

Bolsover District Council

Audit Committee

20th November 2018

Implementation of Internal Audit Recommendations

Report of the Internal Audit Consortium Manager

This report is public

Purpose of the Report

- To present, for members' information, a summary of the internal audit recommendations made and implemented for the financial years 2016/17 - 2018/19.

1 Report Details

- 1.1 This report is to inform Members of the Audit Committee of the progress made in respect of implementing internal audit recommendations in order that action can be taken if progress is deemed unsatisfactory. The implementation of internal audit recommendations is also monitored quarterly at Directorate meetings.
- 1.2 Appendix 1 details the outstanding internal audit recommendations as at the end of October 2018. The front page of the Appendix provides an analysis of the number of recommendations made and implemented for the financial years 2016/17 – 2018/19.
- 1.3 The timely implementation of internal audit recommendations helps to ensure that the risk of fraud and error is reduced and that internal controls are operating effectively.
- 1.4 It is proposed that this report is brought to the Committee on a 6 monthly basis.

2 Conclusions and Reasons for Recommendation

- 2.1 To inform Members of the internal audit recommendations outstanding so that it can be assessed if appropriate and timely action is being taken.

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 implementation of internal audit recommendations ensures compliance with the Public Sector Internal Audit Standards and allows members to monitor progress.

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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| 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</i> <input type="checkbox"/> <i>Capital - £150,000</i> <input type="checkbox"/> <i>NEDDC: Revenue - £100,000</i> <input type="checkbox"/> <i>Capital - £250,000</i> <input type="checkbox"/> <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 |
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| Appendix 1 | Summary of Internal Audit recommendations made and implemented 2016/17 – 2018/19 |
| 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 | |
| Report Author | Contact Number |
| Jenny Williams | 01246 217547 |

JENNY WILLIAMS

INTERNAL AUDIT CONSORTIUM MANAGER

Internal Audit Consortium - Report to Audit Committee
Summary of Internal Audit Recommendations made and implemented 2016/17 – 2018/19

| Recommendations Made | 2016/17 | 2017/18 | 2018/19 |
|------------------------------------|----------------|----------------|----------------|
| Number of High Priority | 23 | 0 | 7 |
| Number of Medium Priority | 26 | 48 | 25 |
| Number of Low priority | 17 | 31 | 39 |
| Total | 66 | 79 | 71 |
| Recommendations Implemented | 66 | 72 | 24 |
| High Recommendations Outstanding | 0 | 0 | 0 |
| Medium Recommendations Outstanding | 0 | 1 | 4 |
| Low Recommendations Outstanding | 0 | 3 | 0 |
| Not overdue yet | 0 | 3 | 43 |
| Total Overdue Recommendations | 0 | 4 | 4 |
| Percentage due implemented | 100% | 95% | 86% |

| Audit | Recommendation Outstanding | Priority | Managers Comment |
|--|--|-----------------|--|
| Business Continuity - May 17 | R2. The frequency of which business continuity training / exercises are undertaken requires increasing. | Low | The current schedule will be reviewed and increased to include service area plans - this is being developed at present and will be circulated during quarter 1 18/19 |
| Business Continuity – May 17 | R3. The production of an annual report to Members outlining the years' activities for emergency planning and business continuity and an action plan for the forthcoming year is reintroduced. | Low | This will be developed and scheduled / agreed with CEO - we aim to circulate during quarter 1 18/19 |
| Disabled Facilities Grants – Sept 17 | A review of the website information relevant to DFG across both Council's should be considered to ensure consistency in the availability of information and to share best practice / documentation | Low | Countywide information has still not been agreed and therefore interim information will be uploaded by the next quarter |
| Food Hygiene Enforcement – November 17 | An overarching quality assurance process for food safety should be documented with consideration of FSA requirements and, as a minimum, an overview of the | Medium | Due to other work priorities this work process is still ongoing and will be progressed during 2018/19 |

| | | | |
|----------------------------|---|--------|---|
| | <p>following areas:</p> <ul style="list-style-type: none"> - Overview of the work programme process to ensure all premises are timely inspected and reviewed, - Monitoring progress of the planned intervention programme, - Peer review frequencies and requirements, - Adhoc reviews of inspections by EHO's to ensure availability and full completion of inspection / audit paperwork - Consideration of internal performance indicators including issuing of 'stickers' within 14 days. | | |
| Risk Management – May 2018 | <p>R2 The information requirements for operational risk registers should be reviewed to ensure that responsibilities are allocated to designated officers with respective timescales for the implementation of agreed actions to mitigate risk. Monitoring should then take place to ensure that agreed</p> | Medium | <p>The information requirements have been reviewed. Monitoring is to take place to ensure that agreed actions are taken and risk scores reviewed regularly.</p> |

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| | actions are taken and the risk score revised appropriately. | | |
| Risk Management – May 2018 | R3 Operational risk registers should be regularly reviewed at Service Team Meetings to ensure all current risks and potential actions for mitigation are considered | Medium | Managers have been reminded at quarterly Directorate meetings that their operational risk registers should be reviewed at team meetings. Checks are to be performed to ensure that this is happening. |
| Risk Management – May 2018 | R4 With the implementation of the revised management structure, it should be ensured that there is an operational risk register for each service area. | Medium | An exercise is to be undertaken to ensure that all service areas have a comprehensive operational risk register. |
| Transport Part 2 – July 2018 | R1. The range of reports required from the Tranman system are considered to determine the most cost effective way of producing a functional library of operational reports. | Medium | Q2 (2018\19) Ongoing work being undertaken to assess current report library and modify where required by way of internal Crystal Report capability or Civica Tranman support. Q1 (2018\19) SB\PB to assess current report library and modify these where required by way of internal Crystal Report capability or Civica Tranman support. |