

**To the Chair and Members of the
AUDIT COMMITTEE**

INTERNAL AUDIT REPORT FOR THE PERIOD: APRIL 2015 to AUGUST 2015

EXECUTIVE SUMMARY

1. The report attached at **Appendix 1** updates the Audit Committee on the work done by Internal Audit for the period 1 April 2015 to 31 August 2015 and shows this in the context of the audit plan for the year. The report also includes performance information and details on the implementation of major internal audit recommendations.
2. The attached report is in four sections:
 - Section 1: Planned audit work
 - Section 2: Unplanned responsive work carried out in the period
 - Section 3: Progress on the implementation of audit recommendations
 - Section 4: Performance Information
3. A summary of the main points from each of the sections is provided in the following paragraphs:

Section 1: Planned audit work

4. Our planned audit work completed in the period highlighted major risk exposures in relation to the Doncaster Markets, Payment Card Industry Data Security Standard (PCIDSS) Compliance and ICT Governance within Learning & Opportunities: Children & Young People.
5. We have also given only a limited assurance opinion for the Debtors and Income Management and Procure to Pay (Creditors) reviews for the 2014/15 years. Whilst these are the same level of opinion given for the 2013/14 reviews, we did note improvements in both these areas from the previous year.
6. However, these aside, **our work confirmed the Council generally has appropriate controls in place and that the controls are operating effectively.**

Section 2: Unplanned responsive work carried out in the period

7. Responsive work is difficult to predict but highly valued by managers who ask for Internal Audit's assistance in dealing with a wide range of issues. This work can be categorised into two main areas:
 - Investigative work, and
 - Requests for specific audit work, advice and assistance.

8. Time spent on responsive/investigative work has been a little below that anticipated and budgeted for. Examples of work done under this heading are included within the report and includes two members of staff dismissed for committing Benefit Fraud. **There are no major items to bring to the Committee's attention.**

Section 3: Progress on the implementation of audit recommendations

9. There are 17 overdue major recommendations across the Council. These are all being closely monitored and regular updates are provided by management.
10. At the April Audit Committee meeting, it was reported that within the Adults, Health and Wellbeing Directorate there were 7 major actions outstanding as at 28th February 2015 and these had all been outstanding for some time. These covered Repayments under Section 117 of the Mental Health Act, Direct Payments and Home Care Payments and formed part of 84 recommendations overdue within the directorate at that date.
11. Internal Audit have worked with Service management during this period and we can report a much improved situation. There are now only 2 overdue major items which relate to the area of Personal Budgets / Direct Payments and there is an ongoing concerted effort to address shortcomings in this area. There are 35 recommendations outstanding within the directorate of which 26 are from the original 84 and these are all being addressed.
12. **Overall we are satisfied progress is being made in implementing major audit recommendations.**

Section 4: Performance Information

13. The number of available audit days is below expected levels due to several factors, the main one being additional administration time required for an office relocation and associated archiving. Whilst good progress has been maintained against the audit plan, contingency time available for future months has been reduced. The plan will continue to be revised to ensure that mandatory and must do work is completed to support the audit opinion.
14. Results relating to major recommendations and customer satisfaction remain extremely positive with 100% of critical or major recommendations agreed and 100% of Customer Satisfaction Surveys rated Satisfactory or above. There is improved performance in issuing reports and client satisfaction remains exceptionally high. **The overall performance of the audit service continues to be good.**

RECOMMENDATIONS

15. **The Audit Committee is asked:**
 - a) **To note the internal audit work completed in the period.**
 - b) **To note progress made by officers in implementing previous audit recommendations.**
 - c) **To note information relating to Internal Audit's performance in the period.**

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

16. Effective Internal Audit arrangements add value to the Council in managing its risks and achieving its key priorities of improving services provided to the citizens of the borough.

BACKGROUND

17. This report provides the Audit Committee with information on the outcomes from internal audit work and allows the Committee to discharge its responsibility for monitoring Internal Audit activity.

OPTIONS CONSIDERED AND RECOMMENDED OPTION

18. Not applicable - for information only

IMPACT ON THE COUNCIL'S KEY PRIORITIES

19. Internal Audit assesses how effectively the Council is managing risks that threaten the achievement of the Council's objectives. Any improvement in the management of the risks will have a positive impact thereby increasing the likelihood of the Council achieving its objectives. Internal Audit's work is, therefore, relevant to all priorities but in particular the following:

	Priority	Implications
	We will deliver modern value for money services.	Internal Audit adds value to the organisation through a systematic, disciplined approach to evaluate and improve the effectiveness of the Council's Services
	We will provide strong leadership and governance, working in partnership.	The work undertaken by Internal Audit improves and strengthens governance arrangements within the Council and its partners.

RISKS AND ASSUMPTIONS

20. The implementation of internal audit recommendations is a response to identified risks and hence is an effective risk management action.

LEGAL IMPLICATIONS

21. There is a statutory obligation on the council to provide an adequate and effective internal audit of its accounts and supporting systems of internal control.

FINANCIAL IMPLICATIONS

22. There are no specific financial implications associated with this report.

CONSULTATION

23. There is consultation with managers at the outset, throughout and at the conclusion of individual audits in order to ensure that the work undertaken and findings are relevant to the risks identified and are accurate.

This report has significant implications in terms of the following:

Procurement	N/A	Crime & Disorder	N/A
Human Resources	N/A	Human Rights & Equalities	N/A
Buildings, Land and Occupiers	N/A	Environment & Sustainability	N/A
ICT	N/A	Capital Programme	N/A

BACKGROUND PAPERS

24. United Kingdom Public Sector Internal Audit Standards, audit working files and management information, customer satisfaction responses

REPORT AUTHOR & CONTRIBUTORS

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Appendices Attached

Appendix 1 - Internal Audit Report: 1 April 2015 to 31 August 2015

**DONCASTER MBC
INTERNAL AUDIT REPORT: APRIL TO AUGUST 2015**

Introduction

The internal audit report is in four sections;

Section 1: Planned audit work

Section 2: Unplanned responsive work carried out in period

Section 3: Progress on the implementation of audit recommendations

Section 4: Performance Information

Section 1: Planned Audit Work: Non-Schools

The table below lists planned audits (excluding schools) that were completed and reported in the period, together with the number of recommendations and the audit opinions contained in the published reports.

Area Audited	Number of Recommendations		Audit opinion
	Major	Significant or less	
ICT Governance - Learning & Opportunities: Children & Young People	27	8	Limited Assurance
Core Financial Processes - Procure to Pay	13	13	Limited Assurance
Markets Financial Administration Review	8	19	No Assurance
Core Financial Processes - Debtors and Income Management	6	8	Limited Assurance
Cusworth Centre Pupil Referral Unit	0	23	Partial Assurance
Fleet Management Operations System	0	9	Partial Assurance
Payment Card Industry Data Security Standard Compliance	8	0	Limited Assurance
Local Transaction Processing -Purchase Card Payments	0	7	Partial Assurance
Business Waste Collection Services - Financial Administration Review	0	5	Partial Assurance
Casper Case Management System (Safeguarding Adults)	0	4	Partial Assurance
Rose House Financial Administration Review	0	4	Partial Assurance
Core Financial Processes - Cash Book	0	2	Partial Assurance

Core Financial Processes - Benefits	0	0	Substantial Assurance
Core Financial Processes – Business Rates	0	0	Substantial Assurance
Core Financial Processes – Treasury Management	0	0	Substantial Assurance
Core Financial Processes – Council Tax	0	0	Substantial Assurance
Public Services Network Compliance	0	0	Substantial Assurance
Core Financial Processes - Payroll Processing	0	0	Substantial Assurance
Carbon Trading Scheme	0	0	Substantial Assurance
Mansion House Data Protection Review	0	0	Substantial Assurance

We also audited:

- Two grant claims submitted by the Council during the period (Bus Services Operators' Fuel Grant and Disabled Facilities Grant) and gave clear opinions following these audits.
- Six residential homes prior to their transfer to Runwood Homes. We gave a partial assurance on these audits with only relatively minor matters being noted.

There were no recommendations made during the period that we regarded as critical (the highest priority recommendations)

We give **limited assurance** where the Council is exposed to major risks, **partial assurance** where the Council is exposed to significant risks and **substantial assurance** opinion where the Council is exposed to less significant risks.

In the large majority of cases we gave either substantial or partial assurance and we have no concerns to draw to the Audit Committee's attention in these areas. During the period we gave one 'no assurance' following our Markets financial administration review and four 'limited assurance' opinions following our audits of Core Financial Processes - Debtors and Income Management, Core Financial Processes – Procure to Pay, the Payment Card Industry Data Security Standard (PCIDSS) Compliance review and ICT Governance - Learning & Opportunities: Children & Young People). Summary details in these areas are provided below:

Markets – Financial Administration Review

As reported in detail to the 14th July Audit Committee, the internal Audit review identified serious weaknesses in both areas of Financial Administration and Health and Safety concerns

A significant amount of work has now been completed by management to implement recommendations made by Internal Audit and Health and Safety. The Markets and Town Centre Management Team are working in partnership with Technical Services, Public Building Maintenance, Corporate Health and Safety, Internal Audit and external partners to address the outstanding actions as soon as possible.

The Council has invoked disciplinary proceedings against 3 staff and these are in progress.

Core Financial Processes - Debtors and Income Management

The Accounts Receivable process was exposed to major risks for the period 2014/15 and a limited assurance was given. This is due to a number of issues:-

Departmental Issues

- There are still departments within the Authority who do not follow correct procedures when raising accounts, particularly where goods and services could have been pre-paid, causing higher costs for debt collection and a higher risk of non-payment. 4 out of a sample of 20 accounts tested as part of the audit were for services which could have been pre-paid.
- There are still some major delays between provision of services and raising of accounts by some departments. Testing found 6 out of a sample of 20 debtor accounts raised had a delay of between 60 to 110 days between date of service and the invoice production date.
- A report has been commissioned since the audit which will highlight the departments who are not following correct procedure and those who are responsible for delays, allowing the Accounts Receivable Team to report to Directors and better monitor in future. The report should be in use by the estimated date of completion which was set at 30th September 2015.

Central Accounts Receivable Issues

- At the time of the audit it was established that no Debt Recovery Agencies had been instructed to pursue debt on behalf of the Council since April 2014 and no legal action had been taken since January 2013. This was immediately remedied with recoveries being instructed in May 2015.
- An age debt analysis was completed as at January 2015. £18m was the total debt outstanding (equivalent to 16% of the annual debit – or 2 months' worth of income) with £12m of this overdue. £6m of this was less than 365 days overdue and the remaining £6m was more than 366 days overdue. This compares to a balance of debt of £20m as at the date of the system changeover in October 2013.

Some improvements included that more services were now utilising the E5 system, contributing to an increase in total debt raised from last year. Additionally there was a reduction in the overall level of debt. However, we were unable to conclude if this is a satisfactory reduction due to the absence of collection rate targets.

Since the audit, performance targets have been set and are being monitored monthly (from July 2015). The targets are that invoices are paid within 56 days and to reduce debt by 5%.

The work in progress and future planned work for the Accounts Receivable Department, if implemented and monitored correctly could result in an increase in assurance given for the next years (2015/16) annual audit.

Payment Card Industry Data Security Standard (PCIDSS) Compliance

Our review found that some teams within the Council do not use the corporate point of sales system i.e. use a 3rd party device and therefore do not meet PCI Standards resulting in a limited assurance opinion. Arrangements are being put in place to eliminate 3rd party devices across the Council and this will ultimately meet PCI standards.

ICT Governance - Learning & Opportunities: Children & Young People

ICT Governance in Learning & Opportunities: Children & Young People (LOCYP) was not managed sufficiently during 2014/15 due primarily to the restructure resulting in major risk exposures set out below.

System Asset Register

LOCYP do not have an up to date System Asset Register. The register in place and held by DMBC's Information Management Officer still includes systems that have moved to the Children's Trust. Since the completion of the audit, responsibility has been assigned to an Education Systems Development Officer for completion by 31st October 2015.

Roles and Responsibilities

The ongoing staff restructure, a necessary part of the transition process, was creating uncertainty and people were not necessarily clear about their job descriptions, roles and functions and relationships to others with regards ICT Governance. However, since the completion of the audit, Commissioning & Opportunities services within LOCYP have now completed recruiting to their new structure. The Head of Service job description will be amended to clearly define the post holder's responsibilities for ICT governance.

Information Governance Board

The Information Governance Board (within Doncaster Council) is in place to provide direction and the co-ordination of service delivery by ICT for all of the departments clients / customers. It reports to Directors' Meetings through the Assistant Director of Customer Services and ICT and critical issues are reported to the Executive. Roles and responsibilities are defined to provide clear ownership and accountability for important / strategic IT decisions. Attendance by a representative from LOCYP needs to be improved to ensure that the Governance Board is aware of all needs and priorities and ensure that LOCYP are aware of priorities and initiatives across the board.

Core Financial Processes - Procure to Pay (Creditors)

The Procure to Pay process was exposed to major risks for the period 2014/15. This is due to the following issues.

- There is a high volume of 'confirmation orders' being raised which are required when goods/services have been being ordered before a purchase order is made. As a result, users are by-passing the P2P system. This also has a major impact on the efficiency of the processes within the Accounts Payable team and consequently on the length of time invoices are paid. On a positive note, from April 2015 to July 2015 there has been a reduction in the numbers of confirmation orders being raised.

- The Procure to Pay system provides a significantly stronger control than the previous system in that it requires the invoice to be accurately matched to the order. Invoices are put into 'held' status as they cannot be matched to a receipting line on a purchase order due to a price or quantity mismatch. These invoices cannot be processed until the mismatch has been dealt with by the requisitioner. Users need to be reminded of the importance of correct receipting (this is being addressed through the recent User training).
- Ownership of the 'catalogue' of goods and services available to purchase needed to be clarified to ensure that the catalogue is sufficiently maintained to reduce the likelihood of off contract purchases. This has now been done.
- In some Directorates there is a high proportion of off contract spend and this needs to be addressed.

It is however, pleasing to note that since the Transactional Support Manager has been appointed the Buying Team and Accounts Payable Team are working closely together with issues being proactively addressed and performance information being developed. Highlight information is collected, reported and monitored. However further indicators could be developed, reported and monitored. Overall, the processes within P2P appear to be working better than last year. The Buying Team are now working in conjunction with the Corporate Procurement Team where the Buyers are now assigned to a relevant Category Manager.

Management are already aware of the major issues facing the P2P system. Some of the issues are related to compliance by users of the P2P system and therefore beyond their direct control, however, they have been proactive by putting measures in place within the P2P structure with extra resources assigned to both the Buying Team and Accounts Payable Team during 2014/15. The Professional Business Support Manager has reported the issues to the Financial Systems Board. Improvements are still required and as a result these issues now require escalating to all Directors for their support in accelerating the ongoing improvements noted in recent months.

There is also a system upgrade taking place on 24th August 2015 which management believe will help to improve matching orders to invoices. Also, there is a new application for authorisations to be made through smart phones and a new manager portal to simplify approval/rejection of orders for routine users.

However, until Users start to use the system as directed by raising orders, receipting correctly and dealing with mismatches, and Suppliers routinely quote order numbers, significant efficiency improvements within the P2P process will not be addressed. Accordingly, the overall aim of the P2P system will not be fully realised in ensuring the Council obtains value for money with its procurements, realise savings and guarantee that all users comply with the Council's Contract Procedure Rules until the above issues are addressed.

Schools Based Work

The following school audits were completed in the period;

Cusworth Centre Pupil Referral Unit	There were no critical or major recommendations arising from this audit.
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Internal Audit has also:

- Completed field work at three primary schools. Reports will be issued for all of these schools shortly.
- Assisted in an investigation at a primary school.
- Provided assistance to the Governors Support Service regarding the Autumn Term Governing Body Agenda.
- Provided ongoing support and advice throughout the Education and Standards Service as required.

Section 2: Responsive work carried out in the period

The following responsive work has been completed in the period;

- **Investigation - Residents' Monies at a private care home** - The Doncaster Safeguarding Adults Board had been dealing with safeguarding / care issues at a private care home in which the Council has previously placed a small number of clients. South Yorkshire Police became involved after concerns were raised by a client's family about money missing from their relative's bank account. Internal Audit were requested to review records relating to other clients to determine whether there were similar issues with other clients / residents monies. Evidence was found of further discrepancies, but no further action is anticipated to take place.
- **Employee Benefits Fraud - Case A** - This case was referred to Internal Audit by the Benefits Fraud / Enforcement Team and was a joint working case with the DWP.

This investigation commenced after an allegation of living together had been received. The claimant, an employee of a DMBC maintained primary school as a midday supervisor, had not declared that her partner had moved into the property in June 2013. Further investigations were undertaken and the DWP determined that, based on the financial links of the partner to the claimant's address, the couple have been living together since March 2009. Housing and Council Tax benefit was withdrawn and as a result, the total overpayment / fraudulent claim for this case was £32,665.23 (Made up of Housing benefit - £13,635.72, Council Tax benefit - £2,510.68 and Income Support / JSA - £16,518.83).

The Enforcement Team with the DWP prosecuted the employee, who entered a guilty plea. Management at the school were informed. The employee's case was heard at court and she was sentenced to 27 weeks in prison. The employee has since been

released from prison and was immediately suspended. A disciplinary hearing was held at the school and the outcome resulted in the employee's dismissal.

- **Employee Benefits Fraud - Case B** - This case was referred to Internal Audit after it came to the attention of the Enforcement Team via the Housing Benefit Matching Service (HBMS). After further investigation it was found that the claimant had failed to declare the capital she had when claiming Housing and Council Tax Benefit in March 2009 and again when a verification visit took place in January 2014.

The overpayment / fraudulent claim made for this period of time totals £4,257.26. The claimant, who was employed by the Council as a General Kitchen Assistant, refused to be interviewed under caution and the case was taken forward for prosecution.

This employee pleaded guilty in court and was sentenced at the end of February 2015 to 80 hours of unpaid work on a 12 month community order, ordered to pay £200 towards costs and a £60 victim surcharge. The employee was dismissed through a disciplinary hearing for committing fraud.

- **Fraud Allegations on Planning Applications** - Serious fraud and data protection breach allegations were received from a husband and wife about 5 planning applications. (These were for 3 applications, 2 of which were withdrawn and resubmitted as new applications bringing the total to 5 applications). Allegations made included: -
 - Fraud / Corruption –collusion with a developer to pass inappropriate planning applications (3 members of staff)
 - Data protection breaches
 - Falsification of information for planning purposes and FOI requests
 - Tampering with information for FOI requests

These allegations were investigated and all found to be false.

Section 3: Progress on the implementation of audit recommendations

The position on outstanding critical and major recommendations is detailed in the table below:

Direct Payments/Personalised Budgets	
Exposure	Current Position
Inappropriate amounts being paid to service users, Inappropriate spend and Inadequate recovery processes result in loss of money to the authority.	<p>This issue is still outstanding and there is substantial work and resources being put into managing this area from staff within Adults, Health and Communities and Finance and Corporate Services. This issue will be reported upon at the first appropriate audit committee meeting.</p> <p>Original Implementation date: 30/06/2014</p> <p>Revised implementation date: 30/11/2014</p>

	31/03/2015 31/12/2015
Inappropriate amounts being paid to service users. This is evidenced through there being £940,000 of monies recovered from service users since 2010 for surplus funds from bank accounts and underpayment of contributions. Loss and wastage of public funds.	A new Resource Allocation System (RAS) has been implemented. Social Workers are required to evidence their judgements around needs, risk frequency and risk severity which managers scrutinise prior to authorisation. There is currently insufficient data to be analysed to assess the effectiveness of the new system which will be carried out by the system providers. Management are satisfied that the revised timescale is still considered reasonable and progress has been made to achieve it. Original Implementation date: 30/11/2014 Revised implementation date: 30/04/2015 30/11/2015
Data Sharing Arrangements	
Exposure	Current Position
The Council may be in contravention of the principles of the Data Protection Act 1998 or associated legislation in the absence of a suitably qualified Data Protection officer.	The Data Protection Officer will undertake a formal Data Protection qualification commencing in October 2015. Original Implementation date: 31/03/2015 Revised implementation date: 31/10/2015
Information/Manual Records Management	
Exposure	Current Position
The ICO recommended that Business System Owners and Information Administrators should be in place.	The need for Business System Owners and Information Asset Administrators to be in place will be highlighted within the Information Asset Owner training. Staff will be nominated and supported by Information Asset Owners along with key members of staff in their service areas. The majority of systems now have an identified system owner. Original Implementation date: 31/01/2014 Revised implementation date: 31/10/2014 31/01/2015 28/02/2016
Performance Management Frameworks 2013	
Exposure	Current Position
Poor or continual poor performance is not identified and rectified, as the current process does not focus on addressing performance or rectifying delays but simply reporting them. This could	The Performance Management Framework has now been updated to include an issues log to record and allow monitoring and escalation where targets have not been achieved A Policy Compliance Monitoring Tool has been implemented and is being currently rolled out to Directors, Assistant Directors and Heads of Services. 3 Member workshops

<p>result in the continual non-achievement of council priorities.</p>	<p>completed with two further scheduled for Sept Internal Audit is currently awaiting an update on the effectiveness of any actions completed.</p> <p>Actions arising from Directorate Challenge meetings are now tabulated and taken to Directors Challenge however these are not checked the following quarter to have been rectified or if underperformance continues no further action is taken. Actions from Quarter 1 will be checked to Quarter 2 performance and any continued underperformance reported to Directors challenge and subsequently escalated</p> <p>Original Implementation date: 31/01/2014</p> <p>Revised implementation date: 30/09/2014 31/03/2015 12/10/2015</p>
<p>The Council is not transparent and cannot demonstrate accountability for performance.</p>	<p>The decision has been taken by Senior Management not to produce an annual report for 2013/14 but an annual report will be produced for 2014/15 and will be published alongside the 2014/15 final accounts.</p> <p>Original Implementation date: 30/06/2014</p> <p>Revised implementation date: 30/09/2014 30/09/2015</p>
Fleet Management Operations System	
<p>Exposure</p> <p>Hire costing arrangements could be inappropriate or inaccurate.</p> <p>Inappropriate or inaccurate charges for vehicle hire.</p> <p>Spreadsheets could be damaged or lost.</p>	<p>Current Position</p> <p>The hire costing system will be updated with new hire prices when the new vehicle framework is implemented</p> <p>Original Implementation date: 31/05/15</p> <p>Revised implementation date: 31/10/15</p>
Conisbrough Balby Street Primary School	
<p>Exposure</p> <p>There were several serious weaknesses identified relating to the school's budget, associated budget monitoring and budget amendments by Governors and also with the level of financial expertise and support available. These weaknesses have the</p>	<p>Current Position</p> <p>The school has an Interim Executive Board in place and have had an Executive Headteacher supporting them. There has been a change in Executive Headteacher since the audit and she will continue to support the school in the new school year.</p> <p>A follow up review has been scheduled to assess implementation progress at the school.</p> <p>Original Implementation date: 31/01/15</p>

<p>following exposures:</p> <ul style="list-style-type: none"> • Financial management is poor. • Governance arrangements are weak. • The school is unable to effectively manage its budget. • Budgets are not appropriately managed and are not fully utilised to achieve optimal service delivery. • Inappropriate transactions are not identified and resolved resulting in a negative impact on the budget. 	<p>Revised implementation date: 30/04/15 30/09/15</p>
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ICT Governance - Learning & Opportunities: Children & Young People

Exposure	Current Position
<p><u>System Asset Register</u></p> <p>Unclear responsibilities and lack of awareness / accountability.</p> <p>Inadequate/Incomplete records of systems held.</p> <p>Ownership disputes.</p>	<ul style="list-style-type: none"> • DMBC's System Asset Register for LOCYP is considerably out of date and reflects the position before the creation of the Children's Trust – to be reviewed by LOPS Heads of Service at the next meeting in September 2015. Training for Heads of Service will be undertaken in September 2015. Responsibility has been allocated to an Education Systems Development Officer who will ensure DMBC's System Asset Register contains up to date information for LOCYP. This person will liaise with DMBC's Information Management Officer. <p>Original Implementation date: 31/05/15</p> <p>Revised implementation date: 31/10/15</p>
<p><u>Governance and Change Control</u></p> <p>There is no officer with clear responsibility for ICT governance.</p>	<p>An Education Systems Development Officer has been nominated to take on governance responsibility ensuring that all service areas are fully consulted, a clear audit trail is in place, and consistent messages are communicated across the service. This ensures that changes made are actually driven by the Business and its needs.</p> <p>Original Implementation date: 31/05/15</p> <p>Revised implementation date: 31/10/15</p>

<p><u>Strategy</u></p> <p>Children's Services staff lack of awareness of Corporate priorities.</p> <p>Children's Services long term vision not linked to the Corporate ICT Strategy and list of priorities.</p>	<p>The L&O:CYP Systems & Records Group will be responsible for developing an Information Strategy and an Information Governance Strategy showing a long term vision for their department which links into DMBC's ICT Strategy and list of priorities. This will be led by Peter Featherstone, Business Manager, following from the above exercise.</p> <p>Original Implementation date: 31/05/15</p> <p>Revised implementation date: 31/10/15</p>
<p><u>Unclear responsibilities.</u></p> <p>ICT Governance not acknowledged in the new staff structure.</p> <p>Poor ICT Governance.</p>	<p>The C&O: CYP Performance Head of Service job description will be revisited and ICT governance responsibilities included.</p> <p>Original Implementation date: 31/05/15</p> <p>Revised implementation date: 31/10/15</p>

Section 4: Performance Information

Audit Resources:

The Audit Plan presented to the Audit Committee in April 2015 identified the time available for internal audit during the year, the expected number of chargeable audit days and the expected usage of available time.

The following table shows the original full year budget, profile for the period April to 31 August 2015 and actual achieved to date:

	Budget	Profile days 31/08/2015	Actual days 31/08/2015	Variance
Gross Days:	2,679	1,116	1,112	-4
Less – annual and statutory leave	-476	-237	-235	2
Less – maternity leave	-0	-0	-0	0
Less – Special Granted Leave / Bereavement	-8	-3	-15	-12
Less – Unpaid Leave	-20	-13	-10	3
Less – Election Leave	-11	-0	-5	-5
Available days	2,164	863	847	-16
Less :-				
Sickness (assumes 6 days per FTE)	-64	-27	-36	-9
Service Development	-24	-10	-21	-11
Professional Training and CPD	-108	-45	-29	16
Management and supervision	-167	-81	-96	-15
Administration and support	-26	-11	-60	-49
Total deductions	-389	-174	-242	-68
Audit days available for 2014/15	1,775	689	605	-84
Audit Time Charged:				
Planned audit	1,531	594	555	-39
Responsive audit	244	95	50*	-45
Actual Audit Time Charged	1,775	689	605	-84

*Actual time spent

The number of available audit days is below expected levels due to several factors, the main one being additional administration time required for an office relocation and associated archiving. Whilst good progress has been maintained against the audit plan, contingency time available for future months has been reduced. The plan will continue to be revised to ensure that mandatory and must do work is completed to support the audit opinion.

Performance Indicators

The Audit Committee has previously agreed the key performance indicators that should be reported to it relating to the performance of the Internal Audit service. The indicators are shown below along with current performance for the period 1 April 2015 to 31 August 2015.

Performance Indicator	Target	1 April to 31 Aug 2015	Variance
Percentage of planned audit work completed	42%	44%	2%
Draft reports issued within 15 days of field work being completed	90%	96%	6%
Final reports issued within 5 days of customer response	90%	91%	1%
% of critical or major recommendations agreed	100%	100%	0
Percentage of Customer Satisfaction Surveys rated Satisfactory or above	90%	100%	10%
Percentage of jobs completed within 10% of budget	90%	88%	-2%

Despite the reduction in available audit days, the team has managed to maintain progress in delivery of the audit plan to 44% of the plan delivered against target of 42%.

Results relating to major recommendations and customer satisfaction remain extremely positive with 100% of critical or major recommendations agreed and 100% of Customer Satisfaction Surveys rated Satisfactory or above.