

COMMITTEE: AUDIT & GOVERNANCE REF NO: AG/17/07

DATE: 27 JUNE 2017

**SUBJECT: INTERNAL AUDIT REPORTS - RECENTLY
ISSUED**

PORTFOLIO HOLDER: COUNCILLOR MARTIN COOK

CHIEF EXECUTIVE: RUSSELL WILLIAMS

Short description of report content and the decision requested:

The Audit and Governance Committee is invited to comment upon the contents of the attached Internal Audit Report.

1. Agresso IT Key Controls - 2016-17
2. Bank and Cash - 2016-17
3. Council Tax - 2016-17
4. Debtors – 2016-17
5. Northgate Revenue & Bens System ICT Key Controls 2016- 17
6. Paris IT Key Controls 2016-17
7. Payroll IT Key Controls 2016-17

This report has been prepared by Siobhan Martin, Tel: 01473 433900

Email: Siobhan.martin@ipswich.gov.uk

This report was prepared after consultation with:

Internal consultees

- Audit staff
- Full copy of completed report has already been forwarded where appropriate Head of Service, S151 Officer, Chief Operating Officer, Chief Executive and Portfolio Holder.

External consultees

External Audit has been provided with a copy of the Internal Audit report in accordance with normal practice.

The following policies form a context to this report:

(all relevant policies must also be referred to in the body of the report)

Finance Strategy, Building a Better Ipswich

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(papers relied on to write the report but which are not published and do not contain exempt information)

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| <p>1. Detailed working papers retained in the Internal Audit Office</p> |
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1. Introduction

- 1.1 The Internal Audit reports attached have recently been issued to those listed on the report distribution list.
- 1.2 Internal Audit reports are issued to the Audit and Governance Committee to enable the Committee to fulfil its Statement of Purpose and Terms of Reference, '*...monitoring the performance of the audit function and ... monitoring execution of the audit plan and scrutinising the timely implementation of audit recommendations*'.
- 1.3 The Head of Internal Audit formally monitors the Annual Audit Plan on a regular basis. A number of milestones are also used to record the time intervals between various stages of each audit assignment. These together with the results from completed 'Customer Satisfaction Surveys' produce performance indicators for benchmarking purposes.

2. Background

- 2.1 Full copies of the reports are forwarded to the Chief Executive and relevant Senior Officers, including the Chief Operating Officer and Section 151 Officer when appropriate.
- 2.2 Full reports are also sent to the relevant Portfolio Holder and all members of the Audit and Governance Committee once the reports are finalised.
- 2.3 All agreed recommendations are entered onto a database maintained by Internal Audit. This database provides the Head of Internal Audit with the mechanism to both remind and chase up outstanding recommendations.

3. Relevant Policies

- 3.1 In accordance with the Council's Finance Strategy and the legislative framework within which Internal Audit operates (including the Accounts and Audit Regulations 2015) there is a requirement for the Council to provide an adequate and effective Internal Audit Service.

4. Options Considered / Under Consideration

- 4.1 Not relevant in the context of this report.

5. Consultations

- 5.1 No external consultation has taken place in the construction of this report.

6. Risk Management

- 6.1 The table style format is not appropriate for this report.
- 6.2 The Internal Audit reports presented to this Committee set out the main risks associated with the scope and objectives of that individual audit. A mechanism exists including meetings between the Head of Internal Audit and Senior Management Team, to ensure that any remaining uncovered risks are fed back into the Audit risk model to ensure these are covered within the Strategic Audit Plan.
- 6.3 The importance of these risks is detailed within the full reports (and associated working papers). Any significant findings within individual reports will clearly state the associated risk that the Council is then exposing itself to.
- 6.4 A crucial element within the Council's risk environment is the implementation of the recommendations put forward by Internal Audit and agreed by Management.

7. Environmental Impact Assessment

- 7.1 There are no direct or indirect environmental impacts arising from this report.

8. Equalities and Diversity Implications

- 8.1 There are no Equality and Diversity implications arising from this report.

9. Financial Considerations

- 9.1 This is not applicable in the context of the way these reports are presented other than reports may examine aspects of accounting functions.

10. Legal Considerations

- 10.1 There are no legal considerations arising from this report.

11. Performance Monitoring

- 11.1 This is not applicable in the context of the way these reports are presented.

12. Conclusions

- 12.1 That this report is considered within the overall control environment operated within the Council and that the Audit and Governance Committee assures itself that the coverage by Internal Audit as outlined in the Audit Plan and Finance Strategy is adequate, and endorses the recommendations in support of effective corporate governance.

13. Recommendations

13.1 That the Audit and Governance Committee comments upon the contents of the following Audit Reports:

- 1. Agresso IT Key Controls - 2016-17**
- 2. Bank and Cash - 2016-17**
- 3. Council Tax - 2016-17**
- 4. Debtors – 2016-17**
- 5. Northgate Revenue & Benefits System ICT Key Controls
2016-17**
- 6. Paris IT Key Controls 2016-17**
- 7. Payroll IT Key Controls 2016-17**