

**Bolsover District Council**

**Audit Committee**

**29<sup>th</sup> July 2019**

**Summary of Progress on the Annual Internal Audit Plan 2018/2019 and 2019/20**

**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 and 2019/20 Internal Audit Plans. The report includes a summary of Internal Audit Reports issued since the last meeting of the committee.

**1 Report Details**

- 1.1 This report details the final reports issued in respect of the 2018/19 internal audit plan. One audit (dog wardens) has been deferred to 2019/20. The 2019/20 Consortium Audit Plan for Bolsover District Council was agreed at the Audit Committee on the 16th April 2019. 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 6th April 2019 and the 28th June 2019. 6 reports have been issued, 3 with substantial assurance and 3 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:

<b>Assurance Level</b>	<b>Definition</b>
<b>Substantial Assurance</b>	There is a sound system of controls in place, designed to achieve the system objectives. Controls are being consistently applied and risks well managed.
<b>Reasonable Assurance</b>	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.
<b>Limited Assurance</b>	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.
<b>Inadequate Assurance</b>	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.

:

1.6 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 2019/20 audits are currently in progress:

- Safeguarding
- Business Continuity and Emergency Planning
- Sheltered Housing
- Clowne Leisure Centre
- Corporate Targets

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

2.1 To inform Members of progress on the Internal Audit Plans for 2018/19 and 2019/20 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**

<b>Is the decision a Key Decision?</b> 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
<b>Is the decision subject to Call-In?</b> (Only Key Decisions are subject to Call-In)	No
<b>Has the relevant Portfolio Holder been informed</b>	N/A
<b>District Wards Affected</b>	All
<b>Links to Corporate Plan priorities or Policy Framework</b>	All

**8 Document Information**

Appendix No	Title
1	Summary of Internal Audit reports issued in respect of the 2018/19 and 2019/20 Internal Audit Plans 6 <sup>th</sup> April 2019 to the 28th June 2019
<p><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)</p>	
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 6<sup>th</sup> April 2019 – 28<sup>th</sup> June 2019

Report Ref No.	Report Title	Scope and Objectives	Assurance Provided	Date		Number of Recommendations	
				Report Issued	Response Due	Made	Accepted
<b>2018/19 Reports</b>							
B036	Extreme Wheels	To ensure fees and charges are applied correctly. To ensure risk assessments, insurance, inventories etc. are in place.	Substantial	16/04/19	9/5/19	5 (1M 4L)	4
B037	Fly tipping (back office systems)	To ensure that there are efficient systems for logging fly tipping and allocating jobs	Reasonable	18/4/19	13/5/19	14 (1H 3M 10L)	Note 1
B038	Joint Venture Company - Dragonfly	To ensure that the Governance arrangements in respect of the company are strong and that performance is monitored	Substantial	24/4/19	16/5/19	4L	4

Report Ref No.	Report Title	Scope and Objectives	Assurance Provided	Date		Number of Recommendations	
				Report Issued	Response Due	Made	Accepted
B039	Disaster Recovery	To ensure that there are appropriate disaster recovery procedures in place	Substantial	30/4/19	22/5/19	1L	1
<b>2019/20</b>							
B001	Procurement	To ensure that procurement is undertaken in line with Financial Regulations, Standing Orders and EU Legislation	Reasonable	4/6/2019	25/6/2019	6 (3M,3L)	6
B002	Property Services Compliance	To review the operation of contracts for council buildings in respect of electrical, gas, legionella and asbestos testing	Reasonable	7/6/2019	28/6/2019	3 (2M 1L)	3

Note 1 – response not received at time of writing report