

ANGUS COUNCIL

AUDIT SUB-COMMITTEE – 6 May 2004

UPDATE ON 2003/04 AUDIT PLAN

REPORT BY DIRECTOR OF FINANCE

**ABSTRACT**

This report provides an update on the progress of the 2003/04 annual audit plan.

**1. RECOMMENDATIONS**

It is recommended that the audit sub-committee note the progress made to date

**2. INTRODUCTION**

At the Audit Sub-Committee meeting of 15 April 2003 the annual audit plan for 2003-04 was agreed and the Chief Internal Auditor tasked with bringing forward and update on progress to subsequent meetings. Attached at Appendix I, for consideration, is a snapshot of the progress of the plan at 16 April 2004.

**3 PROGRESS REPORT 2003-04 AUDIT PLAN**

In summary, of all the areas identified within the 2003-04 main plan not fully complete at 16 April 2004, eleven are out in draft for agreement of factual accuracy, five are in the internal review process, five audits are still in course, one audit has been deferred due to the implementation of a new system, three areas consolidated within the one payroll audit and three other areas have been deferred to 2004-05 (see below).

Report 1226/03 to the audit sub-committee meeting on 23 October 2003 indicated at that time that, due to the ongoing staffing vacancy issues, contingency time for the plan had been used and, should anything unforeseen arise, might have an impact on full discharge of the plan. Since that time the audit section have been involved in four further investigations, one post-investigation audit and the certification of grant claims. This has impacted on the plan with the result that three audits have been deferred to the next audit year.

Notwithstanding the above, the Chief Internal Auditor considers that the audit work conducted during the year is adequate to provide an assurance opinion.

**4. FINANCIAL IMPLICATIONS**

There are no financial implications arising from this report.

**5. HUMAN RIGHTS IMPLICATIONS**

There are no human rights implications arising from this report.

**6. CONSULTATION**

The Chief Executive and Director of Law and Administration have been consulted in the preparation of this report.

David S Sawers  
Director of Finance

NOTE: No background papers, as defined by Sections 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing this report.

JW 16/4/04

**2003-04 Internal Audits - control sheet**

			In course	In review	In Draft	Final issued
Benefits Fraud	HS	HS	✓ <input type="checkbox"/>	ongoing management area		
TJPB - SIFC +CGAS 03-04 prep	JW/EM	JW/EM	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
TJPB - IFC statement 2002-03	JW/EM	JW/EM	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Follow Ups</b>	ALL		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
L&A Cash receipting	EM	EM	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Social Work petty cash (per audit sub)	DV	DV	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Software & Hardware procurement	DV	DV	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
DSM	DV	DV	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Social Work Budget Monitoring	DV	DV	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Landfill Tax (per audit sub)	DV	DV	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Information Security (per audit sub)	DV	DV	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Kirrie Access Shortage		EM	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Corporate Governance</b>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
IFC statement - 2002-03	JW+ALL	JW+All	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Corporate Gov 2002-03 incl Assurance stat	JW/HS/DV/EM	JW/HS/DV/EM	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
2003-04 SIFC + CGAS preps/interim	JW/HS + TBA	JW/HS/DV	✓ <input type="checkbox"/>		cross-year project	
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Systems Audit</b>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Water Management VFM	JM	JM	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Budgeting	EM	EM	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	<input type="checkbox"/>
Payroll - Systems	DV	DV	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Creditors - Council Credit Card	LG	LG	✓	☐	☐	☐
Grants	LG	CB	✓	✓	✓	✓
Joint Futures (Joint Audit)	JW/DV/HS/EM	HS/DV	✓		☐	☐
Mental Health Aligned Budget		EM	✓		☐	☐
Public £ + Companies & Strategic P'ship	EM	EM	✓	✓	✓	☐
Banking & Reconciliations	CB	CB	✓	✓	✓	☐
Non-Contract Project Mgt	CB	CB	Incorporated within payroll systems audit			
Free Personal Care	EM	EM	✓	✓	☐	☐
Revenues cash office	EM	EM	✓	✓	✓	✓
Local/Access Office HQ items	CB	CB	✓	✓	✓	✓
Fostering & Adoption Allces	CB	CB	✓	☐	☐	☐
Collections/Assets	DV	DV	✓	✓	✓	✓
Recovery - Benefits Overpayments	LG	EM	✓	✓	☐	☐
Register of Interests	JM	LG	✓	✓	☐	☐
Energy Management	JM	JM	Deferred to 2004-05			
School Transport	JM	JM	✓	✓	✓	
Returns	CB	CB	Deferred to 2004-05			
			☐	☐	☐	☐
<b>Computer Audit</b>			☐	☐	☐	☐
E Commerce/E-Gov	DV	DV	✓	ongoing support area		
Housing Access databases	DV	DV	✓	✓	✓	✓
Software Licencing	DV/CB	DV/CB	Deferred due to implemetation of Landesk			
Application Audit	DV/LG	DV/LG	✓	✓	✓	☐
IS Security departmental reviews	DV	DV	Deferred to 2004-05			
			☐	☐	☐	☐
			☐	☐	☐	☐
<b>Regularity</b>			☐	☐	☐	☐
Housing & CT Benefits	CB/EM	CB/EM	✓	✓	✓	☐
Departmental Creditors incl follow ups	DV/LG	DV/LG	☐	☐	☐	☐
<i>Education</i>		LG	✓	✓	✓	✓
<i>EH &amp; CP</i>		LG	✓	✓	✓	✓

			LG	✓	☐	✓	☐	✓	☐	✓	☐
			LG	✓	☐	✓	☐	✓	☐	✓	☐
			LG	✓	☐	✓	☐	✓	☐	✓	☐
Access/Local Office collections	CB/LG		CB/LG	✓	☐	✓	☐	✓	☐	✓	☐
Leisure Facilities	CB/LG			☐	☐	☐	☐	☐	☐	☐	☐
			LG/CB	✓	☐	✓	☐	✓	☐	✓	☐
			LG/CB	✓	☐	✓	☐	✓	☐	✓	☐
Expense Payments	CB/LG		CB/LG	✓	☐	✓	☐	✓	☐	✓	☐
Schools	CB/LG		CB/LG	☐	☐	☐	☐	☐	☐	☐	☐
			LG	✓	☐	✓	☐	✓	☐	✓	☐
			LG	✓	☐	✓	☐	✓	☐	✓	☐
			LG	✓	☐	✓	☐	✓	☐	✓	☐
			LG	✓	☐	✓	☐	✓	☐	✓	☐
			LG	✓	☐	✓	☐	✓	☐	✓	☐
Revenues cash counts	CB/LG		CB/LG	✓	☐	✓	☐	✓	☐	✓	☐
Payroll Regularity	DV/LG		DV/LG/CB			Incorporated in payroll systems audit					
				☐	☐	☐	☐	☐	☐	☐	☐
<b>Contract</b>				☐	☐	☐	☐	☐	☐	☐	☐
Tendering	JM		JM	✓	☐	☐	☐	☐	☐	☐	☐
Education Capital Programme	JM		JM	✓	☐	✓	☐	✓	☐	☐	☐
Housing Unplanned	JM		JM	✓	☐	✓	☐	✓	☐	☐	☐
General Services	JM		JM	✓	☐	✓	☐	✓	☐	☐	☐
Service Contracts	JM		JM	✓	☐	✓	☐	✓	☐	☐	☐
				☐	☐	☐	☐	☐	☐	☐	☐
<b>Additional</b>				☐	☐	☐	☐	☐	☐	☐	☐
Tyres	JW/DV		JW/DV	✓	☐	✓	☐	✓	☐	✓	☐
Housing Assoc RO Referrals	CB		CB	✓	☐	✓	☐	✓	☐	☐	☐
Heritage Lottery Grant			CB	☐	☐					✓	☐
Fleet Services Whistleblowing Inv			JW/CB/JM	✓	☐	✓	☐	✓	☐	✓	☐
Fleet Serv Inv Audit			HS/CB/JM	✓	☐	✓	☐				
Leisure Facilities - Till Closure			LG	✓	☐	✓	☐	✓	☐	✓	☐

Housing - Solar Water Heating (Cert)	JM	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Housing - Warm Deal (Cert)	JM	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Housing - Central Heating Programme (Cert)	JM	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Travel Expenses Investigation	JW/CB	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	n/a	<input checked="" type="checkbox"/>
Overtime Investigation	HS	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

stage  
 audit not  
 \* commenced

	<b>In course</b>	<b>In review</b>	<b>In Draft</b>	<b>Final issued</b>	<b>Notes</b>
VAT	✓	✓	✓		draft issued 3/6/03
Management Audit follow up	✓	✓	✓		draft issued 29/7/03