	1(0)	0(0)
Friends and family care	28.02.13	CS	Limited	Adequate	9(5)	5(5)	0(0)	4(0)

Audit title	Report date	Audit Sponsor	Audit Assessment		Management Actions (of which are 'high' priority)			
			Original	Current	Reported	Cleared	Pending	Overdue
Adult Services establishment thematic review – infection control	01.03.13	AS	Limited	Adequate	10(6)	8(6)	0(0)	2(0)
Services for young children	12.03.13	CS	Adequate	Adequate	6(4)	4(3)	1(1)	1(0)
Integrated community equipment store and technicians service	10.05.13	AS	Limited	Limited	12(7)	3(3)	5(0)	4(4)
Sustainability	10.05.13	ETE	Limited	Adequate	12(0)	11(0)	1(0)	0(0)
Inclusion services	13.05.13	CS	Limited	Adequate	10(3)	9(3)	0(0)	1(0)
Waste disposal	22.05.13	ETE	Limited	Adequate	7(0)	6(0)	0(0)	1(0)
Document management system - Hantsfile	06.06.13	DoCR	Limited	Limited	12(8)	9(7)	2(0)	1(1)
Quality market	27.06.13	AS	Adequate	Adequate	13(9)	11(8)	2(1)	0(0)
Reablement services – welcome home contract	12.07.13	AS	Limited	Limited	22(22)	17(17)	5(5)	0(0)
Registration of social work staff	12.07.13	AS	Substantial	Substantial	2(1)	1(1)	0(0)	1(0)
Bramley Primary School	05.08.13	CS	Limited	Limited	12(9)	1(1)	9(6)	2(2)
Winnall Primary School	15.08.13	CS	Limited	Limited	37(30)	2(2)	29(22)	6(6)

Key to Sponsors:

Director of Corporate Resources	CR
Director of Adult Services	AS
Director of Children's Services	CS
Director of CCBS	CCBS
Director of ETE	ETE
Director of Corporate Resources	CR
Director of Policy and Governance	PG

3 Internal Audit Performance

The internal audit service is measured against the following key performance targets:

Performance Targets – 31 July 2013		
	Target for Year (%)	Actual to Date (%)
% of revised plan delivered (including 2012/13 c/f)	95	30
Compliant with the Public Sector Internal Audit Standards 2013	Yes	Yes
% of positive customer responses to Quality Appraisal Questionnaire	90	84

4 Planning and Resourcing

The internal audit plan for 2013-14 was approved by the Corporate Management Team and the Audit Committee in March 2013. The audit plan will remain fluid to ensure internal availability to react to the changing needs of the County Council. Progress against the plan is detailed within section 7.

5 Fraud and Irregularities

Within the year Internal Audit has assessed and where appropriate advised, investigated or supported the investigation of four allegations of fraud, corruption or improper practice. Of these:

- 1 was investigated with the details passed to the Police to help with their enquires
- 3 remain on-going.

6 Rolling work programme

Audit title	Audit Sponsor	Audit progress					
		Audit scoping started	Audit outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
Audit Plan 2013/14 (including 2012/13 c/f)							
Procurement - category management	CCBS	✓	✓	✓	✓	✓	
Expense Management	CR	✓	✓	✓	✓	✓	
Contract Management	CCBS	✓	✓	✓	✓	✓	
Property Management	CCBS	✓	✓	✓	✓	✓	
Control of capital resources	CCBS	✓	✓	✓	✓	✓	
Grants granted	CCBS	✓	✓	✓	✓	✓	
CCBS thematic 2 - volunteers	CCBS	✓	✓	✓	✓	✓	
Business units	CCBS	✓	✓	✓	✓	✓	
Recruitment	DoCR	✓	✓	✓	✓	✓	

Audit title	Audit Sponsor	Audit progress					
		Audit scoping started	Audit outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
Non-County placements/Decision making for complex needs	CS	✓	✓	✓	✓	✓	
Commissioning and purchasing of services	CS	✓	✓	✓	✓	✓	
Information management	CS	✓	✓	✓	✓	✓	
IT Operating systems	CS	✓	✓	✓	✓	✓	
Charging & contribution	AS	✓	✓	✓	✓		
Transformation - shared and sold services	CMT						
Strategic planning (Service planning and performance management)	CEX						
Employment practices - absence management	DoCR						
Information management	DoPG						
Document Management System - Hantsfile	DoCR						
Health and Safety	DoPG	✓					
Procurement	CCBS						

Audit title	Audit Sponsor	Audit progress					
		Audit scoping started	Audit outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
Capital programme	Various						
Expense management	DoCR	✓	✓				
Contract management	CMT						
Property management	CCBS						
Facilities management/ Workstyles	CCBS						
Asset utilisation / maximisation	CCBS						
Property asset management system (PAM)	CCBS	✓	✓				
Website management	DoCR	✓					
Information security	DoCR	✓	✓	✓	✓		
Volunteers	DoPG						
Code of conduct (ethics, standards and behaviours)	DoPG						
Transparency agenda	DoPG						
NFI matches	DoCR	✓	n/a	✓			

Audit title	Audit Sponsor	Audit progress					
		Audit scoping started	Audit outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
NFI enquiries	DoCR	✓	n/a	✓			
Proactive fraud initiatives - policies and procedures update	DoCR	✓	✓	✓			
Fraud thematic review 1	DoCR	✓	✓	✓	✓		
Risk management	DoPG	✓	✓	✓	✓		
Special investigation 1	CS	✓	✓	✓	✓	n/a	n/a
Special investigation 2	CS						
Special investigation 3	AS	✓	✓	✓	✓	✓	25/7/13
Special investigation 4	CS	n/a	n/a	n/a	n/a	n/a	Tribunal attended
Annual Governance Statement	DoPG	✓	✓	✓	✓	n/a	n/a
Annual review of effectiveness of internal audit	CIA	✓	✓	✓	✓		
Payroll (stage1)	DoCR	✓	✓	✓	✓		
Payroll (stage2)	DoCR						

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Payroll - premia payments	DoCR						
Payroll - e-forms	DoCR						
Payroll technical	DoCR						
Pensions (HCC perspective)	DoCR						
SAP interfaces	DoCR	✓					
Residential charges for social care	DoCR	✓	✓	✓			
Real estate (energy management system)	DoCR	✓	✓				
Bank reconciliations	DoCR	✓	✓	✓	✓		
Transformation of services - Integrated business centre	DoCR	✓					
Capacity planning and management	DoCR	✓	✓				
Network management and monitoring	DoCR	✓	✓				
Applications management and control	DoCR	✓					
Computer installations and operations	DoCR	✓	✓	✓			

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Financial processes	DoCR	✓					
IT governance (Q2)	DoCR	✓					
Safeguarding - Adults	AS						
Safeguarding - other departments	CS / various	✓	✓	✓	✓		
School thematic review -Income	CS	✓	✓	✓	✓		
School thematic review - recruitment	CS	✓	✓	✓	✓	✓	
School thematic review - VAT	CS	✓					
School thematic review - Payroll	CS	✓	✓	✓	✓		
School thematic review- IT related	CS						
Children's services establishments - thematic reviews	CS						
Bramley Primary School	CS	✓	✓	✓	✓	✓	050/8/13
Winnall Primary School	CS	✓	✓	✓	✓	✓	15/08/13
Osborne School	CS	✓	✓	✓	✓	✓	

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SFVS	CS	✓	✓	✓	✓	✓	24/05/13
School place planning	CS	✓	✓				
Home to school transport	CS						
Local children partnership	CS/PG	✓	✓	✓			
Charging and contribution policy for children in care	CS						
Education of children looked after	CS	✓	✓				
Youth Offending Service	CS	✓					
Direct payments	CS						
Asylum seekers	CS	✓	✓	✓			
Commissioning and purchasing of services	CS						
Adoption	CS	✓	✓	✓	✓		
Adult Learning	CS	✓	✓	✓	✓	✓	08/08/13
Troubled families governance review	CS	✓					

Audit title	Audit Sponsor	Audit progress					
		Audit scoping started	Audit outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
Voluntary Organisation Financial Management Review (Spotlight)	CS	✓	✓	✓	✓	✓	
Adult services establishments - thematic review 1 - financial administration	AS	✓					
Adult services establishments - thematic review 2	AS						
Adult services establishments - thematic review 3	AS						
Personalisation - self directed support & direct payments	AS						
Panel process	AS	✓	✓	✓	✓		
Domiciliary care and nursing placements	AS	✓	✓	✓			
Transition of clients from Children's to Adult services	AS						
Notification of deaths	AS						
Data accuracy - bed occupancy	AS	✓	✓	✓	✓	✓	
Large scale investigations	AS						
Care governance processes	AS						

Audit title	Audit Sponsor	Audit progress					
		Audit scoping started	Audit outline issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued
Social care reform	AS						
Electronic Domiciliary Care Monitoring System (EDCM), telecare,teleheath - home care monitoring	AS						
Public Health	AS						
Extra care housing	AS						
Appointeeships	AS						
Operational workflow case management	AS						
Highways maintenance	ETE						
Waste Disposal (Veolia systems)	ETE						
Developer contributions	ETE						
Enterprise M3 LEP - governance	ETE	✓	✓	✓	✓	✓	
CCBS establishment thematic review	CCBS						
Staunton Country Park	CCBS	✓	✓	✓	✓	✓	
Runways End	CCBS						

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Concessionary fares	ETE						
Arboriculture	ETE	✓					
Term engineering contracts	CCBS						
Business units - HTM	CCBS	✓	✓	✓			
Business units – HC3S	CCBS	✓	✓	✓			
Framework trends	CCBS	✓					
Property Strategic Partners	CCBS						
Trading company (Property Services)	CCBS						
Tender of Manpower contract	CCBS	✓					
Construction (IESE) framework contract	CCBS						
Various Grants Claims & miscellaneous assurance work	All	✓	✓	✓	✓	n/a	n/a

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