

Bolsover District Council

Audit Committee

16th April 2019

**Internal Audit Consortium Summary of Progress on the Annual Internal Audit Plan
2018/2019**

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 respect of the 2018/19 Internal Audit Plan. The report includes a summary of Internal Audit Reports issued since the last meeting of the committee.

1 Report Details

- 1.1 The 2018/19 Consortium Audit Plan for Bolsover District Council was agreed at the Audit Committee on the 10th April 2018. The Consortium Legal Agreement in paragraph 9.3 requires that the Head of the Internal Audit Consortium (HIAC) or his or her nominee will report to the Audit Committee of each Council on progress made in relation to their annual Audit Plan.
- 1.2 Attached, as **Appendix 1**, is a summary of reports issued between the 19th January 2019 and the 5th April 2019. 6 reports have been issued, 4 with substantial assurance and 2 with reasonable assurance.
- 1.3 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.
- 1.4 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.
- 1.5 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.

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1.6 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.

1.7 The following audits are currently in progress:

- Flytipping
- Dragonfly Building Company
- Disaster Recovery
- Extreme Wheels
- Procurement

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 None.

5 Implications

5.1 Finance and Risk Implications

5.1.1 The regular reporting of the progress made by the Internal Audit Consortium enables Members to monitor progress against the approved internal audit 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</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
Has the relevant Portfolio Holder been informed	N/A
District Wards Affected	All
Links to Corporate Plan priorities or Policy Framework	All

8 **Document Information**

Appendix No	Title
1	Summary of Internal Audit reports issued in respect of the 2018/19 Internal Audit Plan 19 th January 2019 to the 5 th April 2019
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)	
Report Author	Contact Number
Jenny Williams Internal Audit Consortium Manager	01246 217547

BOLSOVER DISTRICT COUNCIL

Appendix 1

Internal Audit Consortium - Report to Audit Committee

Summary of Internal Audit Reports Issued 19th January 2019 – 5th April 2019

Report Ref No.	Report Title	Scope and Objectives	Assurance Provided	Date		Number of Recommendations	
				Report Issued	Response Due	Made	Accepted
B030	Expenses and Allowances	To ensure that claims are authorised, checked and paid promptly and accurately	Reasonable	23/01/19	13/2/19	7 (5M 2L)	7
B031	Creditors	To ensure that invoices are paid promptly and accurately and are supported by an official order	Substantial	23/01/19	13/2/19	0	0
B032	Commercial Waste	To ensure that invoices are raised promptly and accurately and that there are debt collection procedures in place and that the service is promoted	Substantial	19/2/19	12/3/19	3L	3
B033	Housing Benefits and Council Tax Support	To ensure that Benefits are paid promptly and accurately	Substantial	19/2/19	12/3/19	2L	2

Report Ref No.	Report Title	Scope and Objectives	Assurance Provided	Date		Number of Recommendations	
				Report Issued	Response Due	Made	Accepted
B034	Premises and Personal Licences	To ensure that all licences are granted promptly and accurately and that the relevant checks have been undertaken	Reasonable	19/3/19	9/4/19	7L	Note 1
B035	Cash and Banking	To review and assess the procedures in place and ensure that all income is banked promptly and accurately	Substantial	19/3/19	9/4/19	1L	Note 1

Note 1 – response not due at time of writing report