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	Long Definition	Short Definition – for use in Audit Reports
1 (High)	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.	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.

Such issues may require the input at Head of Service or senior management level and may result in significantly revised or new controls. | A significant system weakness, whose impact or frequency presents risks to the system objectives, and which needs to be addressed by management. |
| 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.

Such issues are usually matters that can be implemented through line management action and may result in efficiencies. | The system objectives are not exposed to significant risk, but the issue merits attention by management. |

Draft Reports Issued

Thirteen 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 April 2018. 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**	
Breaches of the Contract Procedure Rules (CPRs)	High Assurance	0	0	1	The audit reviewed the corporate approach to breaches of the CPRs. The approach was found to be working well with one minor issue identified.
Council Tax Support & Housing Benefits	Substantial Assurance	0	0	4	The audit reviewed the procedures for awarding Discretionary Housing Payments (DHPs) and processes in place to reduce fraud and error. A number of minor issues were identified.
Data Quality	High Assurance	0	0	0	A review of performance indicators relating to

Audit	Opinion	Agreed actions			Work done / issues identified
		P1	P2	P3	
					Adult Social Care. Procedures were found to be operating well and indicators calculated correctly.
Debtors	Substantial Assurance	0	0	5	A review of procedures in place to issue invoices and carry out recovery action for payments due to the council. It was found that they were working well with some minor issues identified.
Deprivation of Liberty Assessments	Reasonable Assurance	0	2	5	The audit reviewed the processes and procedures in place to carry out the assessments. It found that the council was not completing assessments within statutory guidelines. However, this is an issue nationally. Agreed actions include further automation of processes which should improve assessment times.
Direct Payments	Reasonable Assurance	0	4	3	The audit reviewed the procedures for monitoring and reconciling direct payments. It

Audit	Opinion	Agreed actions			Work done / issues identified
		P1	**P2**	**P3**	
					followed-up the actions agreed in the previous audit and found improvements. Although further work is required in some areas and some additional weaknesses were identified.
Emergency Planning	Reasonable Assurance	0	2	1	The audit reviewed the administration of emergency planning, and looked at two high priority plans in detail. The plans reviewed met the council's requirements, however, they were found to contain some out-of-date information and procedures were not fully documented.
Huntington Secondary School	High Assurance	0	0	3	A routine audit of financial, operational and governance procedures at the school. Processes were found to be operating well but some minor areas of improvement were identified.
Joseph Rowntree Secondary School	Reasonable Assurance	0	3	5	A routine audit of financial, operational and governance procedures at the school. Processes were found to be operating

Audit	Opinion	Agreed actions			Work done / issues identified
		P1	**P2**	**P3**	
					reasonably well but some issues and areas of improvement were identified.
Our Lady Queen of Martyrs Primary School	Reasonable Assurance	0	1	9	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.
Savings Plans (HHASC)	Substantial Assurance	0	1	1	The audit reviewed a number of savings plans within the HHASC directorate. It found that plans to deliver savings were reasonable but they could benefit from greater standardisation.
Schools Themed Audit – Information Governance (follow-up)	Reasonable Assurance	0	3	1	This audit reviewed the actions agreed in the previous audit carried out in 2015/16 where a Limited Assurance opinion was given. Ten schools were visited during the audit. It was found that procedures had improved although some issues still require addressing.

Audit	Opinion	Agreed actions			Work done / issues identified
		P1	P2	P3	
Schools Themed Audit – Pupil Premium	Substantial Assurance	0	0	4	This audit reviewed payments to schools and use of pupil premium. It included visits and a review of procedures at seven schools.
Skelton Primary School	Substantial Assurance	0	0	4	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.
Stockton-on-the-Forest Primary School	Substantial Assurance	0	0	6	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.
Treasury Management	High Assurance	0	0	0	An audit of the council's Treasury Management strategy and processes. These were found to be effective and working well.
Use of Social Media	No Opinion Given	0	0	0	A survey of members and officers was conducted, to assess the use of social media across the council. The findings indicated a

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		P1	**P2**	**P3**	
					need for training, and improved arrangements for review and authorisation of social media content.
Waivers of the Contract Procedure Rules (CPRs)	High Assurance	0	0	3	The audit reviewed the corporate approach to breaches of the CPRs. The approach was found to be working well.