

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.
Moderate	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.

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

	<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>	
2	<p>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.</p>	<p>A significant system weakness, whose impact or frequency presents risks to the system objectives, and which needs to be addressed by management.</p>
	<p>Such issues may require the input at Head of Service or senior management level and may result in significantly revised or new controls.</p>	
3	<p>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.</p>	<p>The system objectives are not exposed to significant risk, but the issue merits attention by management.</p>
	<p>Such issues are usually matters that can be implemented through line management action and may result in efficiencies.</p>	

Draft Reports Issued

9 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
"High Assurance"	5
"Substantial Assurance"	1
"Moderate Assurance"	0
"Limited Assurance"	0
"No Assurance"	0
"Not given"	3

Final Reports Issued

The table below shows audit reports finalised since the last report to this committee in September 2011. In all cases the recommendations made have been accepted by management, and will be followed up by internal audit.

Audit	Date Of Final Report	Opinion	Number of Agreed Actions		Work done / significant weaknesses / issues identified
			Total	Priority 1	
Stockton On The Forest Primary School	7/10/11	High Assurance	3	0	A school audit. No significant issues were identified.
Bishopthorpe Infant School	17/10/11	High Assurance	4	0	A school audit. No significant issues were identified.
York High School	20/10/11	High Assurance	2	0	A school audit. No significant issues were identified.
Information Security Checks at the Eco Depot	3/11/11	None Given	NA	NA	An unannounced spot check on offices at the Eco Depot. The purpose of this visit was to assess the extent to which data security is being considered by staff in ensuring that confidential, personal or sensitive data is stored securely. The audit looked at hard copy documents as well as digital storage such as laptops and removable media. This followed a similar exercise conducted at various city centre council offices in March for which the findings were reported

Audit	Date Of Final Report	Opinion	Number of Agreed Actions		Work done / significant weaknesses / issues identified
			Total	Priority 1	
					separately. No significant concerns were identified and overall information security in these offices seems to be good. There were some specific issues identified and these have been reported to the relevant managers.
Carr Infant School	15/11/11	High Assurance	2	0	A school audit. No significant issues were identified.