

SUBJECT:	Internal Audit: Progress Report
MEETING:	Council's Management Team
DATE OF MEETING:	10 September 2013
REPORT OF:	Head of Southern Internal Audit Partnership
REPORT DATE:	August 2013

1 Opinion definitions

Opinion	Framework of governance, risk management and management control
Substantial assurance	A sound framework of internal control is in place and is operating effectively. No risks to the achievement of system objectives have been identified.
Adequate Assurance	Basically a sound framework of internal control with opportunities to improve controls and / or compliance with the control framework. No significant risks to the achievement of system objectives have been identified.
Limited assurance	Significant weakness identified in the framework of internal control and / or compliance with the control framework which could place the achievement of system objectives at risk.
No assurance	Fundamental weakness identified in the framework of internal control or the framework is ineffective or absent with significant risks to the achievement of system objectives.

2 Status of 'live' reports:

Audit title	Report date	Accountable Director	Audit Assurance		Management Actions (of which are 'high' priority)			
			Original	Current	Reported	Pending	Cleared	Overdue
Street Cleansing and Parks & Open Spaces	19/11/12	Economic Development & Environment	Adequate	Adequate	14 (0)	0 (0)	13 (0)	1 (0)
Heating Charges	17/12/12	Economic Development & Environment	Adequate	Adequate	6 (1)	0 (0)	4 (1)	2 (0)
Great Oaks School	21/12/12	People	Adequate	Adequate	15 (1)	0 (0)	11 (1)	4 (0)
Cash Collection & Banking	21/01/13	Corporate Services	Limited	Adequate	12 (5)	0 (0)	7 (5)	5 (0)
Sustainability (Use of Natural Resources / Carbon Reduction)	15/03/13	Economic Development & Environment	Limited	Adequate	11 (9)	0 (0)	9 (8)	2 (1)
Estate Regeneration	26/04/13	Economic Development & Environment	Adequate	Adequate	21 (16)	8 (5)	13 (11)	0 (0)
Development Management	26/04/13	Economic Development & Environment	Limited	Adequate	7 (4)	2 (0)	4 (3)	1 (1)
Locality Teams – Statutory Schools Work / Providers	29/04/13	People	Substantial	Substantial	2 (1)	1 (0)	0 (0)	1 (1)
Safeguarding	22/05/13	People	Limited	Adequate	26 (21)	0 (0)	22 (19)	4 (2)
Payroll	22/05/13	Corporate Services	Adequate	Adequate	7 (2)	0 (0)	5 (1)	2 (1)

Audit title	Report date	Accountable Director	Audit Assurance		Management Actions (of which are 'high' priority)			
			Original	Current	Reported	Pending	Cleared	Overdue
Council Tax & NNDR	07/06/13	Corporate Services	Substantial	Substantial	2 (0)	1 (0)	1 (0)	0 (0)
Quality Assurance	18/07/13	People	Adequate	Adequate	15 (9)	8 (7)	5 (2)	2 (0)
Code of Conduct Members & Officers)	26/07/13	Corporate Services	Adequate	Adequate	3 (1)	1 (0)	1 (1)	1 (0)
IT Infrastructure & Security	13/08/13	Corporate Services	Adequate	Adequate	3 (1)	3 (1)	0 (0)	0 (0)

3 Executive summaries of new reports published where critical weaknesses or unacceptable levels of risk were identified:

Audit title: Non Residential Care Contributions
Original published audit opinion: No assurance
Current audit opinion: No assurance
Executive summary: Please see Appendix 1 & 2 attached

4 Internal Audit Performance

The internal audit service is measured against the following key performance targets:

Performance Targets – 31 July 2013		
	Target for Year (%)	Actual to Date (%)
% of revised plan delivered (including 2012/13 c/f)	95	27
Compliant with the Public Sector Internal Audit Standards 2013	Yes	Yes
% of positive customer responses to Quality Appraisal Questionnaire	90	98.7

5 Planning and Resourcing

The internal audit plan for 2013/14 was approved by the Council's Management Team and the Governance Committee in April 2013. The audit plan will remain fluid to ensure internal availability to react to the changing needs of the Council. Progress against the plan is detailed within section 7

6 Fraud and Irregularities

Within the year we have assessed and where appropriate, advised, investigated or supported the investigation of four allegations of fraud, corruption or improper practice. Of these:

- 2 were investigated which has resulted in disciplinary action
- 2 remain on-going.

7 Rolling work programme

Audit title	Audit Progress				
	TOR issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued (proposed)
2013/14 Audit Plan (Including 12/13 c/f)					
Capital Programme Management	✓	✓	✓	✓	
Health and Safety	✓	✓	✓		
Contract Management	✓	✓	✓	✓	
Project management	✓	✓	✓	✓	
Accounts Receivable	✓	✓	✓	✓	
Portage	✓	✓	✓	✓	
Contribution & Charging	✓	✓	✓	✓	
Street Lighting PFI	✓	✓	✓	✓	
Partnership arrangements					
Workforce Management					

Audit title	Audit Progress				
	TOR issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued (proposed)
Information Governance					
Human Resources	✓	✓	✓		
Procurement					
Gas Safety – Procurement	✓	✓	✓	✓	
Contract Management					
Corporate property strategy (and asset management plan)					
Health and Safety					
Volunteers					
Business Continuity & Emergency Planning					
Families Matter					
Annual Governance Statement	N/A	✓	✓	✓	03/07/2013
Precautions against fraud	✓	✓			

Audit title	Audit Progress				
	TOR issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued (proposed)
National Fraud Initiative	N/A	✓			
Risk Management					
Effectiveness of the Role of Internal Audit	✓	✓	✓		
Housing rent collection					
Teachers Pensions - annual claim (TR17)	✓	✓	✓		
Employers Pensions (teachers and LGPS)	✓				
Income Collection and Transactions					
Accounts Payable					
Debt Management					
NNDR	✓				
Payroll					
Housing Benefits (including Council Tax Reduction Scheme)					

Audit title	Audit Progress				
	TOR issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued (proposed)
Application support	✓				
Change control					
Capacity planning & management					
Inventory Management (not commenced in 12/13 – swapped with DR)	✓	✓			
Grants to voluntary organisations	✓	✓	✓	✓	
Across Schools Thematic Review 1 (payroll)					
Across school thematic review 2 (pupil absence management)					
Across school thematic review 2 (HR policy compliance)					
General school reviews – Bevois Town Primary School	✓				
General school reviews – Fairisle Infant & Nursery School	✓				
General school reviews – St Mary's C of E Primary School					
General school reviews – Sholing Technology College					

Audit title	Audit Progress				
	TOR issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued (proposed)
SFVS	✓	✓	✓	N/A	N/A
School standards	✓	✓			
Integrated Assessment of need / Management, redesign and centralisation of support services - Data and Performance	✓				
Highways					
Itchen Bridge					
Parking Services	✓	✓	✓		
Housing Operation Transformation					
Neighbourhood wardens	✓	✓	✓		
Transformation of city services					
European Funding	✓	✓	✓	N/A	N/A
Delivery of statutory functions - Family Centres and children centres					
Delivery of statutory functions - designated officer role EDT/LADO					

Audit title	Audit Progress				
	TOR issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued (proposed)
Think Local, Act Personal - (Personalisation - support planning)					
Appointeeships					
Joint Commissioning					
PARIS	✓	✓	Advice/Consultancy role		
Safeguarding					
Reablement	✓	✓	✓		
Telecare (careline)					
Kentish Road					
Public Health					
PUSH	✓	✓	✓	✓	25/06/2013
Grant Claims – BEEMS Claim 2	✓	✓	✓	N/A	N/A
Grant Claims – BEEMS Claim 3	✓				

Audit title	Audit Progress				
	TOR issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued (<i>proposed</i>)
Southampton day Services – Freemantle Community Centre	✓	✓	✓		