

Audit Committee Report

REPORT OF Chief Internal Auditor

DATE
1st August 2012

SUBJECT Summary of Internal Audit Output from 1.12.2011 to 30.6.2012

SUMMARY The attached is a list of all the audit reports issued since December 2011. The report is split by opinion and details the audit title only. It also includes the work undertaken where an audit opinion is not required.

RECOMMENDATIONS To note the contents of the Report

**FINANCIAL IMPLICATIONS
CLEARED BY**

No
S Gill

PARAGRAPHS

BACKGROUND PAPERS

CONTACT POINT FOR ACCESS

Steve Gill

TEL NO.
273 4363

**CATEGORY OF
REPORT**

Open

Statutory and Council Policy Checklist

| |
|---|
| Financial implications |
| YES /NO Cleared by: S Gill |
| Legal implications |
| YES /NO |
| Equality of Opportunity implications |
| YES /NO |
| Tackling Health Inequalities implications |
| YES /NO |
| Human rights implications |
| YES /NO |
| Environmental and Sustainability implications |
| YES /NO |
| Economic impact |
| YES /NO |
| Community safety implications |
| YES /NO |
| Human resources implications |
| YES /NO |
| Property implications |
| YES /NO |
| Area(s) affected |
| |
| Relevant Scrutiny Committee if decision called in |
| Not applicable |
| Is the item a matter which is reserved for approval by the City Council? YES/NO |
| |
| Press release |
| YES /NO |

Report of the Chief Internal Auditor
1st August 2012

Audit Committee –All Output with the Opinion
1st December 2011 – 30th June 2012

The purpose of this report is to detail the output issued by Internal Audit for the above period.

As the period of this report covers more than one financial year (4months from 2011/12 and 3 months from 2012/13) this list will not directly reconcile to the 2012/13 annual plan presented to the Audit Committee on the 15th May.

The report is split into the opinions and lists the title of each review only; it also details the work undertaken where an audit opinion is not required.

High Opinion

The risk of the activity not achieving its objectives is **high**.
Internal Audit's overall opinion is that controls to manage the operational risks are not present or ineffective.

Risk Management, Place
Youth Commissioning, Sheffield Futures, Children, Young People and Families (CYPF)
Cash Handling Appointees in Residential Homes, Communities
Establishment Control, Resources

Medium – High Opinion

The risk of the activity not achieving its objectives is **medium - high**.
Internal Audit's overall opinion is that controls to manage the operational risks are inadequate or operating poorly.

Libraries, Communities
Highways Maintenance Public Finance Initiative (PFI) – Exit Strategy-Client Model, Place
Red Tape Central, CYPF
School Procurement Procedures, CYPF
School Budget Setting and Monitoring Procedures, CYPF
Safeguarding In Schools, CYPF
Investment Standards, Sheffield Homes
Fire Risk Assessment Team, Sheffield Homes
Property Health and Safety, Resources
Tax Matters – Benefits in Kind, Resources
Oracle Enterprise One (OEO) Ledger Reconciliation, Resources

Managing Employee Reductions, Resources
Starters and Leavers (including Voluntary Early Retirements and Voluntary Severance), Resources
Third Party Payments for Bidding and Business Cases, Resources

Medium – Low Opinion

The risk of the activity not achieving its objectives is **medium - low**. Internal Audit's overall opinion is that the controls to manage the operational risks are mostly in place but there are some weaknesses in their operation.

OHMS (Housing Management System), Sheffield Homes
Equality and Diversity, Sheffield Homes
Financial Processes 2011/12, Sheffield Homes
iWorld Application Review, Resources
Flare Application Review, Resources
Debtors, Resources
Travel and Subsistence, Resources
Kier Asset Partnership Service (KAPS) Contract Performance, Resources
Standing Order Waiver and Tendering, Resources
Customer First Programme Management, Resources
Managing Employee Reductions, Resources
Purchase 2 Pay Review 2011/12, Resources
Housing Benefit Data Security, Resources
Workplace Programme, Resources
Access to Systems using Interactive Data Extraction and Analysis Tool (IDEA), Resources
Remote Working (including Remote Access Service and Members IT), Resources
Customer Service Project Phase 1, Resources
Log on System (Customer First) Application Review, Resources
Annual Governance Statement, Process Overview, Deputy Chief Executives
Annual Governance Statement Review of Submissions, Deputy Chief Executives
Adult Respite, Communities
Safer Communities Partnership, Communities
Private Housing Standards Enforcement, Communities
Approved Mental Health Practitioners System Call Out, Communities.
Out-of-City Provision, CYPF
Risk Management, CYPF
Special Educational Needs – Family of Schools Pilot, CYPF
Prevention and Early Intervention Services, CYPF
Disability Respite Homes, CYPF
Enterprise Team – Solutions for Business, Place

Proactive Counter Fraud Review Waste Contract Management, Place

Low Opinion

The risk of the activity not achieving its objectives is **low**.
Internal Audit's overall opinion is that controls to manage the operational risks are in place and operating effectively.

Emergency Planning, Deputy Chief Executives
Council Tax System 2011/12, Resources
Capacity Planning in Schools, CYPF
Public Realm Maintenance, Place

Productive Pieces of Work – No Opinion Required

Grant Certifications

South Yorkshire Archives, Communities
South Yorkshire Archaeology, Place
Housing Market Renewal Growth Fund, Exit Work, Place

Follow-up Audits

Electoral Services, Deputy Chief Executives
Creative Sheffield, Deputy Chief Executives
Overview of Strategic Role to Voluntary Sector, Deputy Chief Executives
Equalities Statutory Duties, Deputy Chief Executives
Performance Monitoring Process, Deputy Chief Executives
Libraries, Communities
Financial Management Information from Trusts, Place
Programme Led Delivery, Place
Capital Delivery, Place
Decent Homes Client, Place
Kier Transaction Testing, Communities
Information Management for Community Care, Communities.
Out-of-Hours Services, Communities
Transition from Children Services to Adult Services, Communities

Investigations

For the period 01/12/11 to 30/06/12 there were 21 cases – 16 Benefit Investigations, 5 Non-Benefit Investigations.

15 of the 22 cases were ongoing from the previous period, and 7 were new referrals.

15 of the 22 cases were investigated by Internal Audit, and 7 were investigated by management with support and guidance provided by internal Audit.

7 cases were concluded during this period with in excess of £17,000 in recovery, 1 stage 3 disciplinary and 3 dismissals.

Work was also ongoing with the National Fraud Initiative.

Completed and publicised Fraud Response Plan
Protecting the Public Purse Report