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

Four 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	0	
Substantial Assurance	3	Applefields School, Committee Reports, Dunnington CE Primary School
Reasonable Assurance	1	Information Security Sweeps
Limited Assurance	0	
No Assurance	0	
Not given	0	

Final Reports Issued

The table below shows audit reports finalised since the last report to this committee in September 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	
Rufforth Primary School	High Assurance	4	0	A schools audit. No significant weaknesses were found.
St. Lawrence's Primary School	Substantial Assurance	7	0	A schools audit. The control environment was generally effective although a number of areas requiring improvement were identified.
Payroll	Reasonable Assurance	7	0	It was found that there were control weaknesses within the process for submission and authorisation of hours claims made via employee self-service, and some amendments

Audit	Opinion	Number of Agreed Actions		Work done / significant weaknesses / issues identified
		Total	Priority 1	
				to guidance are required to assist employees and managers in making and authorising claims accurately. It is recognised that in both of these areas, identified issues related to weaknesses and inconsistencies in practice between managers across the council and did not represent a poor system of control within the overall payroll system
Recruitment Checks	Reasonable Assurance	6	0	Overall, no major issues were found with the recruitment check process. However, some issues which would warrant management's attention were identified including the timeliness of receiving documentation, the quality of internal guidance documents and the approach to recruitment checks on agency staff.
Public Health	Limited Assurance	6	2	The Public Health team is currently lacking resources in key roles and there have been a number of changes in the key Director of Public

Audit	Opinion	Number of Agreed Actions		Work done / significant weaknesses / issues identified
		Total	Priority 1	
				Health role. There are also weaknesses in budget monitoring and contract monitoring which need to be addressed.

Other non-opinion audit work completed

	Work done / significant weaknesses / issues identified
Better Care Fund	This piece of work assessed the council's implementation of the Better Care Fund; a pooled budget between the council and NHS partners. It found that there were several actions required including defining overall responsibilities, formally signing the pooled budget agreement and creating a specific risk register for the project. An action plan has been agreed and will be followed-up in 2016.
Care Act Phase 1 Arrangements	This piece of work assessed the council's implementation of the phase 1 requirements of the Care Act 2014. It found that the council has put arrangements in place to address the requirements. As new guidance is released the council plans to adapt what is in place in line with the new guidance.
Children's Direct Payments	This piece of work intended to provide support and advice to the Special Educational Needs (SEN) team as they develop procedures and controls to implement new regulations

	that came into effect in late 2014. It made a number of recommendations and two actions were agreed to formalise current arrangements.
Tour de France	A review of commercial elements of the Tour de France project in 2013. The report highlights a number of lessons to be learnt for any future project.
Reactive Repairs Ordering Processes	This was a piece of advisory work which was carried out after Veritau were approached by Building Services to ask if they could assist with some work on 'ordering processes for external contractors'. Findings from previous audit work identified control issues and inefficiencies and the service intended to review their ordering processes but other priorities and resource constraints means that little progress has been made on this. As a result, Veritau documented systems and processes and provided options for consideration of the service.
Data breaches	Veritau has been involved in investigating three data breaches.