

APPENDIX 4

AMBER REPORTS ISSUED QUARTER 2 & 3

TELFORD SKI & SNOWBOARD CENTRE

1. Introduction

- 1.1 An audit review commenced¹ on 22nd March 2017, to provide an opinion on the risk, governance and control environment for the Ski Centre and to contribute to the achievement of its objectives and improvement of its processes. This Internal Audit opinion will contribute to the Annual Internal Audit opinion which informs the Council's Annual Governance Statement.
- 1.2 The audit objectives were agreed by Team Leader Telford Ice Rink & Telford Snowboard & Ski Centre. (Scope attached as Appendix A)
- 1.3 We would like to thank the following for their help during the audit:
- Team Leader Telford Ice Rink & Telford Snowboard & Ski Centre
Administrative Assistant

2. Management Summary and Overall Opinion

- 2.1 On the basis of the work carried out (as set out as the audit objectives in the scope) our opinion on the level of assurance provided by the controls managing the risks for this audit area is Poor. The system of control is weak and there is evidence of non-compliance with the controls that do exist.
- 2.2 Recommendations have been made to improve processes, support the achievement of service objectives and the management of risk. These recommendations are set out in section 3 of this report. We have included a risk rating (alongside the category) - High, Medium, and Low- for each recommendation to assist you in the prioritisation of their implementation.

Recommendation Risk Rating	Number	Percentage
High	7	23%
Medium	21	70%
Low	2	7%
Total	30	100%

- 2.3 During the audit we also identified some minor items that did not require recorded recommendations. These are listed in Appendix C.

¹ In accordance with PSIAS Code of Practice for Internal Audit in Local Government

2.4 As part of this audit we have also followed up the implementation of recommendations made in the previous audit (13th September 2013. The table below shows the action taken since that audit:

Recommendation Category	Implemented	Not Implemented *	In progress	Superseded
Legal Requirement	-	1	-	1
Financial Regulation	4	-	-	-
Policy/Procedure	9	4	1	1
Best Practice	-	-	-	-
Total	13	5	1	2

* - these recommendations have been reiterated in this audit.

2.5 The implementation of the recommendations made in this report and those outstanding from the previous review will further strengthen the management of risks, governance and processes at the Ski Centre.

AGENCY OFF CONTRACT STAFF

1. Introduction and Scope

- 1.1 An audit review commenced² in May 2017, at the request of Human Resources to provide an opinion on the risk, governance and control environment for Agency off Contract Staff and to contribute to the service areas objectives and improvement of processes. This Internal Audit opinion will contribute to the Annual Internal Audit opinion which informs the Council's Annual Governance Statement.
- 1.2 The audit objectives were agreed by HR Business Manager. (Scope attached as Appendix A)
- 1.4 We would like to thank the following for their help during the audit :
- ❖ HR Business Manager
 - ❖ HR Business Support Team Leader
 - ❖ Group Manager – My Options
 - ❖ Senior Business Support Officer – Access, Inclusion & Virtual School
 - ❖ Business support Manager – Legal Procurement & Commissioning
 - ❖ Centre Manager - Arthog

2. Management Summary and Overall Opinion

- 2.1 On the basis of the work carried out (as set out as the audit objectives in the scope) our opinion on the level of assurance provided by the controls managing the risks for this audit area is **Limited**. Whilst there is basically a sound system of control, there are weaknesses in the system that leaves some risks not addressed and there is evidence of non-compliance with some key controls.³
- 2.2 Recommendations have been made to improve processes, support the achievement of service objectives and the management of risk. These recommendations are set out in section 4 of this report. We have included a risk rating (alongside the category) - High, Medium, and Low- for each recommendation to assist you in the prioritisation of their implementation.

Recommendation Risk Rating	Number	Percentage
High	2	25%
Medium	4	50%
Low	2	25%
Total	8	100%

- 2.3 The implementation of the recommendations made in this report will further strengthen the management of risks, governance and processes for Agency Off Contract Staff

² In accordance with PSIAS Code of Practice for Internal Audit in Local Government

³ See full explanation attached at the end of this report in Appendix B

WELLINGTON LEISURE CENTRE

1. Management Summary

An audit review commenced⁴ on 11th October 2017, to provide an opinion on the risk, governance and control environment for Wellington Leisure Centre and to contribute to the service areas objectives and improvement of processes. This Internal Audit opinion will contribute to the Annual Internal Audit opinion which informs the Council's Annual Governance Statement. We would like to thank all staff who provided support and assistance during the audit.

<p>AUDIT OPINION</p> <div style="text-align: center; margin-top: 20px;">  <p style="font-size: 24px; font-weight: bold;">Limited</p> </div>	<p>MANAGEMENT SUMMARY</p> <p>Based on objectives tested (<i>See Appendix 2</i>), whilst there is basically a sound system of control, there are weaknesses in the system that leaves some risks not addressed and there is evidence of non-compliance with some key controls.</p> <p>Recommendations have been made to improve processes, support the achievement of service objectives and the management of risk. These are set out in section 4.</p>						
<p>AREAS OF PARTICULAR CONCERN</p> <p>At the time of the audit the findings determined that there were no areas of particular concern.</p>	<p>RECOMMENDATION RISK RATING</p> <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tr> <td style="background-color: red; color: white; padding: 5px; text-align: center;">High</td> <td style="background-color: yellow; padding: 5px; text-align: center;">Medium</td> <td style="background-color: green; color: white; padding: 5px; text-align: center;">Low</td> </tr> <tr> <td style="background-color: #cccccc; text-align: center; padding: 5px;">3</td> <td style="background-color: #cccccc; text-align: center; padding: 5px;">13</td> <td style="background-color: #cccccc; text-align: center; padding: 5px;">13</td> </tr> </table>	High	Medium	Low	3	13	13
High	Medium	Low					
3	13	13					

⁴ In accordance with PSIAS Code of Practice for Internal Audit in Local Government