

**INTERNAL AUDIT CONSORTIUM - SUMMARY OF PROGRESS ON THE
INTERNAL AUDIT PLAN 2012/13**

MEETING: **BOLSOVER DISTRICT COUNCIL
AUDIT COMMITTEE**

DATE: **21st MAY 2013**

REPORT BY: **INTERIM HEAD OF INTERNAL AUDIT
CONSORTIUM**

For Publication

1.0 **PURPOSE OF REPORT**

1.1 To present, for members' information, progress made by the Audit Consortium, during the period 23rd February 2013 to 3rd May 2013, in relation to the 2012/13 Internal Audit Plan. The report includes a summary of Internal Audit Reports issued during the period and Work in Progress.

2.0 **BACKGROUND**

2.1 The 2012/13 Consortium Internal Audit Plan for Bolsover was reported to the Audit Committee on the 12th March 2012. The Consortium Agreement in paragraph 9.3 requires that the Head of the Internal Audit Consortium (HIAC) or his or her nominee will report quarterly (or at such intervals as the HIAC may agree with the Committee) to the Audit Committee of each Council on progress made in relation to their Annual Audit Plan.

3.0 **SUMMARY OF REPORTS ISSUED**

3.1 Attached, as Appendix 1, is a summary of reports issued covering the period 23rd February 2013 to the 3rd May 2013, for audits included in the 2012/13 Bolsover District Council Internal Audit Plan.

3.2 Internal Audit Reports are issued as drafts with five working days being allowed for the submission of any factual changes, after which time the report is designated as a Final Report. Fifteen working days are allowed for the return of the Implementation Plan.

3.3 The Appendix shows for each report a summary of the Overall Audit Opinion on the audit and the number of recommendations made / agreed where a full response has been received.

The overall opinion column of Appendix 1 gives an assessment of the reliability of the internal controls examined in accordance with the following classifications:

| Control Level | Definition |
|----------------------|---|
| Good | A few minor recommendations (if any). |
| Satisfactory | Minimal risk; a few areas identified where changes would be beneficial. |
| Marginal | A number of areas have been identified for improvement. |
| Unsatisfactory | Unacceptable risks identified, changes should be made. |
| Unsound | Major risks identified; fundamental improvements are required. |

3.4 In respect of the audits being reported, it is confirmed that there were no issues arising relating to fraud that need to be brought to the Committee's attention.

4.0 **OTHER WORK IN PROGRESS**

4.1 Work currently in progress to complete the 2012/13 internal audit plan includes:

- Budgetary Control
- Pleasley Mills Rent Collection
- Facilities Management Contract
- Frederick Gent Leisure Facilities Income

5.0 **RECOMMENDATION**

5.1 That the report be noted.

6.0 **REASON FOR RECOMMENDATION**

6.1 To inform Members of progress on the Internal Audit Plan for 2012/13 and the Audit Reports issued.

JENNY WILLIAMS
INTERIM HEAD OF INTERNAL AUDIT CONSORTIUM

BOLSOVER DISTRICT COUNCIL

Appendix 1

Internal Audit Consortium - Report to Audit Committee

Summary of Internal Audit Reports Issued 2012/13 Plan 23rd February 2013 to 3rd May 2013

| Report Ref No. | Report Title | Scope and Objectives | Overall Opinion | Date | | Number of Recommendations | |
|----------------|--------------------|---|-----------------|---------------|--------------|---------------------------|----------|
| | | | | Report Issued | Response Due | Made | Accepted |
| B023 | Rechargeable Works | To ensure there is a policy in place which is complied with and that works are recharged where appropriate | Marginal | 5/03/2013 | 26/03/13 | 5 (1H 2M 1L) | Note 1 |
| B024 | Housing Repairs | To review the controls and procedures in place | Marginal | 5/03/13 | 26/03/13 | 6 (3H 2M 1L) | 5 |
| B025 | Commercial Waste | To review the controls and procedures in place and that fees are charged correctly | Satisfactory | 25/03/13 | 17/04/13 | 3 (2H 1M) | 3 |
| B026 | Housing Benefits | To ensure the controls and procedures in place are operating effectively | Satisfactory | 28/03/13 | 22/04/13 | 1H | Note 1 |
| B027 | VAT | To ensure the VAT return is completed in an accurate and timely fashion and that staff are suitably trained in VAT issues | Satisfactory | 16/04/13 | 8/05/13 | 3M | Note 2 |
| B028 | Main Accounting | To review the controls and procedures in place | Good | 18/04/13 | 10/05/13 | 1M | Note 2 |

| Report Ref No. | Report Title | Scope and Objectives | Overall Opinion | Date | | Number of Recommendations | |
|----------------|--------------------|---|-----------------|---------------|--------------|---------------------------|----------|
| | | | | Report Issued | Response Due | Made | Accepted |
| B029 | Capital Accounting | To ensure that expenditure coded to capital falls within the capital expenditure definition | Good | 25/04/13 | 17/05/13 | 0 | 0 |
| B030 | Gas Servicing | To undertake a follow up of the recommendations made at the last audit | Unsatisfactory | 2/05/13 | 24/05/13 | 3 (2H 1M) | Note 2 |

Notes: For recommendations, H = High priority, M = Medium priority and L = Low Priority.

Note 1 Response not received at time of compiling report
Note 2 Response not due at the time the report was prepared