

Internal Audit Progress Report
1 April to 31 January 2015



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1. Introduction

2014/15 Internal Audit Plan

- 1.1. We have undertaken work in accordance with the 2014/15 Internal Audit Plan which was approved by the Audit and Governance Committee at its meeting on 27 June 2014.
- 1.2. An outturn statement detailing assignments undertaken and actual activity for the year is shown in Appendix 1. 1357 days out of a total planned 1800 days (75%) were delivered as at 31 January 2015. The plan includes 280 days for external clients. This is in line with our projected profile and we commit to completing the majority of the remaining work ahead of the year end.
- 1.3. There has been a reduction in available resources due to a Senior Auditor being seconded to work on the new Financial and Business Reporting Information System, a Senior Auditor moving to a 30 hour week on a temporary basis and an Audit Assistant taking maternity leave.
- 1.4. The reduction in resources has been offset where possible by more efficient working methods, improved performance and use of the Internal Audit Framework Agreement.
- 1.5. The Audit and Governance Committee has responsibility to review the adequacy of the County Council's internal control and risk management arrangements. Internal Audit is an independent assurance function which provides an objective opinion on the effectiveness of the control environment comprising risk management, control and governance.
- 1.6. Internal Audit meets with individual directors on a regular basis in order to discuss progress and key issues in their respective areas. These meetings are being used to inform the audit plan with regard to the 150 days allocated to directorate risk. To date only 26 days of this allocation have been used. However, some of this allocation has been used to meet significant increase in the amount of advice given.
- 1.7. In order to formulate the 2015/16 audit plan, during December to February, the Senior Manager – Internal Audit and Assurance met with all Directors and Heads of Service to understand their priorities and how Internal Audit can undertake work in their areas that will add value as well as providing assurance on the control environment.

2. Internal audit work completed 1 April to 31 January 2015

- 2.1. Work has been carried out in fulfilling the requirements of providing 'core systems' assurance and increasingly being more involved in the organisation's transformation vision. This work has been reported to management to ensure that individual recommendations are properly considered.
- 2.2. Where appropriate each report is given an overall opinion based on the criteria defined in Appendix 2. The recommendations arising from the individual audit reviews are then ranked according to their level of priority, also defined in Appendix 2.
- 2.3. There have been 59 reports finalised during the period 1 April to 31 January 2015, of which 10 have been given limited assurance. These can be summarised as follows:

Table 1 Summary of audit opinions

Overall opinion	2013/14 audit plan work carried forward	Quarter 1, 2 & 3 (2014/15)	Total
Full	0	1	1
Significant	5	14	19
Limited	4	6	10
N/A	1	28	29
Total	10	49	59

- 2.4. Within the plan it was agreed that two school themed audits would be undertaken in respect of Procurement Cards and Safeguarding. An overall Procurement Card report was issued reflecting the findings across the schools visited; the opinion is significant assurance. Separate reports were also issued to individual schools containing specific recommendations but without an opinion. In addition an overall Safeguarding report has been issued to management reflecting the findings across the schools visited. The opinion was also significant. Management has confirmed that the points raised will be shared with schools through phase meetings. All ten schools have received a report containing specific recommendations but without an opinion.
- 2.5. In addition to the above, there are a number of reports which have been issued but not finalised:
- Data Information Security (ICO follow up)
 - Procurement- This was a routine audit of four County Council contracts.
 - Corporate Governance
 - European Funding
 - Highways Maintenance Contract
- 2.6. A breakdown of final reports issued can be found in Appendix 3, which summarises the risk ratings associated with each finding and recommendation along with an overall opinion. Further information is provided in the individual reports. A list of those reports which will be considered for publication is included in Appendix 4. Published reports can be accessed by the following link:
http://www.worcestershire.gov.uk/info/20003/council_democracy_and_councillor_information/1076/internal_audit
- 2.7. It is essential that audit recommendations are implemented by management within the agreed timescales. All recommendations are routinely followed up with senior management on a half yearly basis to obtain assurance that recommendations were implemented. As requested by the Audit and Governance Committee the current status of high recommendations is detailed in Appendix 5.
- 2.8. Where audits have been given full or significant assurance this is an indication that the Council has sound processes in place.

- 2.9. Further details regarding the one issued limited assurance audit issued during quarter 3 are contained in Appendix 6. There are a number of other reports which will be published having been finalised. These are detailed in Appendix 4.
- 2.10. The assurance expressed is at the time of the report being issued but before full implementation of the agreed management action plan. Where a response has been received it should be noted that management have accepted the recommendations and have indicated an action plan with timescales for implementation where appropriate.
- 2.11. Following recent audits a "Customer Survey" has been issued to relevant managers asking for their views on the delivery of the audit. There are a range of questions covering audit planning, reporting and an overall assessment. It is pleasing that the results received continue to be very good achieving an average score of 4.4 (out of a maximum of 5). In addition a number of very positive comments regarding Internal Audit work have been received during the year.
- 2.12. Feedback from senior management would also suggest that the quality of output is high and continues to improve.

3. Other significant work

- 3.1. Internal Audit has also carried out work in a number of other areas during the period ending 31 January 2015 and this is set out below.

National Fraud Initiative

- 3.2. The National Fraud Initiative (NFI), the Audit Commission's data matching exercise helps the Council fight against fraud. Internal Audit continues to act as the lead co-ordinator. The required data was uploaded on the due date of the 6 October. This time there was a requirement for a new data set to be included, those service users in receipt of a direct payment, in addition to Payroll, Pension, Creditor, Care Home, Blue Badges and Concessionary Travel data, which highlighted the need to ensure that our Fair Processing Notice was up to date and this has now been reviewed by officers and updated where necessary. In order to fully comply with the requirements to notify everyone affected that their data was being used in this way an explanatory letter was sent to all service users in receipt of a direct payment and in private residential or nursing care. In August all payslips included a message confirming that payroll data will be shared as part of the NFI process. We were also able to facilitate the uploading of data held by the Council on behalf of the Hereford and Worcester Fire and Rescue Authority, West Mercia Police and the West Mercia Police and Crime Commissioner. The data matches have all been received and allocated to individual officers for investigation.

Information Commissioners Officer - Data Protection audit

- 3.3. The Council invited the Information Commissioner's Office (ICO) in to advise us on data protection areas which will be challenging as we become a strategic commissioning authority. The ICO have identified some areas of good practice but have also raised a number of significant issues in the areas of data protection governance, security of personal data and data sharing which has led to a very limited assurance opinion. The Council is taking actions to address the ICO's recommendations, as part of this process, Internal Audit attend the Corporate Information Governance Board and Corporate Information Governance Group. Internal Audit has recently completed an audit to follow up on the implementation of a sample of the recommendations. From attendance at these meetings it is clear that good progress is being made with many of the actions completed or close to completion. Most policies have been ratified by the Board;

outstanding ones require completion by 31 March 2015. The ICO are returning to review progress week commencing 13 July 2015.

Anti- Fraud and Corruption work

- 3.4. A separate Annual counter fraud report was submitted to the last meeting of this Committee detailing the work undertaken and planned by Internal Audit in respect of special investigations and pro - active fraud activity.
- 3.5. The Fraud e-learning course has now been completed by 521 out of a potential 3,500 employees.

Superfast Broadband Project

- 3.6. Internal Audit has continued to support this project over the last ten months, supporting officers in checking the information provided by the contractor so that invoices can be paid. Following the announcement of additional funding Internal Audit will again be supporting the verification process to enable all of the milestones to be achieved. Two milestones have been achieved successfully.
- 3.7. Following a question at the previous meeting Internal Audit have looked into the basis that the Superfast Broadband Project is audited and whether it should be assessed on the basis of the satisfaction of the broadband service user rather than the number of users who switch provider and have received the following response:

"A customer satisfaction survey was undertaken on the 'Airband Project' in October 2014, one year after deployment had been completed. Please see the attached link: http://www.worcestershire.gov.uk/downloads/file/4659/airband_wireless_community_pathfinder_satisfaction_survey_-_october_2014

The size of the project area meant it was possible to send a letter and questionnaire to all premises in the project area (c.2,200) to both raise awareness of the availability of the service and get feedback from those who have taken up the service; 80% of those that responded were either 'satisfied' or 'very satisfied' with the service they were receiving.

However, for the larger Superfast Worcestershire programme it is not currently planned to undertake a similar exercise at the current time for two main reasons. Firstly, deployment is still underway, many homes and businesses will not yet be able to connect or will have only recently connected therefore their views will not yet be established. Secondly, we do not have the addresses or contact details of premises who have taken the services up, this is deemed commercially sensitive to the various providers who offer services off the Openreach network. Therefore we cannot target our survey to the correct audience.

Superfast Worcestershire is deploying a fibre infrastructure that customers need to 'sign-up' to, customers choose whether or not to sign up and who their supplier is. We are not connecting customers ourselves. The programme does provide a quarterly 'take-up' figure for all the premises that have taken up the service in the deployment area to date. At the end of December this was at 10% and is where we would expect to be at this stage in the programme.

Superfast Worcestershire's engagement with residents and businesses is currently focussed on informing residents and businesses of the current deployment plan and increasing the take-up levels of faster broadband across the county. The programme is currently looking for 'Case Studies' of both businesses and residents that have signed up

to fibre broadband and can talk about the benefits it has brought them."

Grant claims

- 3.8. A total of 4 grant claims have been reviewed to ensure accuracy and compliance with relevant grant conditions:
- 2 Bus Services Operators Grant (BSOG);
 - Adoption Reform Grant
 - Local Transport Capital Grant
- 3.9. A declaration statement has been signed by the Senior Manager, Internal Audit and Assurance in respect of the Community Capacity Grant. The monies have not yet been spent, so a review of spending will be planned for later in the year.
- 3.10. Further work was also carried out on the Kidderminster Trust Fund. Whilst the value of transactions is relatively low, Internal Audit was able to provide independent assurance regarding this fund.

Joint Property Vehicle

- 3.11. Internal Audit has attended regular meetings of the JPV Finance Work group to advise on financial issues and the control framework. Following the agreement of the majority of partners to proceed with the JPV, the internal audit function of the new company will be provided by Worcester City and so we shall seek assurance and comfort from them that the necessary risks have been identified and the control environment is operating effectively.

Commissioning – HR/Payroll/Finance/Enterprise Resource Planning (ERP) and Occupational Health

- 3.12. As a member of the steering group for this project, Internal Audit has advised on the risks, controls and Key Performance Indicators required once the contract has been awarded, attended workshops where the current main services have been captured to inform the specification as well as challenging the Value for Money of the project. The decision has now been taken to re-shape the procurement and refresh the business case. Internal audit will continue to advice on the revised procurement process.

Advice

- 3.13. This is an important part of Internal Audit's work to ensure that appropriate controls are considered at an early stage. Between 1 November 2014 and 31 January 2015, Internal Audit has advised on a number of areas including:
- **Pensions, Members Self Service** – Ongoing advice regarding the control environment for the implementation of Member Self Service.
 - **Accounts Payable** – Review of documentation required for Accounts Payable payment runs. Advice around the appropriateness and necessity of current documentation including paperwork printed against each BACS payment run and agreed a new Revenue BACS control sheet would be completed for each BACS payment run. There was also consideration of reporting, reconciliation procedures and retention periods.
 - **Pension Board** – Ongoing discussion and advice around Pension Board implementation.

- **Cash Handling Procedures-** Advice given in respect of cash handling procedures.
- **Schools PFI -** Internal Audit have carried out some work in this area and produced a report albeit there are some outstanding issues requiring resolution.
- **Equipment and Sundry Item Disposal –** advice given regarding the selling and disposal of obsolete equipment to ensure that the process is open, transparent and protects everyone involved.

4. Appendix 1: Detailed Audit Plan 2014/15

Area/system	Days	Final report issued	Status/assurance level given
OP1: Core systems reviews – fundamental assurance			
<u>Core Financial Systems</u>	200		
Debtors		February 2015	Final report issued. Significant.
Creditor Payments		February 2015	Final report issued. Significant.
Payroll			Terms of reference agreed.
Pensions – Administration Processes			Fieldwork in progress.
Pension – Investment Management			Ongoing advice provided.
Pension Governance Arrangements			Ongoing advice provided.
VAT		January 2015	Final report issued. Significant.
Bank Reconciliations			Terms of reference agreed.
National Fraud Initiative	30		Ongoing.
Grant certification	30		Ongoing.
OP1: Subtotal	260		

Area/system	Days	Final report issued	Status/assurance level given
OP2: Audits across the key areas of focus in the Corporate Plan			
Directorate Risks:	150		
➤ Daily banking – Audit Banking Log		April 2014	Final report issued. RAG rating.
➤ Business Rates Pool		July 2014	Final report issued. Full.
➤ Crofters Close		September 2014	Final report issued. N/A
➤ Schools Procurement follow up		January 2015	Final report issued. Limited.
Investigative work	80		Ongoing work.
Intelligence led pro-active fraud investigations	25		Ongoing. Currently at the implementation stage of using Fiscal software to analyse key financial data. Training in use of the software has been undertaken.
Advice	50		Ongoing.
ICT Audits - externally provided as part of the Internal Audit framework agreement.	50		
➤ IT Disaster Recovery Review		November 2014	Final report issued. Limited.
➤ Data Centre Operations and Security		November 2014	Final report issued. Significant.
➤ IT Risk Diagnostic		November 2014	Final report issued. No overall opinion given.
➤ IT Strategy		November 2014	Final report issued. No overall opinion given.

Area/system	Days	Final report issued	Status/assurance level given
Data Information Security (ICO follow up)	10		Draft report issued. Agreed in principle by management, opinion significant.
Computer Recycling	10	November 2014	Final report issued. Limited
IT Policy Framework	10		<p>Draft terms of reference have been agreed and the work is to be carried out as part of the Internal Audit IT Framework Agreement.</p> <p>Management are concerned about the team capacity to handle the review and then follow through with the actions in a timely fashion, and the timing of such a review with the three commissioning projects on at the moment (IBS Schools, WHSS and ICT Managed Services). Therefore the review has been postponed until April 2015.</p>
Ethical Culture	10		Advisory work carried out focussing on the Code of Conduct and Declarations of Interest.
Performance Management	15		Planned for March 2015.
Contract Management	20		A number of contracts have been looked at during the year as part of other reviews and the intention here was to look at the final account for the Malvern Link and Worcester Foregate Street Station contract in detail but due to delays in this being completed the audit review will transfer to 2015/16 Audit Plan.

Area/system	Days	Final report issued	Status/assurance level given
Commissioning	30		<p>Terms of reference agreed, work covering the area of Learning and Achievement to be carried out as part of the Internal Audit Framework Agreement.</p> <p>A significant amount of advisory work has already taken place in this area.</p>
Cost of change- redundancy costs.	10		Draft report produced.
Travelling and Subsistence –Employees	25	November 2014	Final report issued. Significant.
Travelling and Subsistence – Councillors	10	February 2015	Final report issued. Significant.
Councillor ICT arrangements.	5	November 2014	Final report issued. Significant.
WCDF – Worcestershire Councillor's Divisional Fund	10	September 2014	Final report issued. Significant.
Flexible and Mobile Environment (FAME) working	20		<p>Discussions have been held with the Head of Human Resources and Head of Systems and Customer Access who consider that the planned work would not add any value at this point in time and audit resources would be better utilised in 2015/16.</p>

Area/system	Days	Final report issued	Status/assurance level given
Procurement	30		<p>Work has taken place on a sample of 4 contracts across directorates:</p> <ul style="list-style-type: none"> ➤ Stop Smoking; ➤ Street Lighting; ➤ Family Conferencing and ➤ Stronger Families. <p>Final reports have been issued without opinions in respect of Stop Smoking, Street Lighting, Family Conferencing and Stronger Families. An overall final report has been issued, Internal Audit are still awaiting a final management response.</p>
Future Fit: Future Operating Model	20		Terms of reference agreed, work to be carried out as part of the Internal Audit Framework Agreement.
Joint Property Vehicle (JPV)	30		Ongoing work in this area.
Archaeology	15		Terms of Reference issued.
Registrars	10		Fieldwork in progress.
Corporate Governance	15		Draft report issued.
Risk Management	10		Draft report produced.

Area/system	Days	Final report issued	Status/assurance level given
Audit and Governance Committee training	5		'Effective Audit Committees' – completed May 2014.
General follow up	20		Ongoing.
Freedom of Information Requests	15		Fieldwork in progress.
Insurance arrangements - Compliance	5		Fieldwork in progress.
Insurance arrangements – Full systems	10		Fieldwork in progress.
Training and Development	15		It was agreed that the planned audit of the Staff Review and Development scheme will not add value at the present time due to imminent changes to the scheme. An audit may be appropriate when the changes have been implemented and embedded.
Use of Agency staff	15	November 2014	Final report issued. Limited.
OP2: Subtotal	755		
OP3: Open for Business			
European Funding	10		Draft report issued.
Local Enterprise Projects	10		Terms of reference issued, work to be carried out as part of the Internal Audit Framework Agreement.

Area/system	Days	Final report issued	Status/assurance level given
Growing Places Fund	10		Terms of reference issued, work to be carried out as part of the Internal Audit Framework Agreement.
Broadband project	20		Ongoing.
Improvement & Efficiency West Midlands (IEWM)	10		Transferred to 2015/16 Audit Plan.
Efficiency Audit	20	February 2015	Three individual reports and an overall Final report issued. Significant.
OP3: Subtotal	80		
OP4: Children and Families			
Sufficiency of Alternative provision (to ensure sufficient school places for all eligible pupils in the County).	25		Initial discussions were held to determine terms of reference. Developments have been made in this area of work and quality assurance measures put in place that now mean the audit work is not considered required.
Not in Education, Employment or Training (NEETS).	10	November 2014	Final report issued. Limited.

Area/system	Days	Final report issued	Status/assurance level given
Safeguarding	30		Discussions have taken place with the Head of Service to inform the terms of reference. Internal Audit are continuing to explore with management the best point of focus for audit involvement to ensure we are meeting our commitment in this area.
Primary School Sports Grant	15		Draft report produced.
School Themed Audits:	100		
➤ Procurement Cards			Final reports issued to 10 schools. Overall report was issued reflecting the findings across the schools visited. Significant assurance.
➤ Safeguarding			10 draft reports issued and responses received. Overall report has been issued to management, who have confirmed that that the points raised will be shared with schools through phase meetings. Significant assurance.
Provision of Support Services in Schools.	20		Ongoing advisory work in respect of the reshaping of the tender for these services due to the changing market.

Area/system	Days	Final report issued	Status/assurance level given
OP4: Subtotal	200		
OP5: The Environment			
PFI Waste Contract	20		Terms of reference has been issued.
Highways Maintenance Contract - Monitoring Arrangements	30		Draft report issued.
Design Services Contract – Term Shared Professional Services Contract	20	November 2014	Final report issued. Limited.
Evesham Abbey Bridge	20		Discussions have been held with the Director of Business, Environment and Community, the contract is currently under dispute therefore it is considered not appropriate to audit at this stage in the process. Transferred to 2015/16 Audit Plan.
OP5: Subtotal	90		
OP6: Health and Wellbeing			
Direct Payments	20		Planned for March 2015.
Delayed Transfer of Care	35		Fieldwork in progress.
Responsibilities for Community Safety	10		Work in progress, questionnaires have been sent to other County Councils to determine the work carried out by them in this area.

Area/system	Days	Final report issued	Status/assurance level given
Public Health Ring Fenced Grant	30	October 2014	Final report issued. Significant.
Care and Support Planning	20		<p>Internal Audit has signed the Memorandum of Understanding in respect of the Care Bill Implementation Grant 2014/15. Internal Audit have also been made aware of the first stocktake, the purpose of the stocktakes are to help local authorities assess readiness to implement their statutory duties under the Care Bill from April 2015 and to benchmark themselves against their peers.</p> <p>A draft report has been issued in respect of work carried out to ensure there are sound processes in place for setting up the new pre-payment cards.</p>
DASH Savings Plans	20	January 2015	Final report issued. Significant.
OP6: Subtotal	135		
TOTAL OP1 to OP6	1520		

5. Appendix 2: Assurance Definitions

Overall Audit Opinion	
Full assurance	Full assurance that the system of internal control meets the organisation's objectives and controls are consistently applied.
Significant assurance	Significant assurance that there is a generally sound system of control designed to meet the organisation's objectives. However, some weaknesses in the design or inconsistent application of controls put the achievement of some objectives at some risk.
Limited assurance	Limited assurance as weaknesses in the design or inconsistent application of controls put the achievement of the organisation's objectives at risk in some of the areas reviewed.
No assurance	No assurance can be given on the system of internal control as weaknesses in the design and/or operation of key control could result or have resulted in failure(s) to achieve the organisation's objectives in the area(s) reviewed.

The recommendations arising from the individual audit reviews are ranked according to their level of priority as follows:

High	This is essential to provide satisfactory control of serious risk(s)
Medium	This is important to provide satisfactory control of risk
Low	This will improve internal control

6. Appendix 3: Summary of Recommendations (final reports only)

Assignment	High	Medium	Low	Total	Overall opinion
Work relating to 2013/14					
Open for Business – Partnership Arrangements	3	6	3	12	Limited
Joint Commissioning Unit – Contract Management (Residential & Nursing Care)	2	4	0	6	Limited
Pension Administration	2	6	0	8	Significant
Future Fit – Benefit Realization	3	2	0	5	Significant
Payroll	0	2	0	2	Significant
Children's Social Care	5	6	2	13	RAG rating
Commissioning of Out of Area and High Cost Placements (Adults)	3	6	2	11	Limited
Worcestershire Local Enterprise Partnership (LEP)	4	3	0	7	Limited
Debtors 2013/14	1	4	1	6	Significant
IEWM	0	8	2	10	Significant
Total	23	47	10	80	
Work Relating to 2014/15 (QTR 1 2 and 3)					
Business Rates Pool	0	0	1	1	Full
Daily banking – Audit Banking Log	4	3	0	7	RAG rating
School Themed Audits, Individual Procurement Card Audits:	7	13	6	26	Significant
Fort Royal Community Primary	0	2	2	4	N/A
Birchensale Middle	0	1	1	2	N/A
Alvechurch Middle	0	0	4	4	N/A
Charlford First	0	1	2	3	N/A

Assignment	High	Medium	Low	Total	Overall opinion
North Bromsgrove High	2	2	0	4	N/A
Oldbury Park	3	2	0	5	N/A
Pitmaston	1	4	0	5	N/A
St Andrews	1	2	2	5	N/A
St Clements	1	3	2	6	N/A
St Georges	6	9	0	15	N/A
Worcestershire Councillor's Divisional Fund - WCDF	0	3	5	8	Significant
Not in Education, Employment or Trainings (NEETS)	1	4	1	6	Limited
Procurement Audit:					
Procurement - Street lighting	2	2	1	5	N/A
Procurement – Stop Smoking	0	3	0	3	N/A
Procurement - Family Group Conferencing	0	0	1	1	N/A
Procurement – Stronger Families	0	2	0	2	N/A
Public Health Ring Fenced Grant	0	1	0	1	Significant
Computer Recycling	3	7	2	12	Limited
IT Risk Diagnostic	0	0	0	0	N/A
IT Disaster Recovery	2	2	0	4	Limited
IT Data Centre Operations and Security	3	3	2	8	Significant
IT Strategy	0	2	6	8	N/A
Crofter's Close	N/A	N/A	N/A	N/A	N/A
Councillors' ICT allowance	2	5	2	9	Significant
Design Services Contract – Term Shared Professional Services Contract	5	9	1	15	Limited
Travel and Subsistence -	0	12	3	15	Significant

Assignment	High	Medium	Low	Total	Overall opinion
Employees					
Use of Agency Staff	1	10	3	14	Limited
ICO	N/A	N/A	N/A	N/A	Significant
DASH Savings Plan	0	6	1	7	Significant
VAT	0	1	0	1	Significant
School Themed Audits, Individual Safeguarding Audits:	3	5	3	11	Significant
Abbey Park Middle	0	2	1	3	N/A
Bewdley High	0	2	1	3	N/A
Catshill Middle	0	0	1	1	N/A
Callow End Primary	0	2	0	2	N/A
Claines Primary	1	4	1	6	N/A
Cookley Sebright Primary	0	4	0	4	N/A
Great Witley Primary	0	2	1	3	N/A
Hartlebury Primary	0	1	0	1	N/A
Bewdley Primary	0	2	0	2	N/A
Whittington Primary	0	4	0	4	N/A
Schools Procurement follow up	7	6	0	13	Limited
Travel and Subsistence Councillors	1	1	1	3	Significant
Efficiency	0	2	4	6	Significant
Creditors	0	5	1	6	Significant
Debtors	0	5	3	8	Significant
Total 1 April to 31 January 2015	56	161	65	282	
Total	79	208	75	362	

7. Appendix 4: List of Internal Audits to be considered for Publication

7.1. The following reports may be published following consideration of whether a report would require redaction prior to publishing, the Head of Legal and Democratic Services advice will be sought in respect of this. It should be noted to date that only Internal Audit reports where an opinion has been given have been published.

- 1 VAT
- 2 DASH Savings Plans
- 3 Creditors Payments
- 4 Debtors
- 5 Travel and Subsistence - Councillors
- 6 Efficiency
- 7 School Themed report - Safeguarding

8. Appendix 5: Follow Up of High Recommendations

Audit	Number of recommendations	Number due to be implemented	Number implemented	Number outstanding more than 2 months	Comments
Partnership Arrangements	3	3	0	3	There were some recommendations that were outstanding from a previous audit. A number of meetings have been held with the Worcestershire Partnership Officer and progress is being made towards implementation by the end of March 2015. It has been agreed that there will be a follow up in the first quarter of 2015/16 with a view to ensuring that the recommendations have been implemented.
One-time Vendors	1	1	0	0	Actions will be implemented by 31/1/15. This work stream has been on hold pending recruitment which is now in place to deliver this. To be followed up at half yearly review.
Pension Administration	2	2	0	0	To be followed up in current audit.
Local Enterprise Partnership (LEP)	4	4	2	0	To be followed up in current audit.
Children's Social Care	5	5	0	0	The report was a RAG rating report showing 5 red ratings (rather than high recommendations) where no documentary evidence was readily available in respect of preparedness for Ofsted Inspection. However the

					management response received states that in order to provide the most up to date information for the inspection some documents won't be uploaded until they receive confirmation of when the inspection will take place.
Future Fit - Benefit Realisation	3	3	0	0	Now due for implementation, to be followed up at half yearly review
Oldbury Park	3	3	3	0	Confirmation received that the recommendations have been implemented.
Procurement – Street Lighting	2	2	0	0	Now due for implementation, to be followed up at half yearly review.
Computer Recycling	3	3	0	0	Now due for implementation, to be followed up at half yearly review.
IT Disaster Recovery	2	1	0	0	One now due for implementation, to be followed up at half yearly review. One not yet due to be implemented.
Data Centre Operations	3	2	1	0	Two recommendations are now due to be implemented, to be followed up at the half yearly review. One not yet due to be implemented.
Not in Employment Education or Training(NEETS)	1	1	0	0	Now due for implementation, to be followed up at half yearly review
Councillors' ICT allowance	2	2	0	0	Now due for implementation, to be followed up at half yearly review

Agency Staff	1	1	0	0	Now due for implementation, to be followed up at half yearly review
Claines Primary	1	1	0	0	Now due for implementation, to be followed up at half yearly review
Design Services Contract	5	4	0	0	Four now due for implementation, to be followed up at half yearly review. One not yet due to be implemented.
Schools Procurement follow up	7	5	2	0	Now due for implementation, to be followed up at half yearly review
Travel and Subsistence Councillors	1	0	0	0	Not yet due for implementation.

9. Appendix 6: Summary of Limited Opinion Audits

9.1. For the audit detailed below, management has agreed with Internal Audit the course of action proposed to address the recommendations.

School Procurement
Follow Up.

A follow up audit to the school themed audit on Procurement was conducted at one school.

A response has been received from the Head and Chair of Governors which demonstrates a clear commitment to implement the recommendations from the audit also meetings have been held with officers to ensure that Governors across all schools are aware of the issues that currently lead to an opinion of limited assurance.

This is currently judged to be limited assurance due to issues around evidencing value for money and lack of effective controls including:

- Concerns around the award of contracts and the failure to demonstrate best value.
- Insufficient detail to clearly identify actions, approvals and decisions taken.