
INTERNAL AUDIT REPORTS TO AUDIT AND SCRUTINY COMMITTEE 2018/2019

1. EXECUTIVE SUMMARY

- 1.1 There are seven audits being reported to the Audit and Scrutiny Committee.
- 1.2 The below table provides a summary of the conclusions for the audits performed. The full reports are included as appendices to this report.

Audit Name	Level of Assurance	High Actions	Medium Actions	Low Actions
Waste Management	Limited	2	4	1
Trading Standards	Reasonable	1	3	0
Purchasing Cards	Reasonable	0	3	3
Psychological Services	High	0	0	3
Street Lighting	Reasonable	1	1	2
General Data Protection Regulation	Substantial	0	1	0

- 1.3 Internal Audit provides a level of assurance upon completion of audit work. A definition for each assurance level is documented in each audit report.

2. RECOMMENDATIONS

- 2.1 Audit and Scrutiny Committee to review and endorse this summary report and detail within each individual report.

3. DETAIL

- 3.1 A high level summary of each completed audit report is noted below:
- **Waste Management:** This audit has a limited level of assurance meaning internal control, governance and the management of risk are displaying a general trend of unacceptable residual risk. There are no formal procedures in place regarding the maintenance of the waste model nor clarity on how often the underlying assumptions in the model should be reviewed. Restoration and ongoing maintenance costs for Renewi sites have yet to be assessed. There is no risk register or business continuity plan in place to manage the risks associated with the contract or provide alternative service delivery in the event of an operational failure. Performance reporting was generally found to be sound though performance reporting by Renewi was not checked by Council staff.
 - **Trading Standards:** This audit has a reasonable level of assurance as internal

control, governance and the management of risk are broadly reliable. Enforcement visits are undertaken and complaints processed appropriately however there is incorrect, incomplete and missing data in the Trading Standards Uniform database meaning information derived from it, including statutory and non-statutory returns, is unreliable. There is very little secondary review of data input to Uniform and too much reliance on officers/admin to undertake this task. Licences and certifications are processed in accordance with legislative and regulatory requirements. However there are very limited documented procedures in place to provide guidance to officers.

- **Purchasing Cards:** This audit has a reasonable level of assurance as internal control, governance and the management of risk are broadly reliable. Policies and procedures and system controls were in place in relation to the operation of the IntelliLink system. Three medium recommendations were made in relation to reviewing current practice for new user requests and the recovery of inappropriate expenditure, the requirement for authorisation of changes to card restrictions and reminding users of the importance of submitting valid receipts to support expenditure. Three low recommendations were made in relation to reminding users not to share purchase cards, the creation of a follow up process for cardholders/approvers repeatedly not meeting process deadlines for coding/approval and reminding cardholders and approvers of the types of spend appropriate through a purchase card.
- **Psychological Services:** This audit has a high level of assurance as internal control, governance and the management of risk are at a high standard. Policies and procedures cover the BPS Code of Ethics and Conduct and are followed by staff. Progress has been made towards delivery of the Children and Young People's Services plan with regular reporting in place. School visits were scheduled and undertaken to meet the needs of the children and young people. Training has been delivered to teachers and relevant others. Processes are in place to ensure that information is retained securely, accurately and retained for appropriate periods of time.
- **Street Lighting:** This audit has a reasonable level of assurance as internal control, governance and the management of risk are broadly reliable. Whilst the street lighting policy details maintenance standards and a number of documented procedures have been updated in the last three years to reflect the LED replacement programme further work is required to ensure policy and procedures reflect current working practices. Although planned inspections and maintenance were not carried out for four years, which is contrary to Council policy, the LED replacement programme which commenced in 2016 meant that all 14,000 street lights have been inspected and repairs carried out. The service needs to ensure a future programme of planned maintenance is agreed and delivered. There is appropriate performance reporting in Pyramid and quarterly performance reporting to the Economic, Development and Infrastructure Committee.
- **General Data Protection Regulation:** This audit has a substantial level of assurance as internal control, governance and the management of risk are broadly sound. There is clarity over the responsibility for ensuring GDPR compliance with appropriate progress monitoring and reporting in place. Appropriate procedures to ensure GDPR compliance have been prepared and forwarded to the relevant personnel which. The implementation of GDPR, and its associated risks is included in the Governance and Law risk register. The uptake of mandatory training on LEON by staff needs to be improved.

3. CONCLUSION

- 3.1 Management has accepted each of the reports submitted and have agreed responses and timescales in the respective action plans.

4. IMPLICATIONS

- 4.1 Policy - None
- 4.2 Financial - None
- 4.3 Legal - None
- 4.4 HR - None
- 4.5 Equalities - None
- 4.6 Risk - None
- 4.7 Customer Service – None

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APPENDICES

1. Waste management audit report
2. Trading standards audit report
3. Purchasing cards audit report
4. Psychological services audit report
5. Street lighting audit report
6. GDPR audit report