

AUDIT COMMITTEE

Internal Audit Monitoring Report 29 June 2016

Report of the Internal Audit and Assurance Manager

PURPOSE OF REPORT

To update Members on the results of recent audits.

This report is public

RECOMMENDATIONS

(1) That the results of recent audits are noted.

1.0 Results of Internal Audit Work to 10th June 2016

1.1 This report covers audit work and reports issued since the last update report to Committee on 20th January 2016. Summary reports have been issued to Members for consideration and are also posted on the Council's Intranet. The reports issued have been:

Audit Title		Report Date	Assurance Level	
New Audit Reports				
15/0954	Port Health	28/01/16	Maximum	✓✓
15/0956	Stores	16/03/16	Limited	⚠
15/0960	RingGo Cashless Parking System	17/02/16	Substantial	✓
15/0963	Safeguarding Adults	13/06/16	Limited	⚠

Follow up Reviews				
14/0943	Rent Deposit Scheme	24/02/16	Substantial	✓
15/0955	Public Health Funerals	17/05/16	Substantial	✓

2.0 Matters Arising from Audit Reviews

2.1 15/0956 - Stores

2.2 Limited assurance was given on the basis that a significant number of improvements were required in key areas and current arrangements did not make the most effective use of the Stores system. An action plan has been agreed with a view to addressing these issues which once implemented should result in substantial assurance being provided. Headline messages from the audit included:

- Purchasing arrangements are to be reviewed with a view to ensuring that opportunities to achieve savings through efficiencies are fully explored and value for money is obtained.
- Stock management arrangements are to be improved with a view to reducing the risk of stock becoming obsolete or Stores being inadequately stocked to meet demand.
- A review of the Stores system capabilities is to be carried out with a view to ensuring that the most effective use is made of the system to aid, inform and automate stock management arrangements as much as possible.
- Write-off arrangements are to be improved to ensure that appropriate separation of duties are in place, transactions are properly authorised and a clear audit trail exists through documentation maintained.
- Arrangements for the disposal of stock items are to be defined, these to ensure that disposals are appropriately authorised, are in line with contract procedure rules and that a clear audit trail is maintained.
- Stocktaking procedures are to be reviewed.

2.3 **15/0957 – Safeguarding Adults**

2.4 A limited assurance opinion has been given on the basis that current arrangements in relation to safeguarding vulnerable adults require strengthening with a view to bringing them in line with the good arrangements already in place for children and young people. An action plan has been agreed which once implemented should result in substantial assurance being achieved relatively quickly, improvements to address some of the issues identified already being in hand.

2.5 Headline messages from the audit included:

- The council's Safeguarding Adults Policy is in the process of being developed with a view to ensuring it addresses and makes clear the councils statutory responsibilities following the introduction of the Care Act 2014.
- Robust recruitment and selection processes are in place to ensure that the safeguarding of adults is not jeopardised.
- There is a need to improve training to increase awareness of the relevant roles, responsibilities, procedures and processes in relation to safeguarding adults.
- Decision making processes have recently been revised to ensure that they consider safeguarding issues as appropriate.
- Effective arrangements for joint working and information sharing with other agencies, practitioners and councils are in place.
- Arrangements for ensuring that the council can effectively identify and report suspected abuse need to be strengthened through appropriate training and awareness, and up to date and accessible online information.

3.0 **Updates on Tracked Items**

13/0977 - Corporate Property Related Service Contracts

3.1 This audit was completed in August 2013 with a 'Limited' assurance opinion. The follow-up review in December 2014 concluded that whilst good progress had been made in implementing the action plan, the achievement of a more structured and corporate approach was necessary to improve the assurance level.

3.2 Progress with the action plan has been tracked by Internal Audit since the follow-up review. The Senior Property Officer has confirmed that all identified actions have now been implemented and that all service contracts across the property portfolio are being centrally managed by Property Group. As a result the Senior Property Officer is now comfortable that as from the official implementation date of the 1st April 2016 the authority is now in a position where the assurance level can be raised from limited to substantial. The assurance level could potentially be raised to maximum but it is felt that the new monitoring processes and systems need to be given 12 months to bed in before the maximum assurance can be given.

4.0 Details of Consultation

4.1 None specifically regarding this report.

5.0 Options and Options Analysis (including risk assessment)

5.1 The report is for noting.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

Not applicable

FINANCIAL IMPLICATIONS

None directly arising from this report

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no further comments

LEGAL IMPLICATIONS

None directly arising from this report

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments

BACKGROUND PAPERS

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