### **INTERNAL AUDIT – MONITORING REPORT 24<sup>th</sup> November 2015**

Report from:Audit ManagerContact Officer:Gillian EdwardsEmail@ gillian.edwards@midsussex.gov.ukTel:(01444) 477241Wards Affected:AllKey Decision:NoDate of Meeting – 24<sup>th</sup> November 2015

#### 1. **PURPOSE OF REPORT**

The purpose of this report is twofold; to update the Committee on the progress of the 2015/2016 Internal Audit Plans and to report on the progress made in implementing previously agreed recommendations.

#### 2. SUMMARY

2.1 The audit plans provides for a mix of coverage of fundamental systems, IT systems and service systems, which had been identified as potential risk areas. Appendix A summarises the progress to date on the plan and Appendix B shows the status and types of recommendations arising from our work.

#### 3. **RECOMMENDATIONS**

The Committee is asked to receive this report.

#### 4. **REPORT TO AUDIT COMMITTEE**

#### Progress on implementing previous recommendations

4.1 We have completed a follow up review of the Anti-Fraud Work Audit 2015/2016, which was undertaken earlier this year. At this time, all agreed actions were due for implementation, however, there are three outstanding at this time. They are medium priority findings and are of an administrative nature, rather than a control weakness. A new implementation date of 31<sup>st</sup> December 2015 has been agreed with the Head of Finance and HR.

# PROGRESS AGAINST THE 2015/2016 INTERNAL AUDIT PLAN AS AT 13<sup>th</sup> NOVEMBER 2015

4.2 Since the last report to this Committee, one audit, Payroll, has been finalised.

- 4.3 Work has commenced on the following audits:
- Payroll
- Procurement
- Treasury Management
- CenSus Housing Benefits
- 4.4 All outstanding audits have been allocated to members of the Internal Audit team and these will be completed by 31<sup>st</sup> March 2016.

## **Background Papers**

Internal Audit reports relating to 2015/2016 Working papers relating to 2015/2016

Appendix A

## Mid Sussex District Council Internal Audit Plan 2015/2016 Summary of Recommendations from 1<sup>st</sup> April 2015– 31<sup>st</sup> March 2016

Audit Area	Draft Report	Final Report	Rating of Recommendations				Nature of Recommendations						
			High Priority	Medium Priority	Low Priority	Total	Policies and procedures	Staff training	Record keeping/ maintenance	Data/ Financial security	Authorisation of transactions	Contract/ budget setting	System error
Anti-Fraud Work- Fraud Risk Assessment	24/026/2015	29/07/2015	-	7	-	7	4	1	1	1	-	-	-
Payroll	09/11/2015	10/11/2015	-	1	-	1	-	-	-	-	1	-	-

Appendix B

# Mid Sussex District Council Internal Audit Plan 2015/2016 Progress Report 13<sup>™</sup> November 2015

Audit Area	Rating	Budget / Days	Provisional Timing - commencing	Fieldwork Commenced	Draft Report Issued	Management Responses Received	Target date for issue of Final	Final Report Issued	High Findings Reported to Audit Committee	Comments
Fundamental Systems										
CenSus Housing Benefits		23	19/10/2015	21/10/2015						
Payroll		8	14/09/2015	14/09/2015	09/11/2015	09/11/2015	10/11/2015	10/11/2015	-	
Income Collection (Cashiers)		10	7/12/2015							
Treasury Management		5	21/09/2015	14/09/2015						
Payments (Creditors)		8	04/01/2016							
Sundry Debtors		8	25/01/2016							
Capital Accounting and Asset Management		7	07/12/2015							
Budgetary Control		4	25/01/2015							
FMS		5	08/02/2015							
Ernst and Young Top Up Testing		10								Allocated across all fundamental systems work
High Risk and Corporate										
Procurement		10	25/08/2015	25/08/2015						
Anti-Fraud Work including NFI		25	11/05/2015	11/05/2015	24/06/2015	24/06/2015	29/07/2015	29/07/2015	-	
National Fraud Initiative										
	1									