



# Internal Audit Progress Report

## 29<sup>th</sup> October 2018

Elizabeth Goodwin - Chief Internal Auditor

## Introduction

The Internal Audit function is a statutory function for all Local Authorities. Southampton City Council Internal Audit service has an in-house team and a shared Chief Internal Auditor with Portsmouth City Council (PCC). The in house audit team is supported by audit & counter fraud staff from PCC under a collaborative working arrangement.

The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body must:

***‘Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’***

The standards for ‘proper practices’ are laid down in the Public Sector Internal Audit Standards [the Standards – updated 2016].

## Purpose of report

The purpose of this report is to update the committee on the progress of the 2018/19 Audit Plan as at 29<sup>th</sup> October 2018 and to highlight any significant risk exposure and control issues, including fraud and governance risks. Internal audit reviews culminate in an opinion on the assurance that can be placed on the effectiveness of the framework of risk management, control and governance designed to support the achievement of management objectives. Assurance opinions are categorised as follows:

Overall Assurance Levels:	Description / Examples
Assurance	No issues or minor improvements noted within the audit but based on the testing conducted, assurance can be placed that the activity is of low risk to the Authority
Reasonable Assurance	Control weaknesses or risks were identified but overall the activities do not pose significant risks to the Authority
Limited Assurance	Control weaknesses or risks were identified which pose a more significant risk to the Authority
No Assurance	Major individual issues identified or collectively a number of issues raised which could significantly impact the overall objectives of the activity that was subject to the Audit

*NOTE: Where the audit receives an overall level of 'No Assurance' then the exceptions are be reported in their entirety to the Governance Committee along with the Directors comments.*

The following table outline the exceptions raised in audit reports and are reported on in priority order.

Exception Priority Level	Description
<b>Low Risk - Improvement</b>	Very low risk exceptions or recommendations that are classed as improvements that are intended to help the service fine tune its control framework or improve service effectiveness and efficiency. An example of an improvement recommendation would be making changes to a filing system to improve the quality of the management trail.
<b>Medium Risk</b>	These are control weaknesses that may expose the system function or process to a key risk but the likelihood of the risk occurring is low.
<b>High Risk</b>	Action needs to be taken to address significant control weaknesses but over a reasonable timeframe rather than immediately. These issues are not “show stopping” but are still important to ensure that controls can be relied upon for the effective performance of the service or function. If not addressed, they can, over time, become critical. An example of an important exception would be the introduction of controls to detect and prevent fraud.
<b>Critical Risk</b>	Control weakness that could have a significant impact upon not only the system function or process objectives but also the achievement of the organisation’s objectives in relation to: The efficient and effective use of resources, The safeguarding of assets, The preparation of reliable financial and operational information, Compliance with laws and regulations and corrective action needs to be taken immediately.

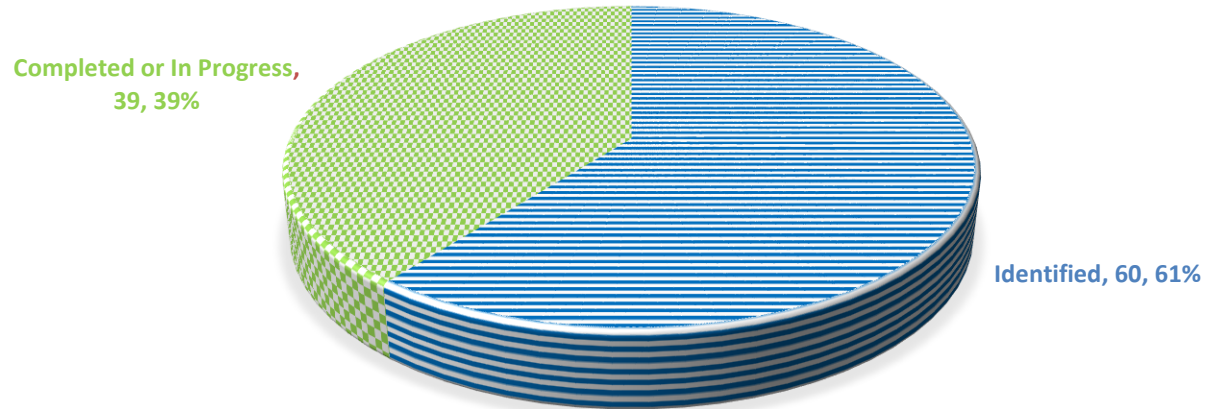
*NOTE: Any critical exceptions found the exceptions will be reported in their entirety to the Governance Committee along with the Directors comments.*

The following table outlines the follow up categories used to describe the outcome of follow up testing completed.

Follow Up Categories	Description
<b>Open</b>	No action has been taken on agreed action.
<b>Pending</b>	Actions cannot be taken at the current time but steps have been taken to prepare.
<b>In Progress</b>	Progress has been made on the agreed action however they have not been completed.
<b>Implemented but not Effective</b>	Agreed action implemented but not effective in mitigating the risk.
<b>Closed - Verified</b>	Agreed action implemented and risk mitigated, verified by follow up testing.
<b>Closed – Not Verified</b>	Client has stated action has been completed but unable to verify via testing.
<b>Closed – Management Accepts Risk</b>	Management have accepted the risk highlighted from the exception
<b>Closed – No Longer Applicable</b>	Risk exposure no longer applicable.

Audit Plan Progress:

**AUDIT PLAN PROGRESS TO 29TH OCTOBER 2018**



39% of the Audit Plan has been completed or is in progress as at 29<sup>th</sup> October 2018. The remaining 61% has yet to commence. This is based on 99 audits, which includes follow up reviews.

Breakdown of Progress:

Status	Number of Audits
Identified	60
Field Work	15
Draft Report	4
Issued Report	20

### Unplanned Work:

Since 1<sup>st</sup> September 2018 to 29<sup>th</sup> October 2018, Internal Audit has provided advice/performed adhoc work in the following area. (For reference, Advice is only recorded when the time taken to provide the advice exceeds 1 hour).

- Data Analysis and data matching in relation to Duplicate Invoices. Work has been undertaken to use data analytics software to identify potential duplicate invoices and or payments with the view to conduct continuous testing in this area.

### Audit Plan Status/Changes:

The following changes have been made to the plan since it was agreed earlier in the year. These changes are as follows;

Audits added to the audit plan:

1. Local Capital Transport Funding has been added to the plan and the grant is required to be verified against the terms and conditions applied.

Audits removed from the audit plan:

1. Debt Management Accounts Receivable has been removed as this area will be covered under the Accounts Receivable review.
2. Income Housing Rents has been removed as this area will be covered under the Housing Rents & Debt review.
3. Disabled Facilities has been removed as this was entered twice on the audit plan and has been covered under the review titled Disabled Facilities Grant which was completed and reported at the September committee meeting.
4. Adult Safeguarding (follow-up) audit has been removed as there were no high risks identified during the original audit.

### Areas of Concern:

No new areas of concern have been raised.

Completed Audits between 1<sup>st</sup> September 2018 and 29<sup>th</sup> October 2018

Project Name	Hub	Overall Opinion	Total No. of Issues/Exceptions	Critical Risk	High Risk	Medium Risk	Low Risk Improvement
<b>Local Transport Capital Funding Grant</b>	Strategy (SD Finance & Commercialisation)	<b>Assurance</b>	-	-	-	-	-
<b>Scope of Audit:</b>	<b>Review of the Local Transport Capital Funding Grant</b>						
To the best of our knowledge and belief, and having carried out appropriate investigations and checks, in our opinion, in all significant respects, the conditions attached to the Local Transport Capital Funding Grant have been complied with.							
<b>Pupil Referral Unit (Compass School)</b>	Operational (SD Children & Families)	<b>Assurance</b>	-	-	-	-	-
<b>Scope of Audit:</b>	<b>Policies, processes, performance monitoring, governance arrangements, pupil funding, placements and applications.</b>						
No exceptions have been raised in relation to the areas tested under the scope of this review and for the samples selected.							
<b>Bus Subsidy Grant 2017/18</b>	Strategy (SD Finance & Commercialisation)	<b>Assurance</b>	-	-	-	-	-
<b>Scope of Audit:</b>	<b>Review of the Bus Subsidy Grant 2017/18.</b>						
To the best of our knowledge and belief, and having carried out appropriate investigations and checks, in our opinion, in all significant respects, the conditions attached to the Local Authority Bus Subsidy Ring-Fenced (Revenue) Grant Determination 2017/18 have been complied with.							
<b>Licensing (Hackney Carriage &amp; Private Hire)</b>	Operational (SD Transactional & Universal)	<b>Reasonable Assurance</b>	2	-	-	1	1
<b>Scope of Audit:</b>	<b>Enforcement decisions, spot checks, documentation, temporary licensing process, complaints, procedure notes and registers.</b>						
The first medium risk exception relates to the limited information provided to taxi drivers on the retention period of Disclosure & Barring Service (DBS) certificates and the reasoning for retaining certificate information. The low risk relates to procedure notes not reflecting current processes and needing minor revision.							

Project Name	Hub	Overall Opinion	Total No. of Issues/Exceptions	Critical Risk	High Risk	Medium Risk	Low Risk Improvement
<b>Payroll</b>	Strategy (SD HR & Organisational Development)	<b>Reasonable Assurance</b>	2	-	-	2	-
<b>Scope of Audit:</b>	<b>Honorariums, overpayments, variances to staff pay, new starters and leavers, staff pay deductions.</b>						
<p>The first medium risk relates to cases of overpayments due to management and HR pay error, these included late notice of termination of staff employment, incorrect information being supplied to HR Pay, lack of National Insurance deductions and incorrect hourly rates inputted - 100% of the overpayments were recovered. The second medium risk relates to 1/29 employees, who had opted for a Season Ticket Loan scheme, had also been receiving a Contractual Car User Allowance.</p> <p><b>Follow up Testing:</b> Four exceptions raised in the 2017/18 payroll audit have been followed up. Testing evidenced that the first medium risk relating to leaver notification forms had been standardised as much as possible and therefore had been closed and verified. The second medium risk relating to there being a lack of reporting on staff pay variances, this agreed action is currently in open awaiting the implementation of the new Business World ERP system. The third medium risk relates to pension returns not being submitted in time, this financial year they were sent within the required deadline and therefore this risk has been closed and verified. Finally, a low risk a lack of a standard new starter notification form, a proforma is now being used and therefore this exception has been closed and verified.</p>							
<b>Direct Payments Children's</b>	Operational (SD Children & Families)	<b>Reasonable Assurance</b>	4	-	-	3	1
<b>Scope of Audit:</b>	<b>Client engagement, care assessments, guidance provided to clients, payments made meet the criteria for the child's needs.</b>						
<p>The first medium risk exception relates to 1/10 clients that had not signed a declaration form in relation to their spending conditions. The second medium risk relates to 6/10 cases requiring a 6 monthly review and 2/10 being in assessment. The final medium risk relates to 1/10 cases having 2 receipts missing which should be allocated to short breaks meaning it was not possible to confirm it was spent on short breaks appropriate for the client's needs. Finally, the low risk relates to the council outcome of "increasing take up of personal budgets/personal health budgets" not being an active drive of the service.</p>							
<b>Looked After Children</b>	Operational (SD Children & Families)	<b>Reasonable Assurance</b>	6	-	1	5	-
<b>Scope of Audit:</b>	<b>Policy, reviewed care plans, personal education plans and health care assessments, statutory visits, supervision of cases.</b>						
<p>One high risk exception arose relating to 3/18 statutory visit timescales having lapsed going back to the 19<sup>th</sup> June 2018 and a further case could not evidence the statutory visit timescale from Paris records. The first medium risk relates to 2/18 cases where care plans had not been signed by management until 11 and 17 weeks after they were completed. The second medium risk relates to being unable to evidence</p>							

Project Name	Hub	Overall Opinion	Total No. of Issues/Exceptions	Critical Risk	High Risk	Medium Risk	Low Risk Improvement
<p>1/18 personal education plans (PEP) being completed for summer term 2018. The third medium risk relates to there not being a current health care assessment plan in place for 1/18 children with the last assessment completed in March 2017. The fourth medium risk relates to a cases not being supervised by the Team Manager for as long as 42, 12, 11 and 9 weeks which are exceeding the expected 8 week timescale for review. The final medium risk relates to Paris reports not accurately recording statutory visit timescales and therefore in some cases a statutory visit will show as overdue when it may not be.</p>							
<b>Expenses Travel &amp; Subsistence</b>	Strategy (SD HR & Organisational Development)	<b>Limited Assurance</b>	3	-	2	1	-
<b>Scope of Audit:</b>	<b>Expense claims are legitimate, subsistence claims reflected correct rates, and contractual car users' posts are compliant.</b>						
<p>The results of this audit presented the same issues as identified in last year's audit. A number of the agreed actions have been implemented, however as evidenced from this year's audit the level of non-compliance has increased. The first high risk relates to the lack of claim information and receipts, from the samples tested there has been a 70% increase in non-compliance relating to a lack of sufficient claim details being provided and similarly a 91% increase in expense claims failing to provide satisfactory receipts. The other high risk relates to a lack of regular monitoring for Contractual Car User (CCU) posts, from sample testing one post did not meet the required criteria and was receiving the allowance for three consecutive years. The medium risk relates to the travel and subsistence policies not being reviewed since 2015.</p>							
<b>Agency / Temps</b>	Strategy (SD HR & Organisational Development)	<b>Limited Assurance</b>	2	-	1	-	1
<b>Scope of Audit:</b>	<b>Policy and procedures, performance monitoring of hays contract, pre-employment checks, induction &amp; leaver processes.</b>						
<p>One high risk exception arose relating to staff circumventing the recruitment framework and making their own arrangements with £2,212,163 (25% of total agency spend) having been spent with recruitment agencies other than Hays during the 2017/18 financial year. One low risk exception was also raised in relation to there being no formal agency recruitment policy in place and outdated information being displayed on the intranet.</p>							



Completed Follow up Audits between 1<sup>st</sup> September 2018 and 29<sup>th</sup> October 2018

	<b>Project Name</b>	<b>Follow Up Opinion</b>	<b>Original Opinion</b>	<b>Total Number of Issues/Exceptions</b>	<b>Critical Risk</b>	<b>High Risk</b>	<b>Medium Risk</b>	<b>Low Risk</b>	<b>Follow Up Planned</b>
1.	<b>Deprivation of Liberty (DOLs) Adult Services</b>	<b>Limited Assurance</b>	<b>Limited Assurance</b>	2	-	2	0	0	N/A
	<b>Scope of Audit:</b>	<b>Applications for a review of current DOLs, processing applications for a DOLs</b>							
	<b>Summary of Follow Up:</b>	The two original high risk exceptions remain open with actions in progress as a result of follow up testing, this is due to the risks still not having been mitigated and therefore the overall opinion remains as limited assurance.							
	<b>Risk</b>	<b>Original Issue</b>							<b>Status</b>
	<b>High</b>	The first high risk in progress related to new assessments not being completed within the stipulated timescales and on average were completed 45 days after they were due.							<b>In Progress</b>
	<b>Follow up Testing</b>								
	Follow up tested found that 13/15 DOLs had been granted outside of required timescales with 2 being overdue by 11 weeks each.								
	<b>High</b>	The second high risk in progress related to DOLs renewals being completed outside of the required timeframe of 21 days, taking on average 47 days, with a further 104 reviews awaiting to be allocated.							<b>In Progress</b>
	<b>Follow up Testing</b>								
	Follow up testing found that from the start of the financial year there were 89 reviews awaiting allocation, urgent requests were 7 days overdue and standard requests were 21 days overdue.								
2.	<b>Fostering Arrangements - Children &amp; Families</b>	<b>Reasonable Assurance</b>	<b>Reasonable Assurance</b>	3	-	1	2	0	N/A
	<b>Scope of Audit:</b>	<b>Foster carers payment records, registration of interests, recruitment drives</b>							
	<b>Summary of Follow Up:</b>	The original high risk exception is open with actions currently pending and two medium risk exceptions actions remain in progress as a result of follow up audit testing and therefore the overall opinion remains as reasonable assurance.							
	<b>Risk</b>	<b>Original Issue</b>							<b>Status</b>
	<b>High</b>	The high risk related to not being able to verify what payment level a foster carer was approved to receive in 1/5 foster carers payment records tested. Furthermore, it was not possible to reconcile the payments made to the Respite Carer's for the children within their care.							<b>Pending</b>

	<b>Project Name</b>	<b>Follow Up Opinion</b>	<b>Original Opinion</b>	<b>Total Number of Issues/Exceptions</b>	<b>Critical Risk</b>	<b>High Risk</b>	<b>Medium Risk</b>	<b>Low Risk</b>	<b>Follow Up Planned</b>	
	<b>Follow up Testing</b>									
	Work has been placed on hold as Finance are due to have their system upgraded, the new e-form will be placed online once the new system is up and running.									
	<b>Medium</b>	The medium risk related to issues with 4/10 initial enquires by prospective Foster Carer applicants, 2 calls were not screened and went straight to a home visit, 1 enquiry was not followed up within 7 days and 1 could not establish a PARIS reference number.						<b>In Progress</b>		
	<b>Follow up Testing</b>									
	Follow up testing found from a sample of 5 new enquiries, one had no records on Paris to evidence the Initial Screen Call and one record did not include whether a Carer was still with the Independent Fostering Agency.									
	<b>Medium</b>	The medium risk related to the Net Natives facebook campaign which resulted in 46 enquiries. Out of these only one led to a potential applicant and a further visit for another applicant is planned. If the visit is successful, only 4% of enquires lead to potential applications.						<b>In Progress</b>		
	<b>Follow up Testing</b>									
	Follow up testing found the Fostering enquiry form has been improved, campaigns had been running on social media and emails were used to reach a wider audience. However, extrapolating average enquiries per month would mean 264 enquiries will be made this year, 86 under target.									
<b>3.</b>	<b>Adoption</b>	<b>Reasonable Assurance</b>	<b>Reasonable Assurance</b>	<b>4</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>N/A</b>	
	<b>Scope of Audit:</b>	<b>The assessment process, timeliness of recruitment, adoption records and management information.</b>								
	<b>Summary of Follow Up:</b>	For the one high risk, one medium risk and one low risk exceptions the agreed actions had been implemented but were not fully effective in mitigating the risks raised during the original audit. The second low risk remains in progress.								
	<b>Risk</b>	<b>Original Issue</b>						<b>Status</b>		
	<b>High</b>	The high risk related to testing 4/26 adoption cases. 3 out of 4 cases did not gather stage one information and complete the pre-assessment decision within the 2 month statutory deadline with it being exceeded by 9 days, 2 weeks and 9 weeks respectively. Furthermore, for 3 out of 4 cases the statutory deadline for the final decision was exceed by at least two months. Finally for 3 out of 4 cases audit were unable to confirm dual signatory or approval from a suitably qualified manager.						<b>Implemented, not fully effective</b>		
	<b>Follow up Testing</b>									

	<b>Project Name</b>	<b>Follow Up Opinion</b>	<b>Original Opinion</b>	<b>Total Number of Issues/Exceptions</b>	<b>Critical Risk</b>	<b>High Risk</b>	<b>Medium Risk</b>	<b>Low Risk</b>	<b>Follow Up Planned</b>
	Follow up tested reviewed 3 stage one cases, 3/3 did not have consent to share on Paris while for 1/3 the DBS check has returned a status "further information/action" but it was unclear on records whether this was addressed. Furthermore, 2 stage two cases were reviewed and found 1/2 could not evidence a family tree, chronology of either prospective adopter or a copy of the Prospective Adopter's Report. Additional actions have been agreed at the closure of the follow-up review in order to mitigate the risk exposure.								
	<b>Medium</b>	The medium risk related to 1/10 pre-assessment enquiries not receiving an information pack within the 2 working day timescale and was sent 13 working days after the enquiry.						<b>Implemented, not fully effective</b>	
	<b>Follow up Testing</b>								
	Follow up testing reviewed 3 enquires for 1/3 the information was sent 23 days after initial enquiry (21 days after policy requirement). Furthermore, a potential adopter was not recorded on Paris and the registration of interest form had not been attached to the electronic file. Additional actions have been agreed at the closure of the follow-up review in order to mitigate the risk exposure.								
	<b>Low</b>	The low risk related to testing 2 fast track adoption applications finding no evidence of the content of the initial discussion held between prospective adopters and the social worker.						<b>Implemented, not fully effective</b>	
	<b>Follow up Testing</b>								
	Follow up testing reviewed a fast track case and found DBS and medical checks had been commenced but no DBS certificate numbers were logged on the system.								
	<b>Low</b>	The low risk related to supervision sessions with staff had not been conducted on a monthly basis while the Team Manager was on long term sick.						<b>In Progress</b>	
	<b>Follow up Testing</b>								
	Follow up testing found the Adoption Manager was recorded meeting notes in their notebook and was not transferring the information into Paris.								
<b>4.</b>	<b>Bank Account - Finance</b>	<b>Limited Assurance</b>	<b>Limited Assurance</b>	<b>4</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>N/A</b>
	<b>Scope of Audit:</b>	<b>Timely reconciliations, suspense account investigations &amp; clearance, procedure documentation, segregation of duties.</b>							
	<b>Summary of Follow Up:</b>	Follow up testing found two high risk exceptions which have been closed and verified, one high risk agreed action remains in progress and one high risk action has been implemented but has not been effective.							
	<b>Risk</b>	<b>Original Issue</b>						<b>Status</b>	
	<b>High</b>	The first high risk related to the weekly and monthly cashbook reconciliations which were behind by four months.						<b>In Progress</b>	

	<b>Project Name</b>	<b>Follow Up Opinion</b>	<b>Original Opinion</b>	<b>Total Number of Issues/Exceptions</b>	<b>Critical Risk</b>	<b>High Risk</b>	<b>Medium Risk</b>	<b>Low Risk</b>	<b>Follow Up Planned</b>	
	<b>Follow up Testing</b>									
	Follow up testing evidenced that the monthly reconciliations were currently two months behind and has been four months in arrears at the start of the financial year.									
	<b>High</b>	The second high risk related to the suspense account balance being at £3,576,934.05 and testing evidenced a lack of clear management trails in regards to proactive documented investigations and continuous follow ups of unreconciled items.						<b>Implemented, not fully effective</b>		
	<b>Follow up Testing</b>									
	Follow up testing identified new and improved processes in place to ensure suspense account items are identified and reconciled in a timely basis however the suspense account balance had increase to £4,352,106.92. Additional actions have been agreed at the closure of the follow-up review in order to mitigate the risk exposure.									
	<b>High</b>	The third high risk related to a lack of comprehensive written procedures in place with regards to daily and weekly reconciliation procedures.						<b>Closed and Verified</b>		
	<b>Follow up Testing</b>									
	Follow up testing evidenced that both the daily and weekly reconciliation procedures were documented and flow charts have been produced.									
	<b>High</b>	The fourth high risk relates to an inadequate separation of duties as the cash office supervisor, who carries out daily reconciliations responsibilities included cash handling duties such as covering the front line counter at breaks, leave and sickness.						<b>Closed and Verified</b>		
	<b>Follow up Testing</b>									
	Follow up testing found daily banking files are now compiled by assistance accounts and peer reviewed by the cash office supervisor before the assistance accounts process the transactions into Agresso and/or ICON.									
5.	<b>Email &amp; Internet Controls - Digital</b>	<b>Reasonable Assurance</b>	<b>Limited Assurance</b>	5	-	2	2	1	N/A	
	<b>Scope of Audit:</b>	<b>Email encryption, account deletion requests, website allow requests, IT Policies and staff understanding.</b>								
	<b>Summary of Follow Up:</b>	Significant process has been made on the risks identified in the original audit report. One high risk, two medium risks and one low risk improvement exceptions have been closed and verified due to the agreed actions being fully implemented. One high risk, relating to account deletion requests, is in progress with significant improvements having been made.								
	<b>Risk</b>	<b>Original Issue</b>						<b>Status</b>		

	<b>Project Name</b>	<b>Follow Up Opinion</b>	<b>Original Opinion</b>	<b>Total Number of Issues/Exceptions</b>	<b>Critical Risk</b>	<b>High Risk</b>	<b>Medium Risk</b>	<b>Low Risk</b>	<b>Follow Up Planned</b>
	<b>High</b>	The first high risk related to 5/9 employees being unaware of how to encrypt emails or password protect documents.						<b>Closed and Verified</b>	
<b>Follow up Testing</b>									
Follow up testing reviewed the new email encryption options available to staff. Testing found the new options were communicated to all relevant staff and the send secure button is prominently featured when sending outlook emails.									
	<b>High</b>	The second high risk related to it taking on average 59.04 days to get an ex-employees account deleted after they left the authority. Furthermore, testing evidenced two cases were the individuals accessed their accounts after their leave date.						<b>In Progress</b>	
<b>Follow up Testing</b>									
Follow up testing found significant progress had been made in the time taken to delete an account after an employee leaves the authority. Testing found from a sample of 10 requests, the time taken to delete the account was on average 33.1 days (down from 59.04). However 10 requests were not submitted for employees who had left the authority and one accessed their account 42 days after leaving.									
	<b>Medium</b>	The first medium risk related to 10/15 employees not having read an IT Policy for over a year.						<b>Closed and Verified</b>	
<b>Follow up Testing</b>									
Follow up testing found that there is now a central area for IT policies and they were found to be precise and easily accessible. Furthermore, the updated induction checklist includes a prompt for managers to provide information on corporate standards for IT and all relevant policies.									
	<b>Medium</b>	The second medium risk related to website allow access requests taking 20.83 days to be completed and 6/14 had been authorised incorrectly.						<b>Closed and Verified</b>	
<b>Follow up Testing</b>									
Follow up testing found the time taken to complete requests had fallen to 4.55 days and all requests had been authorised correctly.									
	<b>Low</b>	The low risk related to 14/16 IT policies having missed their review dates.						<b>Closed and Verified</b>	
<b>Follow up Testing</b>									
Follow up testing found that all policies have been incorporated into four information technology policies which had been reviewed.									

Audits in Draft Report Stage

	<b>Project Name</b>	<b>Hub</b>	<b>Project Status</b>	<b>Draft Since</b>	<b>Projected Reporting Date</b>	<b>Revised Reporting Date</b>	<b>Comments</b>
1.	<b>Pest Control</b>	Operational (SD Transactional & Universal)	<b>Draft Report</b>	12/10/2018	<b>November 2018</b>	<b>February 2019</b>	This audit spans three different service areas and therefore required several different meetings to close down the report. It is expected to be issued at the start of November.
2.	<b>Project Governance</b>	Strategy (SD Finance & Commercialisation)	<b>Draft Report</b>	26/10/2018			
3.	<b>Land Charges</b>	Strategy (SD Legal & Governance)	<b>Draft Report</b>	26/10/2018			
4.	<b>Community Funerals</b>	Operational (SD Transactional & Universal)	<b>Draft Report</b>	19/10/2018			

Audits in Progress

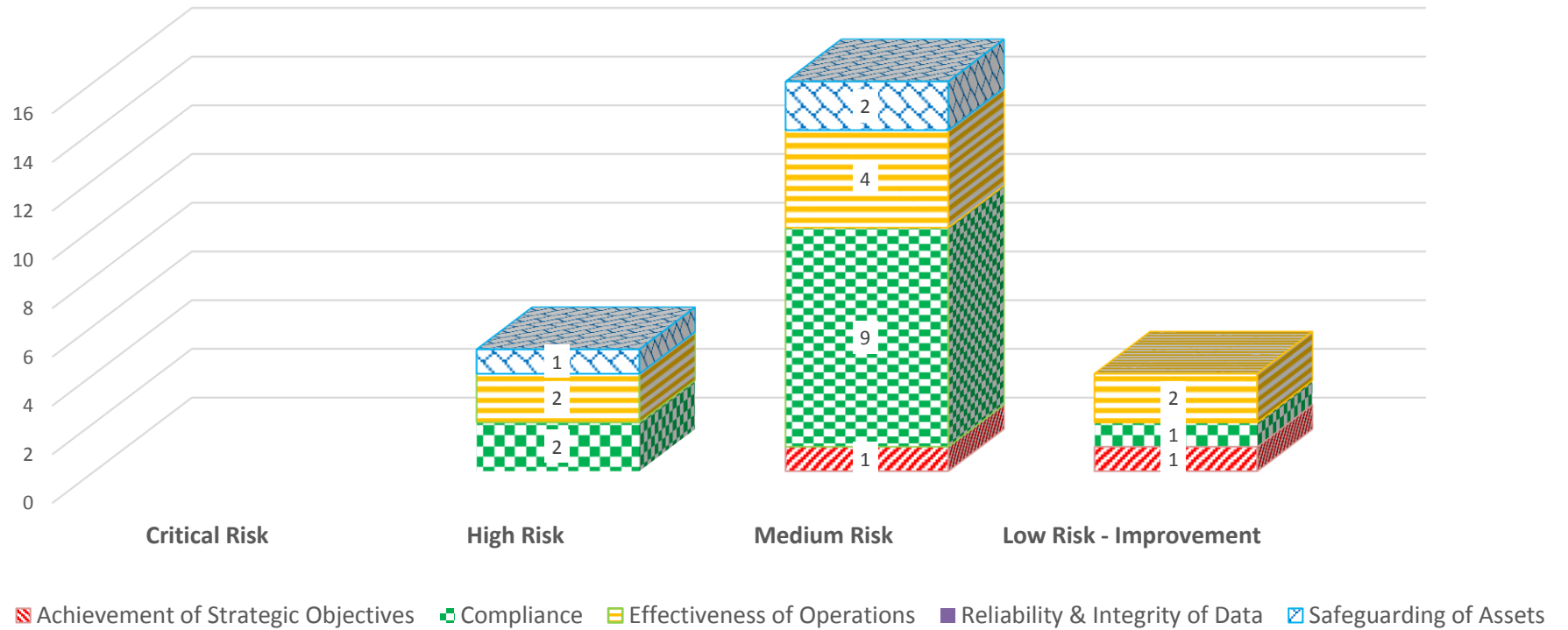
	<b>Project Name</b>	<b>Hub</b>	<b>Project Status</b>	<b>Delays</b>	<b>Projected Reporting Date</b>	<b>Revised Reporting Date</b>	<b>Comments</b>
1.	<b>Care Leavers</b>	Operational (SD Children and Families)	<b>Work in Progress</b>	<b>Yes (See Comments)</b>	<b>November 2018</b>	<b>TBC</b>	This item of work is on hold pending implementation of the Council's internal action plan, following the recent Ofsted inspection.
2.	<b>Family Matters Grant</b>	Operational (SD Children and Families)	<b>Work in Progress</b>	<b>None</b>	<b>April 2019</b>	<b>April 2019</b>	This is a claim verification, which is required on a quarterly basis. Therefore this will remain 'work in progress' until the end of year.
3.	<b>Access Controls</b>	Operational (SD Digital & Business Ops)	<b>Work in Progress</b>				
4.	<b>Early Years</b>	Operational (SD Children and Families)	<b>Work in Progress</b>				
5.	<b>Building Control</b>	Operational (SD Growth)	<b>Work in Progress</b>				
6.	<b>IT Procurement, Inventory and Disposal</b>	Operational (SD Digital & Business Ops)	<b>Work in Progress</b>				
7.	<b>Tower Blocks</b>	Operational (SD Growth)	<b>Work in Progress</b>				
8.	<b>Purchase Cards</b>	Strategy (SD Finance & Commercialisation)	<b>Work in Progress</b>				
9.	<b>Schools (Mount Pleasant)</b>	Operational (SD Children and Families)	<b>Work in Progress</b>				

Internal Audit Progress Report – 1st September 2018 to 29th October 2018

	<b>Project Name</b>	<b>Hub</b>	<b>Project Status</b>	<b>Delays</b>	<b>Projected Reporting Date</b>	<b>Revised Reporting Date</b>	<b>Comments</b>
10.	<b>Child Sexual Exploitation &amp; Missing Persons</b>	Operational (SD Children and Families)	<b>Work in Progress</b>				
11.	<b>Leaseholder Charges</b>	Operational (SD Adults Housing & Communities)	<b>Work in Progress</b>				
12.	<b>Regeneration Projects</b>	Operational (SD Growth)	<b>Work in Progress</b>				
13.	<b>Planning</b>	Operational (SD Growth)	<b>Work in Progress</b>				
14.	<b>Children in Need</b>	Operational (SD Children and Families)	<b>Work in Progress</b>				
15.	<b>Apprenticeships</b>	Strategy (SD HR & Organisational Development)	<b>Work in Progress</b>				

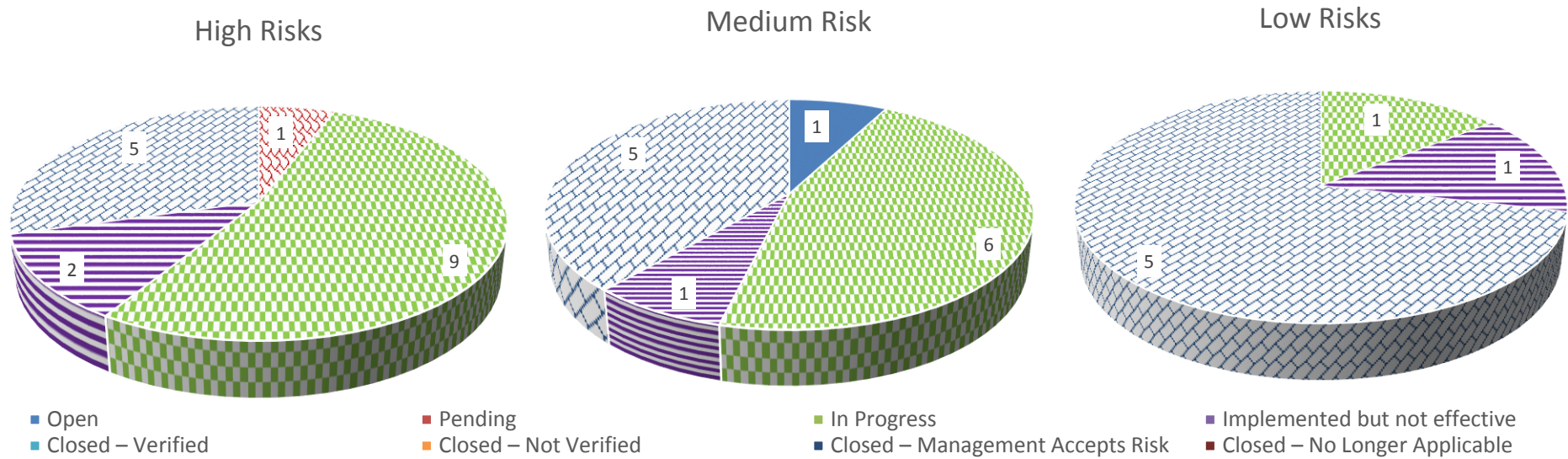


Exception Analysis to date



	Achievement of Strategic Objectives	Compliance	Effectiveness of Operations	Reliability & Integrity	Safeguarding of Assets	Total
Critical Risk						0
High Risk		2	2		1	5
Medium Risk	1	9	4		2	16
Low Risk - Improvement	1	1	2			4
<b>Grand Total</b>	<b>2</b>	<b>12</b>	<b>8</b>	<b>0</b>	<b>3</b>	<b>25</b>

### Follow Up Analysis



	Open	Pending	In Progress	Implemented but not effective	Closed – Verified	Closed – Not Verified	Closed – Management Accepts Risk	Closed – No Longer Applicable
Critical Risk								
High Risk		1	9	2	5			
Medium Risk	1		6	1	5			
Low Risk			1	1	5			
<b>Grand Total</b>	<b>1</b>	<b>1</b>	<b>16</b>	<b>4</b>	<b>15</b>			

The Internal Audit Service follows up all audits where at least 1 high risk exception has been raised. These audits are followed up in the next financial year to allow for agreed actions to be sufficiently implemented. Any critical risk exceptions or No Assurance audits are followed up within 3 months due to the potential severity of the risks identified. The overall position of the exceptions followed up currently through 2018/19 shows that 41% have been closed and verified by audit, however 59% remain open and or are in progress.