

**INTERNAL AUDIT- MONITORING REPORT APRIL - JUNE 2006
AND WORK PLAN JULY - SEPTEMBER 2006**

The Committee is requested to note the following issues arising from the Internal Audit Team's first quarter monitoring report for 2006/07:

- (a) The reports issued between April and June 2006 and significant findings (Appendix 1);
- (b) The Audit follow up status report (Appendix 2);
- (c) The work plan July - September 2006 (Appendix 3); and
- (d) The 2006/07 Audit Plan status report (Appendix 4)

Introduction

1. This report provides a summary of the work undertaken by the Internal Audit Unit between April and June 2006, and details the overall performance to date against the Audit Plan for 2006/07. The report also contains the Internal Audit work plan for the second quarter 2006/07 and a status report on previous audit recommendations.

2. Resources Available:	3 months Apr-June 06 (Actual)	Estimate April 06- Mar 07
Number of days required to meet the audit plan	<u>248</u>¹	<u>990</u>¹
Number of days available based on staff in post	320	1400
Less statutory and annual leave	(32)	(166)
Sick leave	(35)	(32)
Training	(2)	(35)
Planning, supervisory, management and non-chargeable	<u>(34)</u>	<u>(177)</u>
Available Audit days	217 ²	990 ²
Bought in Days	5	-
Total Audit Days	222	990

Note¹ audit days available if full establishment achieved
Note² actual audit days in period

Current Staffing Position

- 3. The Unit has an establishment of 5.5 full time equivalent (fte) posts compared to 6 fte in 2005/06. The Audit Assistant post (now part time) was vacant throughout 2005/06, leaving 5 fte staff available during the first quarter 2006/07. The Audit Assistant post is being held vacant for the time being to provide some budget flexibility to meet the cost of specialist auditors to be bought in for specific pieces of work. This position is likely to be maintained in the future, and approval will be sought to formalise the arrangement during the 2007/08 budget process.
- 4. Sickness during the first quarter of 2006/07 amounted to 35 days compared to 9.5, 2,

and 5 days respectively in the preceding three quarters. The vast majority of the sickness in the first quarter related to the certificated long term sickness of one member of the Team. Therefore, whilst the average level of sickness per member of staff over the last 12 months has been 13.5 days and is of concern, the latest figures are explained by this factor. Sickness continues to be monitored and managed in accordance with the Council's management of absence policy.

Work carried out in the period

5. The audit reports issued in the first quarter are listed in paragraph 11 below. The audit opinions and main conclusions flowing from these reports are attached at Appendix 1.
6. Follow up audits are being phased during the year according to risk and other prioritisation factors, and are being combined with finance systems audits where appropriate. A number of systems audits were carried out across a range of Services in the first quarter.
7. The Audit Team has also provided support to management on a number of corporate issues and has performed a range of tasks including standing membership of project teams. Topic areas included the production of the Council's draft Statutory Statement on Internal Control, and membership of the officer Use of Resources and Value for Money working groups. There was also close involvement in a range of control issues surrounding the transfer of the waste management contract, including verification of the staff TUPE list.
8. Supervision and management time has included the normal management and review functions undertaken by the Chief Internal Auditor. During the first quarter the Unit's Annual Report for 2005/06 was prepared, and a national benchmarking return was submitted to assist in the production of comparative data about Audit activity and performance across the country. In addition the Chief Internal Auditor has been involved in the corporate activities referred to in the previous paragraph.
9. The time taken on investigation work during this quarter totalled 15 days and related to two matters, one of which is still in progress. The report on the completed investigation is referred to below.
10. The Audit Commission has been consulted with on the content of this report and the second quarter audit plan for 2006/07, and had no comments.

Reports Issued and Significant Observations

11. The following audit reports were issued in the first quarter:
 - Safer Communities Team Building Day (investigation)
 - Stores Stocktake and report
 - Norway House
 - Planning cash receipting
 - BVPI verification
 - Car Parking contract
 - IT procurement
 - Benefit Fraud Investigation
 - Establishment list
 - Use of Consultants (draft report)
 - Cash receipting (draft report)
 - Sundry Debtors follow up
 - OHMS Housing Management System follow up

In addition to the audits listed, an audit of the Council's Local Performance Indicators for 2005/06 was substantially complete by 30 June, but the report had not been finalised. This audit is not included in the performance figures in paragraph 20.

12. Members are looking for an improvement this year from the 'satisfactory' assurance given by the Chief Internal Auditor on the Council's control systems in 2005/06, particularly as this assessment is a factor in the Council's annual 'Statement on Internal Control'. The main conclusions from the systems audits undertaken in the first quarter 2006/07 indicated that systems were generally operating satisfactorily in those areas reviewed, and no fundamental errors or control issues were identified. However, an investigation highlighted a number of compliance and supervisory issues, to be addressed by the Service area concerned (see below). A number of recommendations for process improvement across Services were identified, including controls over corporate debt recovery, cash handling and system reconciliations. These have been taken up with the Service areas concerned.
13. Some of the key findings from the audits are extracted from Appendix 1 and repeated below. These extracts indicate where progress is being made to improve systems in the areas highlighted.

Safer Communities Team Building Day [EFDC/Police/CVS]

On balance the investigation has concluded that the day was probably more about networking and socialising than achieving work based objectives. The cost of the day represented an extravagant and inappropriate use of public money, which ran the risk of bringing the Council into disrepute. The nature of the event was inappropriate in relation to any objectives (had any been formally set), which could have been achieved from the day.

Outcome: The Head of RDS will consider whether breaches of the Council's disciplinary Code have occurred on this occasion. Management within RDS will ensure that a robust system is in place for monitoring orders and certifying expenditure.

Stores Stocktake

The increase in the number of discrepancies between the stock record and actual items in stock is of concern....this is the second year Audit have reported a high level of discrepancies. This indicates a steady decline in control standards and calls into question the security and accuracy of the stock records.

Outcome: Management will review the stock recording system and related processes to identify ways of applying greater control

Planning Cash receipting (audit carried out at request of the Head of Service)

The current system contains serious control weakness for low value receipts, which leaves the Council exposed to risk and could easily provide the opportunity for undetected theft. The absence of sound internal controls, including clear separation of duties... is in breach of Financial Regulations.

Outcome: Management has made proposals to Cabinet, which will effectively remove the need to accept any amount of cash at Planning reception.

Sundry debtors follow up

The sundry debtors systems are improving, as evidenced by an improved debt recovery performance in 2005/06. There is potential for further improvement in corporate systems for the monitoring and recovery of debts, as the residual level of sundry debts outstanding remained in excess of £2.4m at 31 March 2006.

Outcome: Revised debt recovery procedures will be consulted upon with Management Board, following which it is hoped to implement new procedures in September 2006.

Establishment List

Corporate controls for managing the establishment data are not operating satisfactorily. The audit identified a number of variances between data held on the establishment list and HR/Payroll system. The establishment list data on the HR/Payroll system was not up to date.

Outcome: Improved systems of control and reconciliation will be in place by the end of the year.

Follow Up of Previous Audits

14. When following up previous audits it is normally found that the majority of recommendations are being implemented by Service management, and this was the case with most of the follow up audits undertaken in the first quarter. However it is sometimes found that not all previously agreed recommendations have been carried out within the agreed timescales. Attached at Appendix 2 is a summary schedule designed to monitor the follow up of previous audits as an aid to ensuring timely and adequate follow up both by Internal Audit and Service Management.
15. All of the recommended actions for system improvement arising from a previous investigation, and reported throughout the last financial year, have now been taken. The residual list of items reported at the last meeting, related to the production of an annual report in respect of Section 106 Planning Agreements, and the production of a staff Code of Conduct. Both of these issues have now been addressed; the S.106 report was submitted to the District Development Committee in June, and the draft staff Code of Conduct is being submitted to the local JCC.

Three-month work plan (Appendix 3)

16. The Audit Commission requires all of the Council's main financial systems to be audited during 2006/07. If this is not achieved in-house, the Audit Commission may decide to carry out extra work at the Council's expense. However, it is recognised that audit coverage is also required within Council services other than finance. For this reason the Audit Plan for the second quarter covers a broad range of Service areas.

Audit Plan 2006/07 (Appendix 4)

17. The current status of the planned audits in this year's Audit Plan, as approved in April 2006, is set out at Appendix 4, and reflects the work carried out to date and the work plan for the second quarter. Provisional timescales have also been set for the audits to be undertaken in the second half year.

Performance Management

18. The Internal Audit Team has local performance indicator targets to meet in 2006/07. The specific LPIs for Audit are set out below:

	Actual 2003/04	Actual 2004/05	Actual 2005/06	Target 2006/07	Actual Apr-June 2006/07
% Planned audits completed	72%	86%	86%	85%	72%
% chargeable "fee" staff time	65%	64%	67%	65%	68%
Average cost per audit day	£275	£297	£292	£280	£304
% User satisfaction	80%	80%	85%	80%	75%

19. The percentage of planned audits completed in the first quarter does not include a substantially completed audit referred to in paragraph 11 of this report. There has been some slippage in the achievement of the first quarter plan, but the position is expected to be recovered later in the year.
20. The indicator for chargeable time has been achieved despite a member of the team having extended, certificated sickness during the quarter.
21. The target cost per audit day for the first quarter has not been met, partly due to the effect of having half a post vacant, which affects the recovery of fixed overheads. It is also proposed to increase this unit cost target to £285 for 2006/07, to reflect the impact on overhead recovery, of the reduction in half a post, agreed during the latter stages of the 2006/07 budget process.

Training

22. During the first quarter, the Chief Internal Auditor attended a workshop outlining CIPFA's view of the purpose, function and role of an Audit Committee in the public sector. This workshop will be useful in bringing forward proposals for the establishment of an Audit Committee in EFDC later in the year.
23. Two members of staff attended a training session on the introduction of the new e-procurement ordering system, due to be implemented later this year. Another member of staff was due to start the second part of the CIPFA Diploma in Public Audit, but this has unfortunately had to be postponed as a result of long term sickness.
24. The potential for joint training of Audit staff is being discussed by the Essex Audit Group.

**Summary of audits completed during Quarter 1
April - June 2006**

Report No.	Title	Service	Audit Opinion	Conclusions/Comments
386	Safer Communities Team Building Day (Investigation)	Research and Democratic Services	On balance the investigation has concluded that the day was probably more about networking and socialising than achieving work based objectives. The cost of the day represented an extravagant and inappropriate use of public money, which ran the risk of bringing the Council into disrepute. The nature of the event was inappropriate in relation to any objectives (had any been formally set), which could have been achieved from the day. It is also concluded that the event could have been conducted at a more cost effective venue within the District and achieved the same outcome.	The Team building day was conducted on 30 September 2005 at Newmarket Racecourse. There were 13 participants, 4 from EFDC, 7 from Essex Police and 2 from the CVS. The cost of the event was £1,666 excluding officer time, but including expenses of £366 in addition to the base cost of £100 per head. This was a race day and It is unlikely that the environment would have been conducive to co-ordinated work based discussions throughout the day, particularly given the obvious distraction of the racing from early afternoon onwards. In any event, copious amounts of food and drink were being served within one or two hours of the party arriving at the venue, which casts further doubt on the extent of productive work which could have been achieved after the initial period. It has not therefore been possible to demonstrate whether the event provided value for money.
378	Stores Stocktake	Works	The increase in the number of discrepancies between the stock record and actual items in stock is of concern, and is particularly disappointing as this is the second year Audit have reported a high level of discrepancies. This indicates a steady decline in control standards and inevitably calls into question the security and accuracy of the stock records.	While it is understood that the Works Unit experienced staffing problems, the error rate is unlikely to be entirely attributable to this factor. Consequently, Works Management have agreed to review the stock recording system and related processes to identify ways of applying greater control, including the feasibility of replacing the ageing and limited computer system with a modern system operating in a more controlled environment.

Report No.	Title	Service	Audit Opinion	Conclusions/Comments
385	Norway House	Housing	Improvements have been made since the last audit. Further development of the use of the till and the integration of Norway House rents onto the OHMS system will improve internal controls and reduce the level of administration. The standardisation of electricity billing and removal of meters where installed will simplify administration and again improve control.	While the manual systems of income control, which includes the use of spreadsheets, both within the hostel and within Housing Administration are functioning correctly, they are cumbersome and labour intensive, and the spreadsheets do not contain the level of controls applied to the OHMS system.
383	Planning Cash receipting	Planning	The current system contains serious control weakness for low value receipts, which leaves the Council exposed to risk and could easily provide the opportunity for undetected theft. The absence of sound internal controls, including clear separation of duties for the collection, receipting and banking of income is in breach of Financial Regulations.	There are limited controls in place to prevent losses, and an inconsistent approach to handling cheque and cash payments. The current system leaves the staff operating it extremely vulnerable should losses occur and be identified. The system is clearly open to exploitation. [Management has now made proposals to Cabinet, which will effectively remove the need to accept any amount of cash at Planning reception].
389	BVPI Verification	All	There has been some improvement in the presentation of BVPI data and the general perception of what is required, since the previous audit. However further improvements are still needed to ensure that an audit trail can be provided for all performance indicators, to ensure that the Audit Commission does not qualify the BVPIs when their audit is conducted.	A sample of 9 BVPIs were reviewed in detail across Services. Working papers were supplied, were verified along with calculations. Two BVPIs (one in Leisure and one in Housing) could not be verified within the time allocated to the audit, due to the volume of working papers supplied used to calculate the BVPI. Within Environmental Services, two BVPIs appeared to be inaccurate based on a sample of working papers calculated by the contractor. The five remaining BVPIs, two for Planning, two for Finance and one for Human Resources, were accurate and verified to working papers.

Report No.	Title	Service	Audit Opinion	Conclusions/Comments
388	Car Parking Contract	Environmental	Overall the system is operating satisfactorily. Parking Control Notices are being issued in accordance with the terms of the contract and income is being securely processed. Some minor improvements still need to be made to ensure that audit trails, incorporating adequate recording systems, are in place.	<p>There has been an overall improvement since the follow up audit in November 2004, some of which may have been attributed to new management arrangements put in place by Vinci.</p> <p>There have been some concerns about certain parking attendants' performance, where PAs were not working to an acceptable and consistent level. A monitoring schedule has been implemented which produces a monthly report looking at PA performance.</p>
380	IT Procurement	ICT	The audit identified some weaknesses, mainly related to the requirement to seek value for money and the ordering process for the purchase of IT goods and services. The controls with respect to the receipt of IT goods and services and their subsequent payment are adequate.	<p>The controls surrounding the procurement of IT goods and services need to be strengthened, in order to improve compliance with Contract Standing Orders, and assist in the demonstration of value for money. The introduction of the Essex Marketplace should ensure that some of the weaknesses identified during this audit are addressed and rectified.</p> <p>A more specific account coding system would allow for greater clarity in the spending on IT hardware, software and consumables which will allow for better financial management.</p>
382	Benefit Fraud Investigation	Finance	The systems and controls for the referral, review and investigation of suspected cases of benefit fraud are operating satisfactorily. An action plan has been agreed with management to address weaknesses found.	<p>Fraud prevention and detection is carried out in accordance with statute, professional guidelines and EFDC's standing orders, financial regulations and other existing policies.</p> <p>The Section is meeting the Performance Standards in relation to the action on referrals.</p>

Report No.	Title	Service	Audit Opinion	Conclusions/Comments
370	Establishment List	HR/Finance	<p>Corporate controls for managing the establishment data are not operating satisfactorily. The audit identified a number of variances between data held on the establishment list and HR/Payroll system. The establishment list data on the HR/Payroll system was not up to date.</p>	<p>The previously identified system weaknesses therefore remain and leave the system open to error. Controls will be improved by HR:</p> <ul style="list-style-type: none"> - undertaking quarterly reconciliations on the payroll and establishment list data and asking Service Managers to confirm the employee data is correct. - updating the spinal column point data for all employees on the new system and this being included in the reconciliation process. This was in progress at the end of the audit.
390	Use of Consultants (draft report)	All	<p>Generally, it was found that there was compliance with the procedures in Contract Standing Orders. Overall, both revenue and capital costs appeared to be reasonable, with rates generally comparing reasonably to market rates.</p> <p>There is no specific cost code for consultants' fees. These fees had been coded to a range of cost codes, making it difficult to identify the total expenditure. During the audit it was noted that some contracts were not formally tendered, and/or were approved retrospectively with Member approval. The total value of some contracts, including extensions, sometimes exceeded the limit for formal tendering. It was also noted that tendering/ selection documentation and quotes from alternative suppliers were not consistently retained.</p>	<p>Over the two and a half year period reviewed, the Council incurred over £2 million of revenue expenditure on the use of consultants. Planning Services incurred over 40% of this expenditure, with Housing Services and Legal, Admin & Estates accounting for a further 30% combined.</p> <p>Over the same period, the Council also incurred over £1.5 million of capital expenditure on the use of consultants. Housing Services incurred over 75% of this expenditure, with Environmental Services accounting for a further 20%.</p> <p>There was sometimes limited evidence that the appropriate procedures had been followed, or that value for money had been obtained.</p> <p>Before any contract is signed, it is necessary to consider whether the total value of the contract could potentially exceed the limit for formal tendering.</p>

Report No.	Title	Service	Audit Opinion	Conclusions/Comments
391	Cash receipting (draft report)	Finance	This audit provides satisfactory assurance in the three cash receipting systems reviewed. Some systems limitations were identified and some events outside officers' control put the Council's money at risk when key controls with respect to banking were breached by the Council's cash collection and security contractor.	<p>All income sampled was completely and accurately recorded and records of all transactions were maintained in a satisfactory manner.</p> <p>Access to the cash receipting system is restricted to authorised personnel only. However, a review of system access to cancel transactions should be considered.</p> <p>Delays in banking by the contractor caused some income to remain unaccounted for a period of time.</p>
384	Sundry debtors follow up	Finance/All	The sundry debtors systems are improving, as evidenced by an improved debt recovery performance in 2005/06. There is potential for further improvement in corporate systems for the monitoring and recovery of debts, as the residual level of sundry debts outstanding remained in excess of £2.4m at 31 March 2006. Higher priority should be given to dealing with outstanding debts remaining on the previous IT system.	<p>System controls will be improved by:</p> <ul style="list-style-type: none"> - Finance considering the benefits of maintaining a list of bad debtors; - Debt recovery for old IT system debts being a higher priority; - the review of corporate recovery procedures, to include shared responsibility between Finance/Legal and all Services for the recovery of debts. - Finance and HR producing a set of procedures to ensure that all future staff debts are recovered in full and that the recovery process is monitored.

381	OHMS Housing system follow up	Housing	Every effort has been made to implement the recommendations in the original report and where possible new procedures have been put in place.	<p>Good progress has been made with a number of the recommended procedures, forms and reports now in place.</p> <p>A number of improvements to the OHMS system that were suggested, require changes to be made by Anite. In order to keep enhancement costs to a minimum, the improvements have been raised at the new Anite Global User group which had its inaugural meeting on the 17th May 2006.</p> <p>Compensating controls should be developed both as an interim measure and to be in place should requests through the user group be unsuccessful.</p>
-----	-------------------------------	---------	--	--

Internal Audit Report Control Sheet – Follow Up Audits

Appendix 2

Ref.	Report Title	Client	Date Issued	Agreed Actions	Agreed Actions In Place	Time of Follow Up	Outstanding Issues post follow up
	Main Audits 05/06						
320	Waste Management	Environmental	05/05	9		Qtr 3	
328	Sundry Debtors	Finance	06/05	10	8	Qtr 1	Procedures, credit rating of debtors outstanding
329	Asset Register/inventories	Corporate	06/05	5		Qtr 2	
331	Planning fees investigation	Planning	06/05	4		Qtr 2	
333	Contract Systems	Corporate	06/05	6		ongoing	
330	Car Leasing	HR, Finance	06/05	8		Qtr3	
332	Stores Stocktake	Works Unit	06/05	4		07/08	
338	Accounting & General Ledger	Finance	07/05	12		Qtr 2	
335	E-Financials Application	ICT, Finance	06/05	8		Qtr 3	
336	OHMS Application	Housing	07/05	9	9	Qtr 1	
339	Local Performance Indicators	HR	09/05	4		Qtr 2	
340	Members Allowance	Corporate	08/05	4		Qtr 4	
344	Cash Receipting & Income Control	Finance	09/05	5	3	Qtr 1	Integrated cash management reports (to include Allpay and internet), yet to be developed
341	Office Service Contracts	Legal & Admin	10/05	4		Qtr 3	
343	Procurement	Corporate	10/05	9		Qtr 4	
342	Creditors	Finance	10/05	29		Qtr 2	
347	Building Control	Planning	10/05	10		Qtr 2	
346	Freedom of Information	Corporate	11/05	4		Qtr 4	

Ref.	Report Title	Client	Date Issued	Agreed Actions	Agreed Actions In Place	Time of Follow Up	Outstanding Issues post follow up
349	Grants to Voluntary Organisations	RDS	12/05	11		Qtr 3	
351	Housing Rents	Housing	12/05	7		Qtr 2	
356	Recruitment & Selection	HR	12/05	4		Qtr 2	
362	Works Unit Investigation	Works Unit	12/05	7		Qtr 4	
358	Housing & Council Tax Benefits	Finance	12/05	14		Qtr 3	
360	Treasury Management	Finance	12/05	8		Qtr 3	
352	Cash Offices	Finance	12/05	3		Qtr 3	
353	Budgetary Control	Finance	12/05	8		Qtr 3	
350	Payroll	Finance	01/06	6		Qtr 2	
357	Licensing Investigation	Environmental	01/06	9		Qtr 2	
376	North Weald Airfield	Leisure	05/06	8		Qtr 4	
363	Works Unit	Works Unit	02/06	5		Qtr 4	
366	Estate Management	Legal & Admin	03/06	8		Qtr 4	
368	NDR Collection & Refunds	Finance	03/06	8		Qtr 3	
370	Risk Management & Insurance	Finance	03/06	3		Qtr 4	
374	Rechargeable Works	Environmental	03/06	3		Qtr 4	
373	Capital Financing	Finance	03/06	7		Qtr 2	
372	Housing Repairs & Maintenance	Housing	03/06	4		Qtr 4	
348	Bank Reconciliation	Finance	10/05	7		Qtr 3	
369	Council Tax	Finance	03/06	6		Qtr 3	

INTERNAL AUDIT WORKPLAN JULY – SEPT 2006

Appendix 3

Week	Chief Auditor		Senior Auditor		Auditor		Auditor		Term time auditors (1xfte)		Audit Assistant p/t (vacant)	
	audit	days	audit	days	audit	days		days	audit	days	audit	days
3.7.05	Monitoring report	5	Leisure contract	5	Building control follow up	4	LPIs	4	Creditors/ Licensing follow up	6	n/a	0
10.7.05	Review files	4	Planning enforcement	5	Payroll	5	LPIs	5	Creditors/ Licensing follow up	6	n/a	0
17.7.05	Review files	5	Planning enforcement	5	Payroll	4	Housing Rents	5	Creditors/ Licensing follow up	6	n/a	0
24.7.05	Review Financial Regulations	5	Planning enforcement	5	Payroll	4	Housing Rents	5	Holiday	0	n/a	0
31.7.05	Supervision of Gen. Ledger audit	5	Planning enforcement	5	Payroll	5	Housing Rents	5	Holiday	0	n/a	0
7.8.05	Supervision of Gen. Ledger audit	5	Fleet Operations	5	Payroll	5	Housing Rents	5	Holiday	0	n/a	0
14.8.05	Leave	0	Fleet Operations	5	Payroll	5	Housing Rents	5	Holiday	0	n/a	0
21.8.05	External Funding Audit	4	Fleet Operations	5	Payroll	4	Corporate Training	5	Holiday	0	n/a	0
28.8.05	External Funding Audit	4	Fleet Operations	4	Leave	0	Corporate Training	4	Holiday	0	n/a	0
4.9.05	Use of Resources issues	5	Grounds Maintenance	5	Office contracts Follow up	5	Recruitment and selection follow up	5	Creditors/ Bank reconciliation	4	n/a	0
11.9.05	Review files	5	Grounds Maintenance	5	Office contracts Follow up	5	Local land charges	5	Creditors/ Bank reconciliation	6	n/a	0
18.9.05	Monitoring report/ Review files	5	Grounds Maintenance	5	Inventory control Follow up	5	Local land charges	5	Housing Benefits/ Bank reconciliation	6	n/a	0
25.9.05	Monitoring report/workplan	5	Grounds Maintenance	5	Inventory control Follow up	5	Local land charges	5	Housing Benefits/ Bank reconciliation (to continue)	6	n/a	0

Notes:

- Annual leave has been allocated where booked
- Training, team meetings and other non-chargeable work have not been included in the schedule
- Chief Auditor management, planning, general supervisory time etc not included in schedule
- The Audit Commission has been consulted on the above plan

**Audit Plan 2006/07
Status Report at 30 June 2006**

Appendix 4

Audit area	Audit type	Days allocated	Days spent 1 April- 30 June	Status at 30 June 2006	Risk (impact) Indicator l/m/h
FINANCE					
Bank Reconciliation	system/follow up	20		Qtr 2/3	h
Sundry Debtors inc IT	system/follow up	30	14	part complete	h
Creditors IT	IT/follow up	10		Qtr 4	h
Creditors	system/follow up	30	13	in progress	h
Treasury Management	verification/follow up	20		Qtr 3	h
Payroll	system/follow up	30	1	Qtr 2	h
Budgetary Control (capital and revenue)	follow up	10		Qtr 3	h
Risk Management and Insurance	system/follow up	15		Qtr 4	h
Main Accounting and Financial Ledger	system	25		Qtr 2*	h
Asset Register and Inventory control	follow up	10		Qtr 2	h
Housing Benefits inc IT	system/follow up	35		Qtr 2/3	h
Benefit Fraud Investigation	system	15	15	completed	h
Council Tax inc IT	system/follow up	30		Qtr 3	h
National Non Domestic Rates	system/follow up	25		Qtr 3	h
Cash Offices	verification	5		Qtr 3	h
Cash receipting system and Income control	system/follow up	20	23	draft report	h
* by contractor					
TOTAL FINANCE		330	66		
PLANNING SERVICES					
Enforcement / planning fees follow up	system/follow up	25		Qtr 2	h
Section 106 Agreements	follow up	10		Qtr 3	h
Building Control	follow up	10	10	in progress	h
Cash receipting	system	10	8	completed	h
TOTAL PLANNING		55	18		
ENVIRONMENTAL SERVICES					
Car Parking	system/follow up	25	13	completed	h
Licensing	follow up	10	2	commenced	h
Rechargeable Works	follow up	5		Qtr 4	h
Waste Management	follow up	10		Qtr 3	h
TOTAL ENVIRONMENTAL		50	15		
WORKS/DSO					
Fleet Operations	system	15		Qtr 2	h
Depot	system/follow up	22		Qtr 4	h
Stores (stocktake)	stocktake	3	4	completed	h
TOTAL DSO		40	4		
HOUSING					
Housing Rent Collection	system/follow up	25		Qtr 2	h
Norway House (inc rent administration)	establishment	20	21	completed	h
OHMS IT system	IT/follow up	15	8	completed	h
Housing Repairs	follow up	5		Qtr 4	h
Partnering Arrangements	reserve	-		-	m
TOTAL HOUSING		65	29		

Audit area	Audit type	Days allocated	Days spent 1 April-30 June	Status at 30 June 2006	Risk Indicator l/m/h
POLICY					
Grants to Voluntary Organisations	follow up	10		Qtr 3	h
Committee & Member Services Civic Support	system/follow up	15		Qtr 4	m
External Funding	system	30		Qtr 2*	h
Safer Communities Team Investigation	investigation	-	12	completed	h
* by contractor					
TOTAL POLICY		55	12		
LEISURE SERVICES					
Contract Monitoring	system	20	16	in progress	h
Grounds Maintenance	system	20		Qtr 2	m
North Weald Airfield	follow up	5	1	Qtr 4	h
District Museum	establishment	-	reserve	-	m
TOTAL LEISURE		45	17		
HUMAN RESOURCES					
Establishment list	system/follow up	15	2	part completed	h
Corporate Training	system	10		Qtr 2	m
Recruitment and selection processes	follow up	5		Qtr 2	h
Car Leasing (days allocated from contingency)	follow up	10		Qtr 3	h
TOTAL HUMAN RESOURCES		40	2		
LEGAL, ADMINISTRATION AND ESTATES					
Estates Management	system/follow up	25		Qtr 4	h
Repairs and Maintenance (non HRA)	system	-	reserve	-	m
Local land charges	system/ IT	20		Qtr 3	h
Office Services contracts	follow up	5		Qtr 3	h
TOTAL LEGAL AND ADMINISTRATION		50	-		
MISCELLANEOUS					
CPA and BEST VALUE					
Best Value / Local Performance Indicators	system/follow up	35	21	part completed	h
Review of Service business/ best value plans	follow up	10		Qtr 4	h
CONTRACTS					
Contract/systems Audits (see attached plan)	system	15		ongoing	h
CORPORATE					
Corporate Procurement	system	25		Qtr 4	h
Review of financial regulations and internal controls	management review	5		ongoing	h
Use of consultants	system (c/fwd)	5	8	completed	h
Freedom of Information	follow up	5		Qtr 4	h
FRAUD AND CORRUPTION					
National Fraud Initiative (NFI)	biennial review	35	1	Qtr 4	h
COMPUTER SERVICES					
I.T.					
Network Security/E-financials	follow ups	15		Qtr 3	h
E-mail and Internet usage	IT Security/follow up	15		ongoing	h
IT Procurement 05/06	c/fwd	-	6	completed	h
IT Procurement 06/07	follow up	5		Qtr 4	h
TOTAL DAYS ALLOCATED		900	199		
Contingency/ Spot checks/ Minor investigations		40	3	ongoing	h
Corporate/Service Advice		50	20	ongoing	h
TOTAL		990	222		