

Internal Audit Plan 2011/12**Progress to the End of Quarter 1 – 2011/12****Chief Executive's Directorate**

The following areas have been completed in quarter 1

Audit Area	Risk Category	Level of Assurance	Number of Recommendations and Classification			Total
			High	Medium	Low	
Community Safety Crime and Disorder	B	Adequately controlled	0	3	0	3

The main issues arising from the above audits can be summarised as follows:

Community Safety Crime and Disorder

This review looks at the arrangements in place with regards to the Community Safety Partnership. On the whole it was found that controls were operating well, with just a small number of recommendations being made in respect of the completion of office inventories and the updating of risk assessments on Target 100.

Resources and Support Services Directorate

The following areas have been completed in quarter 1

Audit Area	Risk Category	Level of Assurance	Number of Recommendations and Classification			Total
			High	Medium	Low	
External Data Transfers	A	Less than adequately controlled	11	6	1	18
Housing Benefits Quarterly Testing	A	Well Controlled	0	0	0	0

The main issues arising from the above audits can be summarised as follows

External Data Transfers

The audit was undertaken by Fit Business Solutions who are the Councils approved computer audit specialists. The review examined the way that data is transferred outside of the council to ensure that this is done securely and within the confines of relevant legislation such as the Data Protection Act. Findings revealed that there were no formally documented policies and procedures in place with regards to the transfer of data. It was found that in the main data was sent in an encrypted form albeit there were no set standards/protocols in place for officers to follow. The recommendations and action plan from this review is being

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closely monitored by the Information Security Group and at the time of writing this report good progress had been made in respect of the outstanding actions.

Housing Benefits Quarterly Testing

This review examines a sample of Housing Benefit Claims on a quarterly basis to ensure that applications are being processed correctly. This review supplements the main audit of the Housing Benefits function which is completed annually. From the sample of claims examined no issues were found and as such no recommendations were found.

Operational Services Directorate

Areas Completed in Quarter 1 of the 2011/12 Audit Plan

The following areas have been completed in quarter 1:

Audit Area	Risk Category	Level of Assurance	Number of Recommendations and Classification			Total
			High	Medium	Low	
Jubilee Pool	B	Adequately controlled	0	6	2	8
Kidsgrove Sports centre	B	Adequately Controlled	0	8	1	9
Knutton Recreation Centre	B	Well Controlled	0	1	1	2

The main issues arising from the above audits can be summarised as follows:

Jubilee Pool, Kidsgrove Sports Centre and Knutton Recreation Centre

A review of all three sports centres was undertaken, the main objectives of these reviews being to ensure compliance with the Councils Standing Orders and Financial Regulations and that all income collected from the centres is banked correctly. On the whole the centres were operating well with good overall controls. Recommendations made were mainly in relation to completion and accuracy of stock records and inventories. In addition there was the requirement for up to date risk assessments to be completed as well as ensuring that booking forms for each of the centres were completed accurately. It can be reported that good progress has been made against the recommendations that were made during the audit.

Regeneration and Development Services

Areas completed in Quarter 1 of the 2011/12 Audit Plan

In accordance with Financial Regulations all final payments made against a contract need to be verified by Internal Audit before payment can be made. During quarter 1 the following final payments have been audited:

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Contract Name	Contractor	Value of Work	Audit Findings
Ecohomes	Staffordshire Housing and Thomas Vale	£1,140,000.00	No problems identified, contract delivered within budget
Guildhall and Civic Refurbishment	Paragon Interiors Ltd	£1,035,217.95	No problems identified, contract delivered within budget

Corporate Reviews

These are audit reviews that cut across all Service Areas, as such Audit Briefs go out to all Executive Directors, Corporate and Service Managers and reporting is done on an individual service level in order to retain confidentiality of the issues identified.

In addition work was completed in relation to **Corporate Governance** which culminated with the completion of the Annual Governance Statement for 2010/11

Note on recommendations

Recommendations fall into one of three categories;

High (H): *action that is considered imperative to ensure that the authority is not exposed to high risks;*

Medium (M): *action that is considered necessary to avoid exposure to significant risks;*

Low (L): *action that is considered desirable and which should result in enhanced control or better value for money.*