

# **FOR PUBLICATION**

## **SUMMARY OF INTERNAL AUDIT REPORTS ISSUED**

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MEETING:                   **STANDARDS AND AUDIT COMMITTEE**

DATE:                       **23RD SEPTEMBER 2015**

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

WARD:                      **ALL**

COMMUNITY  
ASSEMBLIES:           **ALL**

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FOR PUBLICATION

BACKGROUND PAPERS FOR PUBLIC REPORTS:

TITLE:                      LOCATION:

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### 1.0   **PURPOSE OF REPORT**

1.1   To present for members' information a summary of Internal Audit Reports issued during the period 6<sup>th</sup> June 2015 – 28th August 2015 in respect of reports issued relating to the 2015/16 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 6th June 2015 to 28<sup>th</sup> August 2015, for audits included in the 2015/16 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:

<b>Control Level</b>	<b>Definition</b>
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.

- 4.5 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 Committees 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 2015/16– Period 6th June 2015 – 28th August 2015

Report Ref No.	Report Title	Scope & Objectives	Overall Opinion	Date			Number of Recommendations	
				Report Issued	Response Due	Response Received	Made	Accepted
3	Crematorium Income	To ensure that fees and charges are correct and that all income is properly accounted for	Satisfactory	3/06/2015	24/06/2015	24/06/2015	4	4
4	Refuse Collection Contract	To review the management of the contract	Satisfactory	24/06/2015	15/07/2015	7/07/2015	2	2
5	Non Housing Property Repairs	To review the operation of the property repairs fund	Unsatisfactory	10/07/2015	31/07/2015	24/08/2015	7	3 accepted 3 further discussion required 1 not accepted
6	Council Tax	To review and assess the key controls	Marginal	10/07/2015	31/07/2015	19/08/2015	5	5
7	VAT	To ensure that the VAT return is completed accurately and promptly	Satisfactory	14/07/2015	3/08/2015	21/07/2015	1	1

Report Ref No.	Report Title	Scope & Objectives	Overall Opinion	Date			Number of Recommendations	
				Report Issued	Response Due	Response Received	Made	Accepted
8	Markets	To review income and banking procedures	Satisfactory	15/07/2015	5/08/2015	6/08/2015	7	7
9	BCN Consultancy Income	To ensure that the fees charged are correct and collected promptly	Good	10/08/2015	1/09/2015	10/08/2015	1	1
10	Bank Reconciliation	To ensure that the bank reconciliation is completed in a timely and accurate manner	Satisfactory	12/08/2015	3/09/2015	14/08/2015	2	2

### Non Housing Property Repairs – Unsatisfactory

The main points arising were:-

- Previously agreed recommendations had not been actioned
- The 10 year asset management plan is not adhered to and has not been reviewed
- Contributions to the property fund have not been reviewed
- Condition surveys are being completed but then no further action to update the 10 year plan to reflect the findings of the surveys
- A number of high profile council properties are awaiting condition surveys – Town Hall, Pomegranate Theatre, Crematorium

- Budgets need to be downloaded in to the facilities maintenance on line system to enable adequate budget monitoring to be undertaken

## **Council Tax – Marginal**

The main points arising were:-

- The void inspection cycle is running at 48 weeks against a target of 20 weeks
- “Old cases” at committal warning letter/awaiting committal hearing/committal stage need reviewing with a clear policy on recovery action to be pursued in these matters to be determined
- Virtually no tracing has occurred during 2014/15 or 2015/16
- Some accounts had remained with a stop recovery code for 8 months without review.