

FOR PUBLICATION

SUMMARY OF INTERNAL AUDIT REPORTS ISSUED

MEETING: **STANDARDS AND AUDIT COMMITTEE**

DATE: **6TH FEBRUARY 2015**

REPORT BY: **INTERIM HEAD OF INTERNAL AUDIT
CONSORTIUM**

WARD: **ALL**

COMMUNITY
ASSEMBLIES: **ALL**

KEY DECISION
REFERENCE (IF
APPLICABLE): **N/A**

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BACKGROUND PAPERS FOR PUBLIC REPORTS:

TITLE: LOCATION:

1.0 **PURPOSE OF REPORT**

1.1 To present for members' information a summary of Internal Audit Reports issued during the period 8th November 2014 – 16th January 2015 in respect of reports issued relating to the 2014/15 internal audit plan.

2.0 **RECOMENDATION**

2.1 That the report be noted.

3.0 **BACKGROUND**

3.1 The Public Sector Internal Audit Standards require that the Head of Internal Audit reports periodically to the Standards and Audit Committee in respect of performance against the audit plan. Significant risk and control issues should also be reported.

3.2 In preparing this report, no standard corporate issues (e.g. risk management, equalities) were considered relevant.

4.0 **SUMMARY OF REPORTS ISSUED**

4.1 Attached, as Appendix 1, is a summary of reports issued covering the period 8th November 2014 to 16th January 2014, for audits included in the 2014/15 internal audit plan.

4.2 The Appendix also shows for each report a summary of the scope and objectives of the audit, the overall conclusion of the audit and the number of recommendations made / agreed where a full response has been received.

4.3 The conclusion column of Appendix 1 gives an overall assessment of the reliability of the internal controls examined in accordance with the following classifications:

Control Level	Definition
Good	A few minor recommendations (if any).
Satisfactory	Minimal risk; a few areas identified where changes would be beneficial.
Marginal	A number of areas have been identified for improvement.
Unsatisfactory	Unacceptable risks identified, changes should be made.
Unsound	Major risks identified; fundamental improvements are required.

4.4 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.

5.0 **RECOMMENDATION**

5.1 That the report be noted.

6.0 **REASON FOR RECOMMENDATION**

6.1 To inform Members of the internal audit reports issued.

JENNY WILLIAMS
INTERIM HEAD OF INTERNAL AUDIT CONSORTIUM

Further information on this report can be obtained from Jenny Williams (Extension 5468)

Chesterfield Borough Council – Internal Audit Consortium

Report to Standards and Audit Committee

Summary of Internal Audit Reports Issued 2014/15 – Period 8th November 2014 – 16th January 2015

Report Ref No.	Report Title	Scope & Objectives	Overall Opinion	Date			Number of Recommendations	
				Report Issued	Response Due	Response Received	Made	Accepted
21	Healthy Living Centre	To ensure that sound controls and procedures are in place for the banking and recording of income, raising of debtor accounts and monitoring of arrears etc.	Marginal	13/11/2014	4/12/2014	16/12/2014	11	11
22	Housing Repairs - Capital	To review tendering, inspection, monitoring and budgetary control procedures	Satisfactory	26/11/2014	17/12/2014	14/01/2015	3	3

Report Ref No.	Report Title	Scope & Objectives	Overall Opinion	Date		Response Received	Number of Recommendations	
				Report Issued	Response Due		Made	Accepted
23	Queens Park Sports Centre	To ensure that sound controls and procedures are in place for the banking and recording of income, raising of debtor accounts and monitoring of arrears etc.	Marginal	5/12/2014	31/12/2014		9	Note 1
24	IT Security	To review the Council's IT security arrangements	Marginal	19/12/2014	15/01/2015		6	Note 2

Note 1 Response not received at time of writing Report

Note 2 Response not due at time of writing report

The main points arising in respect of the Health Living Centre and Queens Park Sports Centre were:-

- An improvement is required in terms of banking procedures
- It needs to be ensured that the Dimensions system is reporting income streams correctly, there may be VAT implications
- A full reconciliation is not completed to ensure that the number of live members reconciles to the number of Members recorded on the dimensions system
- Recovery action on unpaid invoices needs improvement
- There should be an up to date inventory

- The possibility of raising invoices through Agresso should be investigated to allow a more automated recovery process.

The main points in respect of the IT security review were:-

- The Council's Use of ICT policy by Employees is in need of review
- A review of users with access to the network should be undertaken as soon as possible
- All laptops should be encrypted
- Firewalls should be tested to ensure that they are fit for purpose
- High level threats identified as part of the monthly network scans should be reported in the ICT KPI 9.
- The disaster recovery plan should be reviewed and revised to reflect the current ICT infrastructure
- DR testing of the new virtual server should take place.
- A physical audit of server rooms within the town hall and at other sites should take place
- The provision of information security/data protection training for staff should be reviewed to ensure that PSN requirements are met.