

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.

Priority

1 (High)

Long Definition

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.

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.

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.

Short Definition – for use in Audit Reports

A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.

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

Twenty-three 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.

Final Reports Issued

The table below shows audit reports finalised since the last report to this committee in March 2019. In all cases the actions have been agreed with management, and will be followed up by internal audit when the due date is reached.

Audit	Opinion	Agreed actions			Work done / issues identified
		P1	P2	P3	
Adult Social Care (ASC) Budget Management	Substantial Assurance	0	1	1	A review of budget management processes in ASC. It found that whilst budgeting is difficult due to the demand-led nature of services, they were generally being managed well. Action was required to improve control in one service area.
Contributions to Care (Children's Service)	Reasonable Assurance	0	4	2	A review of the arrangements for care involving joint health and social care needs funded by the council and the NHS. It found a lack of clarity around roles and responsibilities as well as

Audit	Opinion	Agreed actions			Work done / issues identified
		P1	P2	P3	
					weaknesses in the review process and agreements with the NHS.
Governance Arrangements	Substantial Assurance	0	0	2	A review of the council's governance arrangements against CIPFA's good governance framework. It found the council complies well but some areas for improvement were identified.
Ordering and Creditor Payments	Substantial Assurance	0	0	2	A regular audit of ordering and creditor payment systems. It found that processes were working well.
Project Management – Housing ICT	No Opinion Given	0	0	0	A review of compliance with the project framework. It found that whilst not all requirements of the framework were met there were mitigating actions to ensure the project had a sufficient level of scrutiny and oversight.
Public Health – Health Protection	Reasonable Assurance	0	0	0	A review of the governance arrangements in relation to health protection standards and the

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Standards					allocation and use of public health funding. Whilst no findings were raised, the arrangements are at a formative stage and actions to improve them are being developed following a recent peer review.
St Paul's Primary School	Reasonable Assurance	0	2	8	A routine audit of financial, operational and governance procedures at the school. Processes were found to be operating reasonably well but some issues and areas of improvement were identified.
St Wilfrid's Primary School	Reasonable Assurance	0	0	10	A routine audit of financial, operational and governance procedures at the school. Processes were found to be operating reasonably well but some issues and areas of improvement were identified.
Schools Themed Audit – Information Governance	Reasonable Assurance	0	1	2	A review of GDPR compliance at maintained schools who had not appointed an external Data Protection Officer (DPO). It was found that

Audit	Opinion	Agreed actions			Work done / issues identified
		P1	P2	P3	
					they had made good progress towards compliance but could improve further by ensuring their DPO is sufficiently trained.
VAT Accounting	High Assurance	0	0	1	A regular audit of the treatment of VAT within the council including in respect of maintained schools. It found processes were working well.
Ward Committee Funding	No Opinion Given	0	3	1	A review of applications made to ward committees for funding, following up on some earlier work carried out in 2016/17. It found that sufficient documentation was not always kept to support applications and monitoring of committee spending was inconsistent
Wigginton Primary School	Substantial Assurance	0	0	7	A routine audit of financial, operational and governance procedures at the school. Processes were found to be operating well but some areas of improvement were identified.

Other audit work

Internal audit work has been undertaken in a range of other areas during the period, including those listed below. The work includes support and advice on control issues, facilitation of project risk management workshops, and preliminary work to understand control arrangements for a number of systems. Further work will be undertaken in some of these areas in 2019/20.

Absence Management - Adult Social Care	Analysis of absence management information and feedback of preliminary findings to the service. Further work will be incorporated into the planned 2019/20 audit of absence management.
York Central	Support, advice, and facilitation of risk management workshops.
Multi-Agency Incident Planning	Key documentation and governance arrangements were reviewed, including the relationship with the North Yorkshire Local Resilience Forum. Initial advice on control arrangements has been provided. Work is ongoing and will be completed in 2019/20.
NHS Information Governance Toolkit	Initial review of procedures and walkthrough testing of key controls to assess systems used to process data. Detailed review of data submission will be undertaken during 2019/20.
Workforce Planning	Support and advice on control issues relating to the council's strategy for workforce planning.