

Bolsover District Council

Audit Committee

25th September 2018

Summary of Progress on the 2018/19 Internal Audit Plan

Report of the Internal Audit Consortium Manager

This report is public

Purpose of the Report

- To present, for members' information, progress made by the Audit Consortium, in relation to the 2018/19 Internal Audit Plan. The report includes a summary of Internal Audit Reports issued from 10th July 2018 to 12th September 2018.

1 Report Details

- 1.1 The 2018/19 Consortium Internal Audit Plan for Bolsover District Council was approved by the Audit Committee on the 10th April 2018.
- 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 from the 10th July 2018 to the 12th September 2018. 10 reports have been issued, 7 with substantial assurance, 2 with reasonable assurance and 1 with Limited Assurance. Members will have received a copy of the "Limited Assurance" Health and Safety internal audit report.
- 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 level of assurance that can be given in respect of the audit area examined and the number of recommendations made / agreed where a full response has been received.
- 1.6 The assurance provided column in Appendix 1 gives an overall assessment of the assurance that can be given in terms of the controls in place and the system's ability to meet its objectives and manage risk in accordance with the following classifications:

Assurance Level	Definition
Substantial Assurance	There is a sound system of controls in place, designed to achieve the system objectives. Controls are being consistently applied and risks well managed.
Reasonable Assurance	The majority of controls are in place and operating effectively, although some control improvements are required. The system should achieve its objectives. Risks are generally well managed.
Limited Assurance	Certain important controls are either not in place or not operating effectively. There is a risk that the system may not achieve its objectives. Some key risks were not well managed.
Inadequate Assurance	There are fundamental control weaknesses, leaving the system/service open to material errors or abuse and exposes the Council to significant risk. There is little assurance of achieving the desired objectives.

1.7 It can be confirmed that no fraud issues have been identified in respect of the areas reviewed.

1.8 The following audits are currently in progress:

- Non Domestic Rates
- Freedom Of Information / Environmental Regulations
- Pest Control
- Section 106
- The Tangent

2 Conclusions and Reasons for Recommendation

2.1 To inform Members of progress on the Internal Audit Plan for 2018/19 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**

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC: Revenue - £75,000 <input type="checkbox"/></i> <i>Capital - £150,000 <input type="checkbox"/></i> <i>NEDDC: Revenue - £100,000 <input type="checkbox"/></i> <i>Capital - £250,000 <input type="checkbox"/></i> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Affected	All
Links to Corporate Plan priorities or Policy Framework	All

8 Document Information

Appendix No	Title
Appendix 1	Summary of Internal Audit Reports Issued from the 10 rd July 2018 to the 12th September 2018.
Background Papers (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	
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JENNY WILLIAMS
INTERNAL AUDIT CONSORTIUM MANAGER

BOLSOVER DISTRICT COUNCIL

Appendix 1

Internal Audit Consortium - Report to Audit Committee

Summary of Internal Audit Reports Issued from the 10th July to the 12th September 2018

Report Ref No.	Report Title	Scope and Objectives	Assurance Provided	Date		Number of Recommendations	
				Report Issued	Response Due	Made	Accepted
B009	Transport Follow up Part 2	To follow up the recommendations made at the previous audit	Reasonable	19/7/2018	9/08/2018	3 (2M 1L)	3
B010	Gas and Solid Fuel Servicing	To ensure that gas and solid fuel servicing in council houses is undertaken in line with legislative requirements	Substantial	19/7/2018	9/08/2018	2 (1M 1L)	2
B011	Health and Safety	To review the policies, systems and procedures in place and to ensure that legislation is complied with	Limited	19/7/2018	9/8/2018	11 (3H 4M 4L)	11
B012	Council Tax	To ensure that bills are raised promptly and accurately and that debt collection procedures are operating well	Substantial	26/7/2018	16/8/2018	0	0

Report Ref No.	Report Title	Scope and Objectives	Assurance Provided	Date		Number of Recommendations	
				Report Issued	Response Due	Made	Accepted
B013	Cyber Security	To review the procedures and processes in place to prevent a cyber attack	Substantial	1/8/2018	26/8/2018	1L	1
B014	Stores	To review the operation of the stores function	Substantial	22/8/18	13/9/2018	2 (1M 1L)	2
B015	Planning Fees	To review the processes and procedures in place and to ensure that fees are calculated correctly.	Substantial	28/8/2018	18/9/2018	2 (1M 1L)	Note 1
B016	Treasury Management	To ensure that there is a strategy in place and that lending and borrowing is undertaken in line with the strategy	Substantial	29/8/2018	19/9/2018	0	0
B017	ICT Inventory	To ensure that the inventory is comprehensive and well maintained	Reasonable	30/08/2018	20/9/2018	3 (2M 1L)	3
B018	Partnership working	To ensure that partnerships are monitored and that there are governance arrangements in place	Substantial	11/9/2018	2/10/2017	0	0

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

Note 1 Response not due at time of writing report