

Thurrock Council

Standards & Audit Committee

Internal Audit Progress Report 2017/18

Date of Committee: 6th March 2018

Introduction

The internal audit plan for 2017/18 was presented to the Standards & Audit Committee on 28th February 2017. This report provides an update on progress against that plan.

Table showing reports issued as Final, in Draft or Work in Progress

Assignment	Status	Opinion	Actions Agreed (by priority)		
			High	Medium	Low
Audits to address specific risks					
Bonnygate Primary School	Final	Green	0	2	3
St Thomas of Canterbury Catholic Primary School	Final	Green	0	0	2
Horndon-on-the-Hill Primary School	Final	Green	0	0	2
Little Thurrock Primary School	Final	Amber/ Green	0	1	7
Risk Management	Final	Risk Managed	0	3	3
Geographic Information System	Final	Green	0	0	4
Section 17 Payments	Draft		N/A	N/A	N/A
Performance Development Review (PDR)	Draft		N/A	N/A	N/A
VAT	Draft		N/A	N/A	N/A
Extensions to contracts of consultants	Draft		N/A	N/A	N/A
Integrated and Primary Care – Sexual Health	Draft		N/A	N/A	N/A
Provider Services – Collection of Income	Draft		N/A	N/A	N/A
Better Care Fund	Draft		N/A	N/A	N/A
Children’s Care Packages	Draft		N/A	N/A	N/A
General Data Protection Regulation	Draft		N/A	N/A	N/A
Register of Gifts, Interests & Hospitality	Draft		N/A	N/A	N/A
IR35	Draft		N/A	N/A	N/A
Performance Development Review	Draft		N/A	N/A	N/A
Unaccompanied Asylum Seekers	Draft		N/A	N/A	N/A
Cyber Security	Draft		N/A	N/A	N/A
Responsive Repairs & Maintenance	Draft		N/A	N/A	N/A
Insurance	Work in Progress		N/A	N/A	N/A
Sickness Management	Work in Progress		N/A	N/A	N/A

Waste and Recycling Contracts	Work in Progress		N/A	N/A	N/A
Supervised Contact	Work in Progress		N/A	N/A	N/A
Core Assurance					
HR & Payroll – Additional Hours	Draft		N/A	N/A	N/A

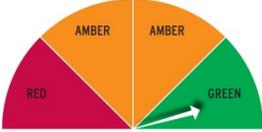
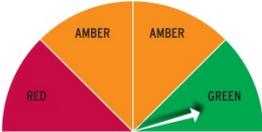
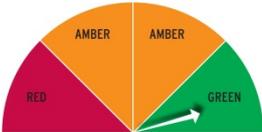
Work and other issues for which no reports are generated

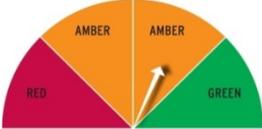
Further work has, and is still being carried out on the payment by results funding provided as part of the troubled families programme.

Changes to plan

The review around Home to School Transport has been deferred at the request of the Director of Environment & Highways due to the council wide transport review. Highways Reactive Maintenance has been deferred at the request of client due to system issues with Symology, the Highways Asset Management system. Asset Management Disposal & Acquisitions follow up was deferred at the request of the client following senior management changes. The new Assistant Director- Property & Development has developed a new set of Property Procedure Rules which are currently out to consultation and cover acquisitions and disposals. All of these reviews have been included within the annual plan for 2018/19.

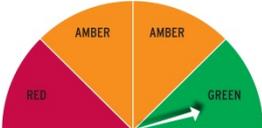
Key Findings from Internal Audit Work

Bonnygate Primary School	Opinion: Green	
<p>Headline Findings: Our review of Bonnygate Primary School identified 2 medium and 3 low recommendations around the adequacy of the control framework. Good controls were identified around the recording of income and security of personnel information. The 2 medium and 1 of the 2 low recommendations from the previous audit had been implemented. The 1 outstanding low recommendation has been repeated as part of this review.</p>		
Action and Response	Responsible Officer	Date
<p>Action - Orders must be raised in the first instant to ensure management information reports are up to date and proper authorisation obtained. Quotes for larger value orders should be obtained and kept on file. In addition, invoices should be paid within the agreed time limits. This reduces the likelihood that the school will incur additional costs through non-compliance with the Late Commercial Payments Act.</p> <p>Response - Procedures will be put in place</p>	<p>Primary Manager Office</p>	<p>ASAP</p>
<p>Action - The school should check their records of those children receiving free school meals against the Thurrock Entitlement list on a regular basis to ensure there are no differences. This ensures children entitled to free school meals receive them.</p> <p>Response - Procedures will be put in place</p>	<p>Primary Manager Office</p>	<p>ASAP</p>
Assignment: St Thomas of Canterbury Catholic Primary School	Opinion: Green	
<p>Headline Findings: Our review of St Thomas of Canterbury Catholic Primary School identified 2 low recommendations around the adequacy of the control framework. Good controls were identified around: debt management; the recording and collection of income; banking and reconciliation; and the security and collection of safeguarding information for staff and governors working in the school. The 2 medium and 2 low recommendations from the previous review had been actioned.</p>		
Assignment: Horndon-on-the-Hill Primary School	Opinion: Green	
<p>Headline Findings: Our review of Horndon-on-the-Hill Primary School identified 2 low recommendations around the adequacy of the control framework. Good controls were identified around: debt management; the recording and collection of income; banking and reconciliation; and the security and collection of safeguarding information for staff and governors working in the school. Out of the 4 medium and 2 low recommendations from the previous audit, the 2 medium and 2 of the low recommendations had been implemented. The 2 outstanding low recommendations have been repeated in this review.</p>		

Assignment: Little Thurrock Primary School	Opinion: Amber/Green	
Headline Findings: Our review of Little Thurrock Primary School identified 1 medium and 7 low recommendations around the adequacy of the control framework. Good controls were identified around the recording of income and security of personnel information. The 3 medium and 3 low recommendations from the previous audit had been implemented.		
Action and Response	Responsible Officer	Date
Action - Orders must be raised before the invoice is received to ensure the correct authorisation has been obtained before the goods are received and management information reports are up to date. Response - Procedures will be put in place	Headteacher Business Manager	ASAP

Assignment: Risk Management	Opinion: Risk Managed	N/A
Headline Findings: Our review of Risk Management identified 3 medium and 3 low recommendations. This audit focused on assessing the effectiveness of the council's risk management framework in identifying, evaluating and responding to risks that may affect the achievement of objectives and the extent to which risk management is embedded across the council, as an indicator of its maturity in managing risk. Based upon the work undertaken, our assessment of the council's current position on the risk maturity spectrum is Risk Managed . This is in line with the self-assessment undertaken by the Interim Insurance & Risk Manager. Whilst the corporate risk management framework and processes are robust, the council needs to do more at the operational/service planning level to move to the final stage on the spectrum which is that of a Risk Enabled organisation.		
Action - Director's Board should ensure that staff responsible for preparing service plans comply with the Business Planning, Performance Management and Risk Management frameworks and meet the deadline for completing their plans by 31 st March each year. In addition, they should remind management where the plans should be filed on Objective. This will ensure the plans are relevant and consistent and all staff within the service have access, are aware of their service priorities and risks in the coming year, and can see how they will be managed. Response - Interim Insurance & Risk Manager to continue to work with Performance Board, Directors Board and DMTs to further embed the Business Planning, Performance Management and Risk & Opportunity Management Frameworks.	Interim Insurance & Risk Manager	By end of March 2018
Action - Service plans should be reviewed quarterly as required by the risk management framework to provide assurance to management that risks are being managed at the operational level. Response - Interim Insurance & Risk Manager to continue to work with Performance Board, Directors Board and DMTs to further embed the Business Planning, Performance Management and Risk & Opportunity Management Frameworks.	Interim Insurance & Risk Manager	By June 2018
Action - The reporting of risk management issues from service areas and projects should be formalised and escalated to DMT's for further discussion and referral to Director's Board if appropriate. This ensures emerging risks identified at an operational level are considered where they may impact on the	Interim Insurance & Risk Manager	By June 2018

<p>council meeting its corporate priorities.</p> <p>Response - Interim Insurance & Risk Manager to continue to work with Performance Board, Directors Board and DMTs to further embed the Business Planning, Performance Management and Risk & Opportunity Management Frameworks. It is expected that Directors, Assistant Directors, Managers etc. are regularly discussing items as part of departmental meetings, one to ones, monitoring progress against projects, etc.</p>		
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<p>Assignment: Geographic Information System</p>	<p>Opinion: Green</p>	
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Headline Findings: Our review of the **Geographic Information System** identified 4 low recommendations around the adequacy of the control framework. The review focussed on providing assurance on whether the council was meeting its statutory responsibilities by keeping the Local Land and Property Gazetteer (LLPG) and Local Street Gazetteer (LSG) up to date as required. Therefore, the review also looked at the process around street naming and numbering. There were good controls around the updating and security of the system. There was no follow up of previous recommendations as this area has not been reviewed previously.