

EAST RENFREWSHIRE COUNCIL

AUDIT & SCRUTINY COMMITTEE

18 August 2016

Report by Chief Auditor

INTERNAL AUDIT PLAN PROGRESS REPORT 1/4/16 TO 30/6/16

1 PURPOSE OF REPORT

- 1.1 To inform members of progress on Internal Audit's annual plan for 2016/17.

2 BACKGROUND

- 2.1 The work performed by Internal Audit is based on a rolling 5-year strategic plan, which is revised annually to take into account changes in circumstances. This report is provided to allow members to monitor the activities of Internal Audit and to oversee actions taken by management in response to audit recommendations.

3 AUDIT PLAN 2015/16 - PROGRESS REPORT 1/4/16 to 30/6/16

- 3.1 A copy of the annual audit plan for 2016/17 is shown in appendix 1. A total of 4 audit reports relating to planned 2016/17 audit work have been issued in the quarter as shown in appendix 2. All audit responses received in the quarter have been satisfactory. In addition, the quarterly performance indicators for the section are shown in appendix 3.

4 RECOMMENDATION

- 4.1 The Committee is asked to note Internal Audit's progress report for the quarter ended 30 June 2016.

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EAST RENFREWSHIRE COUNCIL
Internal Audit Section
ANNUAL AUDIT PLAN FOR 2016/17 PROGRESS REPORT as at 30 June 2016

| Department | Title | Audit Number | No. of days | Status |
|-------------------------|---|--------------|-------------|-----------------|
| HSCP | HSCP Area offices – HQ | 1 | 8 | Complete |
| | Cash for kids | 2 | 8 | Complete |
| | Barrhead Resource Centre | 3 | 8 | |
| | IJB | 4 | 15 | |
| Chief Executives Office | Financial Ledger | 5 | 20 | In progress |
| | Ordering and Certification | 6 | 20 | |
| Corporate & Community | Debtors | 7 | 24 | In progress |
| | Creditors Payments | 8 | 10 | |
| | Council Tax – Recovery and Enforcement | 9 | 18 | |
| | Housing Benefits/Universal Credit | 10 | 30 | |
| | Payroll – all payruns | 11 | 20 | |
| | Phone/Internet payments | 12 | 18 | |
| | Scottish Welfare Fund | 13 | 15 | |
| | Corporate Debt Recovery | 14 | 20 | |
| | Corporate Procurement Cards | 15 | 15 | |
| | Barrhead and Eastwood Payment Centres | 16 | 16 | |
| | Application controls – CARS | 17 | 12 | |
| | File Controls | 18 | 12 | |
| Education | Education Support (SEN, bi-lingual , taxis etc) | 19 | 15 | In progress |
| | Playscheme Wraparound | 20 | 15 | |
| | HQ cash catering Eastwood and Barrhead | 21 | 8 | |
| | Schools cluster 7 | 22 | 32 | |
| Environment | City Deal | 23 | 15 | In progress |
| | Application controls – Servitor | 24 | 15 | |
| | Grant Certification | 25 | 15 | |
| | Year end Stocktake | 26 | 5 | |
| Housing | Housing – Allocations and Homeless Persons | 27 | 27 | In progress |
| | Housing – Rent accounting | 28 | 20 | |
| Trust | Community and Leisure Limited | 29 | 20 | |
| Other | NFI | 30 | 12 | |
| Various | Contract 1 Contract Evaluation | 31 | 20 | In progress |
| | Contract 2 TBA | 32 | 20 | |
| | Mobile Working | 33 | 15 | |
| | Risk Management and Corporate Governance | 34 | 12 | |
| | Fraud Contingency | 35 | 70 | |
| | Follow up | 36 | 51 | |
| | General Contingency | 37 | 30 | |
| | LG Benchmarking Framework | 38 | 10 | |
| | Previous year audits | 39 | 20 | |
| | | | 736 | |

Note - Audit reports issued in the quarter are shown in bold

INTERNAL AUDIT (as at 30 June 2016)
REPORTS AND MEMOS ISSUED 2016/17

| FILE REF | Audit No. | SUBJECT | Department | DATE AUDIT STARTED | DATE REPORT/ MEMO SENT | DATE REPLY DUE | DATE REPLY REC | COMMENTS |
|-----------|-----------|---|-------------------------|--------------------|------------------------|----------------|----------------|--------------|
| MB/962/RM | 26 | Housing Maintenance Team Y/E Stocktake | Environment | 15/03/16 | 20/05/16 | 24/06/16 | 24/06/16 | Satisfactory |
| MB/963/FM | 6 | Ordering & Certification | Environment | 04/04/16 | 11/07/16 | 12/08/16 | | |
| | | | C&C | | | | | |
| | | | Legal | | | | | |
| | | | Accountancy | | | | 26/07/16 | Satisfactory |
| | | | HSCP | | | | | |
| | | Education | | | | | | |
| MB/964/NS | 3 | Barrhead Resource Centre | HSCP | 24/03/16 | 19/04/16 | 27/05/16 | 26/05/16 | Satisfactory |
| MB/965/NS | 1 | HSCP Area Office (HQ) | HSCP | 06/04/16 | 21/06/16 | 29/07/16 | 22/07/16 | Satisfactory |
| MB/966/NS | 24 | Application Audit - Servitor | Environment | 19/04/16 | | | | |
| MB/967/NS | 36 | Corporate and Community Follow Up | Corp & Comm | 21/04/16 | 02/06/16 | 08/07/16 | 04/07/16 | Satisfactory |
| MB/968/RM | 14 | Corporate Debt Recovery | Corp & Comm | 04/05/16 | 19/07/16 | 26/08/16 | | |
| MB/969/EL | 28 | Rent Accounting | Environment – Housing | 13/05/16 | 06/07/16 | 12/08/16 | | |
| MB/970/RM | 18 | File Controls | Corp & Comm | 11/05/16 | | | | |
| MB/971/NS | 21 | HQ Cash Catering – Eastwood and Barrhead | Education | 25/05/16 | | | | |
| MB/972/FM | 36 | Education Follow up | Education | 09/06/16 | | | | |
| MB/973/NS | 16 | Barrhead and Eastwood Payment Centres | Corp & Comm | 14/06/16 | | | | |
| MB/974/FM | 13 | Scottish Welfare Fund | Corp & Comm | 16/06/16 | | | | |
| MB/975/EL | 17 | Application Audit – CARS | Corp & Comm | 20/06/16 | 19/07/16 | 26/08/16 | | |
| MB/976/RM | 31 | Contract Evaluation | Chief Executives Office | 29/06/16 | | | | |

Note - Audit reports issued in the quarter are shown in bold

EAST RENFREWSHIRE COUNCIL
Internal Audit Section

QUARTERLY PERFORMANCE INDICATORS

| <u>Internal Audit Indicators reported Quarterly</u> | Target (where applicable) | Quarter 1 Actual to 30/6/16 |
|---|------------------------------|-----------------------------------|
| 2. Audit Coverage. | | |
| 2.2 Actual direct audit days as a percentage of total days available | 75% | 74% |
| 2.3 Number of requests for assistance/queries raised by departments outwith planned audit work. | - | 4 |
| 2.4 Percentage of planned contingency time used. (Days available exclude public holidays, annual leave and sickness absence) | <50% | 6% |
| 5. Issue of Reports. | | |
| 5.1 Number of audit reports issued per quarter. | - | 4 |
| 5.2 Ave. time in weeks from start of fieldwork to issue of report. (Note 1) | 12 weeks | 6.6 weeks |
| 5.3 Ave. time taken to issue report (working days). (Note 2) | 10 working days | 5.3 working days |

Notes

1. Average weeks calculated as working days divided by 5.
2. Working days excludes weekends, public holidays, annual leave and sickness absence.