

Audits Completed and Reports Issued

The following categories of opinion are used for audit reports.

Opinion	Level of Assurance
High Assurance	Overall, very good management of risk. An effective control environment appears to be in operation.
Substantial	Overall, good management of risk with few weaknesses identified. An effective control environment is in operation but there is scope for further improvement in the areas identified.
Reasonable	Overall, satisfactory management of risk with a number of weaknesses identified. An acceptable control environment is in operation but there are a number of improvements that could be made.
Limited	Overall, poor management of risk with significant control weaknesses in key areas and major improvements required before an effective control environment will be in operation.
No Assurance	Overall, there is a fundamental failure in control and risks are not being effectively managed. A number of key areas require substantial improvement to protect the system from error and abuse.

Actions to address issues are agreed with managers where weaknesses in control are identified. The following categories are used to classify agreed actions.

<u>Priority</u>	<u>Long Definition</u>	<u>Short Definition – for use in Audit Reports</u>
1 (High)	<p>Action considered both critical and mandatory to protect the organisation from exposure to high or catastrophic risks. For example, death or injury of staff or customers, significant financial loss or major disruption to service continuity.</p> <p>These are fundamental matters relating to factors critical to the success of the area under review or which may impact upon the organisation as a whole. Failure to implement such recommendations may result in material loss or error or have an adverse impact upon the organisation's reputation.</p> <p>Such issues may require the input at Corporate Director/Assistant Director level and may result in significant and immediate action to address the issues raised.</p>	<p>A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.</p>

Priority

Long Definition

Short Definition – for use in Audit Reports

2

Action considered necessary to improve or implement system controls so as to ensure an effective control environment exists to minimise exposure to significant risks such as financial or other loss.

A significant system weakness, whose impact or frequency presents risks to the system objectives, and which needs to be addressed by management.

Such issues may require the input at Head of Service or senior management level and may result in significantly revised or new controls.

3

Action considered prudent to improve existing system controls to provide an effective control environment in order to minimise exposure to significant risks such as financial or other loss.

The system objectives are not exposed to significant risk, but the issue merits attention by management.

Such issues are usually matters that can be implemented through line management action and may result in efficiencies.

Draft Reports Issued

Twelve internal audit reports are currently in draft. These reports are with management for consideration and comments. Once the reports have been finalised, details of the key findings and issues will be reported to this committee. The draft reports are categorised as follows.

Opinion	Number	Reports
High Assurance	4	St Mary's CE Primary School, Carr Junior School, Lord Deramore's Primary School, Naburn Primary School
Substantial Assurance	1	Joseph Rowntree School
Reasonable Assurance	3	Collaborative Asset Management Arrangements, Car Parking, Section 106 Agreements
Limited Assurance	3	Project Management, Register of Interests, s117 of the Mental Health Act
No Assurance	0	
Not given (non assurance work)	1	New Children's Social Care IT system

Final Reports Issued

The table below shows audit reports finalised since the last report to this committee in December 2015. In all cases the recommendations made have been accepted by management, and will be followed up by internal audit.

Audit	Opinion	Number of Agreed Actions		Work done / significant weaknesses / issues identified
		Total	Priority 1	
St George's RC Primary School	High Assurance	4	0	A schools audit. No significant weaknesses were found.
Applefields School	Substantial Assurance	11	0	A schools audit. The control environment was generally effective although a number of areas requiring improvement were identified.
Committee Reports	Substantial Assurance	1	0	<p>This was a review of members' access to confidential information and restricted committee papers.</p> <p>There is an up to date procedure in the council's constitution which sets out members' rights of access to information. This highlights the role of the Monitoring Officer in providing support to ensure that decisions on access are made in line with the constitution.</p>

Audit	Opinion	Number of Agreed Actions		Work done / significant weaknesses / issues identified
		Total	Priority 1	
				No issues were identified with the process for restricting committee papers. However, there is scope to raise awareness of the Access to Information protocol with officers and members.
Dunnington CE Primary School	Substantial Assurance	6	0	A schools audit. The control environment was generally effective although a number of areas requiring improvement were identified.
Huntington Secondary School	Substantial Assurance	7	0	A schools audit. The control environment was generally effective although a number of areas requiring improvement were identified.
St Barnabas' School	Substantial Assurance	8	0	A schools audit. The control environment was generally effective although a number of areas requiring improvement were identified.
Information Security Sweeps	Reasonable Assurance	4	0	This was the latest regular information security check, designed to assess the extent to which confidential, personal or sensitive data is stored securely and to ensure that data security is

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				<p>being given sufficient priority within council departments.</p> <p>Overall, the council remains well protected against accidental disclosure of information. The majority of information is stored in cupboards and most cupboard doors are closed.</p> <p>However, there is scope to further protect against deliberate unauthorised access by ensuring all personal and sensitive information is locked away across all areas of the council. Action is also required to ensure that confidential information is held securely.</p>
Transformation Programme – Business Support SLAs	Reasonable Assurance	2	0	<p>This was a review of service level agreements (SLAs) in place between the Business Support hub and the services they support.</p> <p>It was found that progress has been made towards implementing and agreeing SLAs within Business Support, however further action</p>

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		Total	Priority 1	
				<p>should be taken to ensure that this process is completed and fit for purpose moving forward.</p> <p>Not all service areas have reached agreement on the exact remit of Business Support and as a result SLAs are currently incomplete and have not been signed off.</p> <p>In addition, performance measures need to be set that are meaningful, measurable and are of value to the services as well as Business Support.</p>

Other non-opinion audit work completed

	Work done / significant weaknesses / issues identified
Attendance Management Follow-up	<p>This was a follow-up to a report on attendance management, issued on 9th July 2014. The original opinion was limited assurance and four findings were raised including a priority one finding. The priority one finding related to the council not recording all instances of sickness on iTrent. The follow-up work identified a greater level of error than in the original audit. However, improvements were noted in the proportion of self-certification forms completed.</p> <p>The service has undertaken a number of actions in order to address the issues identified in the original audit and CMT have agreed in principle to use the iTrent absence management module which should improve compliance. The Council will now need to allocate resources and timetable the necessary work.</p>
Free School Meals Data Matching	An exercise was undertaken using data matching to identify pupils eligible for free school meals. This will help to maximise income for the council.
Hotel Scratch Card Car Park Permit Scheme	This was a review into the operation of the scheme requested by the directorate. The review documented the systems in place and offered advice as to how the scheme should operate in future.
Information Governance work	Information Governance work has been carried out during the year relating to the staff warning register and RIPA co-ordination.

	Work done / significant weaknesses / issues identified
Payroll Systems Work	Veritau was asked by the service to document key payroll control processes to support the development of procedure manuals, to address business continuity risks. Further work is planned in 2016/17.