

**Bolsover District Council**

**Audit Committee**

**13th April 2015**

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| <p><b>Summary of Progress on the 2014/15 Internal Audit Plan</b></p> |
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This report is public

**Purpose of the Report**

- To present, for members' information, progress made by the Audit Consortium, during the period 29th November 2014 to 27<sup>th</sup> March 2015, in relation to the 2014/15 Annual Internal Audit Plan. The report includes a summary of Internal Audit Reports issued during the period and work in progress.

**1 Report Details**

- 1.1 The 2014/15 Consortium Internal Audit Plan for Bolsover was reported to the Audit Committee on the 17<sup>th</sup> April 2014.
- 1.2 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.
- 1.3 Attached, as Appendix 1, is a summary of reports issued covering the period 29<sup>th</sup> November 2014 – 27<sup>th</sup> March 2015, for audits included in the 2014/15 Consortium Internal Audit Plan.
- 1.4 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.
- 1.5 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.
- 1.6 The overall opinion column of Appendix 1 gives an assessment of the reliability of the internal controls examined in accordance with the following classifications:

| <b>Control Level</b> | <b>Definition</b>   |
|----------------------|---|
| 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.          |

- 1.7 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.
- 1.8 The following audits are currently in progress:
- Payroll
  - IT Policy and Security Review
  - Pleasley Mills/Property Rents
  - Main Accounting
  - Budgetary Control

## **2 Conclusions and Reasons for Recommendation**

- 2.1 To inform Members of progress on the Internal Audit Plan for 2014/15 and the Audit Reports issued.
- 2.2 To comply with the requirements of the Public Sector Internal Audit Standards.

## **3 Consultation and Equality Impact**

- 3.1 None

## **4 Alternative Options and Reasons for Rejection**

- 4.1 Not Applicable

## **5 Implications**

### **5.1 Finance and Risk Implications**

- 5.1.1 Regular reports on progress against the internal audit plan ensure compliance with the Public Sector Internal Audit Standards and allow members to monitor progress against the plan.

## 5.2 Legal Implications including Data Protection

5.2.1 None

## 5.3 Human Resources Implications

5.3.1 None

## 6 Recommendation

6.1 That the report be noted.

## 7 Decision Information

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| <b>Is the decision a Key Decision?</b><br>(A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards) | No   |
| <b>District Wards Affected</b>   | None   |
| <b>Links to Corporate Plan priorities or Policy Framework</b>  | The internal audit plan helps to achieve the corporate aim "Strategic Organisational Development" which looks to continually improve the organisation. |

## 8 Document Information

| <b>Appendix No</b>   | <b>Title</b>   |
|--|--|
| Appendix 1   | Summary of Internal Audit Reports Issued 29 <sup>th</sup> November – 27 <sup>th</sup> March 2015 |
| <b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers) |  |
| N/A  |  |
| <b>Report Author</b>   | <b>Contact Number</b>  |
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**BOLSOVER DISTRICT COUNCIL**

**Appendix 1**

**Internal Audit Consortium - Report to Audit Committee**

**Summary of Internal Audit Reports Issued – 29th November 2014 – 27<sup>th</sup> March 2015**

| Report Ref No. | Report Title                     | Scope and Objectives  | Overall Opinion | Date          |              | Number of Recommendations |          |
|----------------|----------------------------------|---|-----------------|---------------|--------------|---------------------------|----------|
|                |                                  |   |                 | Report Issued | Response Due | Made                      | Accepted |
| B014           | Debtors                          | To ensure that invoices are raised and collected in a timely and accurate fashion                               | Good            | 28/11/2014    | 19/12/2014   | 0                         | 0        |
| B015           | Non Domestic Rates               | To ensure that bills are raised promptly and accurately and that there are sound collection procedures in place | Good            | 13/01/2015    | 3/02/2015    | 0                         | 0        |
| B016           | Housing Allocations and Lettings | To ensure that there are procedures and policies in place that are applied                                      | Good            | 13/01/2015    | 3/02/2015    | 0                         | 0        |
| B017           | Housing Rents                    | To review the systems and controls in place for raising and collecting housing rents                            | Good            | 30/01/2015    | 20/02/2015   | 1M                        | 1        |

| Report Ref No. | Report Title                       | Scope and Objectives | Overall Opinion  | Date          |              | Number of Recommendations |          |
|----------------|------------------------------------|----------------------|--|---------------|--------------|---------------------------|----------|
|                |                                    |                      |  | Report Issued | Response Due | Made                      | Accepted |
| B018           | Asset Management Arrangements      | Good                 | To ensure that there is a strategic approach to asset management that contributes towards achieving corporate objectives | 6/02/2015     | 27/02/2015   | 2 (1M<br>1L)              | 2        |
| B019           | Fuel, Transport and Depot Security | Good                 | To review the policies and procedures in place and to assess security arrangements                                       | 17/02/2015    | 10/03/2015   | 1L                        | 1        |
| B020           | Housing Repairs                    | Satisfactory         | To review and assess the controls in place   | 3/03/2015     | 24/03/2015   | 1H                        | 1        |
| B021           | Laptops and Removable Media        | Satisfactory         | To ensure that there are suitable policies and procedures in place that are operational                                  | 4/03/2015     | 25/03/2015   | 6 (1H<br>3M<br>2L)        | 4        |
| B022           | Creditors                          | Good                 | To ensure that purchase orders are raised correctly and that invoices are paid in an accurate and timely manner          | 10/03/2015    | 31/3/2015    | 0                         | 0        |

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