

Internal Audit - Activity report for the period to 31st July 2010	Agenda No: 7
Portfolio Area: Efficiency & Resources	
Report presented by: Lesley Day, Audit Insurance & Risk Manager	
Report prepared by: Lesley Day, Audit Insurance & Risk Manager	
Background Papers: Internal Audit Assignments	Public Report
Options: N/a	Key Decision: NO
Executive Summary:	
<p>The accompanying schedule includes for each assignment the number of recommended action points and their priority, brief details of the high priority recommendations and the date of the follow-up review. The individual management summaries are attached in order to give a clearer indication of the key controls covered on each assignment.</p>	
Decision:	
To accept the activity report for the period to 31 st July 2010	
Purpose of Decision:	
To advise Members of the audit assignments completed for the period to 31 st July 2010.	

Any Corporate implications in relation to the following should be explained in detail

Financial:	N/a
Legal:	N/a
Equalities/Diversity	N/a
Customer Impact:	N/a
Environment and Climate Change:	N/a
Consultation/Community Engagement:	N/a
Risks:	N/a
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INTERNAL AUDIT SECTION

COMPLETED REPORTS to 31st July 2010

Type	Topic	Days Taken	Total Recommendations	L M H			Management Summary No. attached	High Priority recommendations	To be reviewed for completion
				L=Low Priority	M=Medium	H=High			
Non-core system	Development Control	9	0				1		
Non-core system	Superannuation Scheme	3	2			2	2	1. Review appointment letters and associated information and update as necessary. 2. Monitor return of signed pension forms and chase as necessary and ensure prompt notification to ECC of new entrants.	August 2010
Non-core system	Building Control	9	0				3		
Corporate	Floats & Imprests	1	0				4		
Non core system	Contracts - administration & document security	2	0				5		

Non core system	Contracts - documentation	2	0		6		
Non core system	Contracts - invitation to tender	2	0		7		
Non core system	Contracts - monitoring & records	2	0		8		
Non core system	Contracts - receipt, opening & acceptance	2	1	1	9		
Non core system	Concessionary Transport	2	0		10		
Non core system	Leased Cars	7.5	9	27	11	<p>1. Encourage and facilitate a review as part of Green Travel. If a comprehensive review is not accepted, as in (a), compile up to date advisory notes/conditions of scheme for the leased car scheme for publication on intranet and issue to hirers.</p> <p>2. Incomplete application forms must not be accepted – ensure mileage history is completed and correct level of authorisation obtained.</p> <p>3. Update form to clarify responsibility to check mileage.</p>	

						<p>4. Update 'calculator' as necessary when VAT rate changes. Calculation to be checked by a second officer.</p> <p>5. A Leased Car Hire Agreement is promptly completed and a signature obtained from both the hirer and a Corporate Director. A copy of the signed Agreement to be issued to the hirer.</p> <p>6. Ensure a confirmation of P11D value and emissions is received from the vehicle supplier so that accurate information may be passed to HMRC.</p> <p>7. Remind hirers of the requirement to maintain and submit on a regular basis mileage records. Eligibility for future cars cannot be proved without mileage records.</p>	September 2010
Non core system	Licensing	8	0		12		

INTERNAL AUDIT SECTION

MANAGEMENT SUMMARY - No. 1

Subject: Development Control

Service Unit / Service: Planning Assignment No: 05/1011

Assignment completed: May 2010 Audit Days taken: 9

Assignment Category: Non core system

Key Controls covered:

1. Development control fees and charges are approved by Cabinet and Full Council
2. All applications received are registered and processed in accordance with legislation and Planning Policy and decisions are determined within allowed timescales
3. The correct fee is made in support of each application and is banked promptly and recorded
4. Refunds are correct and authorised
5. Declarations and conflicts of interest are recorded centrally and such applications are dealt with in accordance with the Code of Conduct
6. Environmental impact assessments are completed within the correct timescale
7. Appeals are recorded and all interested parties notified
8. Reconciliation of income between the Uniform and efinancial systems

OVERALL AUDIT OPINION

We are satisfied that reliance can be placed on the key controls as described in the Management Summary

Recommendations

Low	Medium	High
0	0	0

Action Plan issued: No

Review Date: N/a

INTERNAL AUDIT SECTION

MANAGEMENT SUMMARY - No. 3

Subject: Building Control
Service Unit / Service: Environmental Services Assignment No: 02/1011
Assignment completed: May 2010 Audit Days taken: 9
Assignment Category: Non core system

Key Controls covered:

1. Building control fees and charges are approved by Cabinet and Full Council
2. Applications have been processed within the correct timescales
3. The correct fee is made in support of each application
4. Invoices for inspection fees have been correctly and within the appropriate timescale
5. All income has been receipted correctly and allocated to the correct income code
6. Refund of fees have been made correctly
7. Applications for demolition notices have been processed correctly
8. Reconciliation of income between the Uniform and efinancial systems

OVERALL AUDIT OPINION

We are satisfied that reliance can be placed on the key controls as described in the Management Summary

Recommendations

Low	Medium	High
0	0	0

Action Plan issued: No

Review Date: N/a

INTERNAL AUDIT SECTION
MANAGEMENT SUMMARY – No. 4

Subject: Floats & Imprests

Service Unit / Service: Corporate Assignment No: 55/0910

Assignment completed: April 2010 Audit Days taken: 1

Assignment Category: Corporate

Key Controls covered:

1. To ensure all petty cash and change floats are certified and accounted for as at 31st March 2010.
2. Year end figures agree to those held on E-financials.
3. All changes during the financial year are properly accounted for.

OVERALL AUDIT OPINION

We are satisfied that reliance can be placed on the key controls as described in the Management Summary.

Recommendations

Low	Medium	High
0	0	0

Action Plan issued: No

Review Date: N/a

INTERNAL AUDIT SECTION

MANAGEMENT SUMMARY - No. 5

Subject: Contracts – Administration & Document Security
Service Unit / Service: Various Assignment No: 10/1011
Assignment completed: June 2010 Audit Days taken: 2
Assignment Category: Non-core system

Key Controls covered:

1. Written guidelines are available confirming the organisations reporting and supervisory arrangements
2. Appropriate records are maintained for and on behalf of the organisation
3. Fraud & Corruption checklist

OVERALL AUDIT OPINION

We are satisfied that reliance can be placed on the key controls as described in the Management Summary

Recommendations

Low	Medium	High
0	0	0

Action Plan issued: No

Review Date: N/a

INTERNAL AUDIT SECTION

MANAGEMENT SUMMARY – No. 6

Subject: Contracts - Documentation
Service Unit / Service: Various Assignment No: 11/1011
Assignment completed: June 2010 Audit Days taken: 2
Assignment Category: Non-core system

Key Controls covered:

1. Contract documentation and/or official orders completed in all cases
2. The tender documentation includes all the relevant material
3. That evidence of the contractors insurance has been provided
4. Formal contract documentation has taken place before work commences
5. Contract documentation is signed by an approved officer
6. Fraud & Corruption checklist

OVERALL AUDIT OPINION

We are satisfied that reliance can be placed on the key controls as described in the Management Summary

Recommendations

Low	Medium	High
0	0	0

Action Plan issued: N/a

Review Date: N/a

INTERNAL AUDIT SECTION

MANAGEMENT SUMMARY – No. 7

Subject: Contracts - Invitation to Tender
Service Unit / Service: Various Assignment No: 07/1011
Assignment completed: June 2010 Audit Days taken: 2
Assignment Category: Non-core system

Key Controls covered:

1. Records maintained for each contract to show all invitations to tender
2. Tender instructions and guidelines are issued to all contractors
3. Contractors confirmed in writing that they received all tender documentation
4. Any changes to the tender process are recorded in the contract file
5. Fraud & Corruption checklist

OVERALL AUDIT OPINION

We are satisfied that reliance can be placed on the key controls as described in the Management Summary.

Recommendations

Low	Medium	High
0	0	0

Action Plan issued: No

Review Date: N/a

INTERNAL AUDIT SECTION

MANAGEMENT SUMMARY – No. 8

Subject: Contracts - Monitoring & Records
Service Unit / Service: Various Assignment No: 09/1011
Assignment completed: June 2010 Audit Days taken: 2
Assignment Category: Non-core system

Key Controls covered:

1. Records are maintained for the progress of the works
2. Expenditure is monitored against the overall budget for the work
3. Any variations to the contract are recorded on the relevant contract administrator's sheets
4. Fraud & Corruption checklist

OVERALL AUDIT OPINION

We are satisfied that reliance can be placed on the key controls as described in the Management Summary.

Recommendations

Low	Medium	High
0	0	0

Action Plan issued: No

Review Date: N/a

INTERNAL AUDIT SECTION

MANAGEMENT SUMMARY – No. 9

Subject: Contracts - Receipt, Opening and Acceptance of Tender

Service Unit / Service: Various Assignment No: 08/1011

Assignment completed: June 2010 Audit Days taken: 2

Assignment Category: Non-core system

Key Controls covered:

1. Tenders received are processed correctly
2. Tenders are kept securely until they are opened
3. Details of the tenders opened are recorded in the tenders register
4. Tender documents checked for accuracy
5. All tenderers notified of the outcome of the tender process
6. Contract documents are signed by all parties
7. Contract documents held securely
8. Fraud & Corruption checklist

OVERALL AUDIT OPINION

We are satisfied that reliance can be placed on the key controls following implementation of the recommendations agreed in the Action Plan

Recommendations

Low	Medium	High
0	1	0

Action Plan issued: Yes

Review Date: October 2010

INTERNAL AUDIT SECTION

MANAGEMENT SUMMARY – No. 10

Subject: Concessionary Transport
Service Unit / Service: Community Services Assignment No: 16/1011
Assignment completed: July 2010 Audit Days taken: 2
Assignment Category: Non-core system

Key Controls covered:

1. An application form or renewal form supports the issue of all passes and tokens
2. Original documents required to verify the application are promptly returned to the applicant
3. Bus passes issued are sequentially numbered
4. Stocks of tokens and railcards are held securely
5. End of year travel tokens balance for 2009/10 is accurate

OVERALL AUDIT OPINION

We are satisfied that reliance can be placed on the key controls as described in the Management Summary

Recommendations

Low	Medium	High
0	0	0

Action Plan issued: No

Review Date: N/a

INTERNAL AUDIT SECTION
MANAGEMENT SUMMARY – No.12

Subject: Licensing

Service Unit / Service: Environmental Services Assignment No: 14/1011

Assignment completed: June 2010 Audit Days taken: 8

Assignment Category: Non core system

Key Controls covered:

1. Application forms are completed in respect of all applications
2. Applicants details are verified to the council systems
3. Payment for applications are in accordance with the councils fees and charges
4. Income received is banked promptly
5. Licences issued are sequentially numbered
6. Criminal Records Bureau applications are made by authorised officers
7. Reconciliation of income completed

OVERALL AUDIT OPINION

We are satisfied that reliance can be placed on the key controls as described in the Management Summary

Recommendations

Low	Medium	High
0	0	0

Action Plan issued: No

Review Date: N/a