

AMBER REPORTS ISSUED QUARTER 1 2017/18

Central Leisure Admin

1. Introduction and Scope

- 1.1 An audit review commenced¹ on 27th January 2017, to provide an opinion on the risk and control environment and a level of assurance for Central Leisure & Administration. The Internal Audit opinion on these risks and controls will contribute to the Annual Internal Audit opinion included in the Council's Annual Governance Statement.
- 1.2 The scope of the audit was agreed by Leisure Operations Manager & Business Support Team Leader. (Scope attached as Appendix A)
- 1.3 We would like to thank the following for their help during the audit :
- ❖ Business Support Officer
 - ❖ Admin Assistant
 - ❖ Leisure Operations Manager
 - ❖ Sales & Retention Specialist

2. Management Summary and Overall Opinion

- 2.1 On the basis of the work carried out, our opinion based 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.
- 2.2 Recommendations have been made to strengthen the controls found to require improvement in order to reduce the risks and these are set out in section 3 of this report with risk ratings and categories alongside your agreed actions. We have included a risk rating - High, Medium, and Low- for each recommendation to assist you in the prioritisation of their implementation.

Recommendation Risk Rating	Number	Percentage
High	4	40%
Medium	3	30%
Low	3	30%
Total	10	100%

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

- 2.3 As part of the audit process we also identified some minor items that did not require recorded recommendations. These are listed in Appendix C.
- 2.4 It was noted during the audit that two very experienced members of the Central Administration Team have or are in the process of moving to other service areas of the Council (one moved December 2016 and another is due to leave shortly). To manage this position the Group Operations Manager confirmed that documented procedures are in place and that there are plans in place to recruit to the vacant position. While the recruitment process is concluded the Manager has mapped the current role responsibilities and is making arrangements to ensure that these can be met.
- 2.5 The implementation of the recommendations made in this report will further strengthen the controls, management of risks and processes for Central Leisure & Administration

Children in Care Savings

1. Introduction and Scope

- 1.1 An audit review commenced² in November 2016, to provide an opinion on the risk and control environment and a level of assurance for Children in Care Savings. The Internal Audit opinion on these risks and controls will contribute to the Annual Internal Audit opinion included in the Council's Annual Governance Statement.
- 1.2 The scope of the audit was agreed by Service Delivery Manager Family Placements, Children in Care, Leaving Care & EDT. (Scope attached as Appendix A)
- 1.3 We would like to thank the following for their help during the audit :
- ✧ Service Delivery Manager Family Placements, Children in Care, Leaving Care & EDT
 - ✧ Senior Social Worker
 - ✧ Support Services Team leader
 - ✧ Support Services Officer – Finance
 - ✧ Commissioning Specialist for Children and Young People
 - ✧ Independent Reviewing Officer
 - ✧ Senior Finance Officer
 - ✧ Senior Research & Intelligence Officer
 - ✧ Team Leader Child Protection & Family Support
 - ✧ Team Manager Family Placements, Children in Care, Leaving Care & EDT
 - ✧ Team Manager Children's Specialist Services

2. Management Summary and Overall Opinion

- 2.1 On the basis of the work carried out, our opinion based on the level of assurance provided by the controls managing the risks for this audit area is **Limited**. There is a sound system of control but there is evidence of non-compliance with some of the controls.
- 2.2 Recommendations have been made to strengthen the controls found to require improvement in order to reduce the risks and these are set out in section 3 of this report with risk ratings and categories alongside your agreed actions. We have included a risk rating - High, Medium, and Low- for each recommendation to assist you in the prioritisation of their implementation.

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

Recommendation Risk Rating	Number	Percentage
High	2	12%
Medium	15	88%
Low	-	-
Total	17	100%

2.3 The implementation of the recommendations made in this report will further strengthen the controls, management of risks and processes for the Children in Care Savings process.

Tibberton School

1. Introduction and Scope

- 1.1 An audit review commenced³ on 8th March 2017, to provide an opinion on the risk and control environment and a level of assurance for Tibberton Primary School. The Internal Audit opinion on these risks and controls will contribute to the Annual Internal Audit opinion included in the Council's Annual Governance Statement.
- 1.2 We would like to thank the following for their help during the audit:
- Head teacher
- Administrator
- Assistant Administrator

2. Good Practice Areas

- 2.1 During the audit a number of good practice areas within the process for Tibberton Primary School were identified. These included:
- ❖ The minutes of Governors meetings are very good giving an adequate record of what was discussed and agreed
 - ❖ The inventory of equipment included all relevant information and included details of items that have been disposed of.
 - ❖ Weekly outdoor play equipment checks are carried out by the caretaker and signed by the Head. These detail any jobs that need doing and work completed.
 - ❖ Fire evacuations are recorded in a book with details of how long the evacuation took and any issues identified, the school have also used different scenarios e.g. blocked corridor.

3. Management Summary and Overall Opinion

- 3.1 Despite a few areas of good practice our opinion, based on the work carried out, on the level of assurance provided by the controls managing the risks for Tibberton Primary School 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.]⁴.
- 3.2 Recommendations have been made to strengthen the controls found to require improvement in order to reduce the risks and these are set out in section 4 of this report with risk ratings and categories alongside your agreed actions. We have included a risk rating - High, Medium, and Low- for each recommendation to assist you in the prioritisation of their implementation.

³ In accordance with PSIAS Code of Practice for Internal Audit in Local Government

⁴ See full explanation attached at the end of this report in Appendix A

Recommendation Risk Rating	Number	Percentage
High	2	20%
Medium	8	80%
Low		
Total	10	100%

3.3 As part of the audit process we also identified some minor items that did not require recorded recommendations but were discussed at the closure meeting with the Head teacher and Administrator. These are listed in Appendix B.

3.4 As part of this audit we have also followed up the implementation of recommendations made in the previous audit. The table below shows the action taken since that audit:

Recommendation Category and number of recommendations	Implemented	Reiterated	Superseded
Legal Requirement	2	1	1
Financial Regulation	1	1	
Policy/Procedure	4	2	1
Best Practice	2	2	
Total	9	2*	2

*These recommendations will be reiterated in this report (included in the 10 above)

3.5 The implementation of the recommendations made in this report and those outstanding from the previous review will further strengthen the controls, management of risks and processes at Tibberton Primary School

Disaster Recovery

1. Introduction and Scope

- 1.1 An audit review was commenced⁵ on 9th January 2017, to provide an opinion on the control environment and a level of assurance for ICT Disaster Recovery arrangements. The Internal Audit opinion on these controls will contribute to the Annual Internal Audit opinion included in the Council's Annual Governance Statement.
- 1.2 The scope of the audit was agreed by ICT Education Services Architect. (Scope attached as Appendix A)
- 1.3 We would like to thank the following for their help during the audit :

Operational Group Manager - ICT

Infrastructure Architect

ICT 3rd Line Infrastructure Support Officer

Information Governance Team Leader

2. Good Practice Areas

- 2.1 During the audit a number of good practice areas within the process for ICT Disaster Recovery were identified. These included:
- ⌘ A secondary site for disaster recovery has been established.
 - ⌘ Back-up and recovery processes are in place.
 - ⌘ A Business Continuity framework exists and plans have been created.
 - ⌘ An ICT incident management procedure is in place.
 - ⌘ An ICT risk management process is in place.
 - ⌘ An Information Governance Strategy is in place.

3. Management Summary and Overall Opinion

- 3.1 On the basis of the work carried out, our opinion has been divided based on the level of assurance provided by the controls for the general frameworks for incident management and business continuity processes which is **Reasonable**⁶ - There is a sound system of control but there is evidence of non compliance with some of the controls so for disaster recovery planning and testing the opinion is **Limited**² - Whilst there is basically a sound system of control,

⁵ In accordance with PSIAS Code of Practice for Internal Audit in Local Government

⁶ See full explanation attached at the end of this report in Appendix B

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 Business Continuity and Disaster Recovery (BC/DR) are closely related practices that describe an organisation's preparation for unforeseen risks to continued operations. In general, disaster recovery refers to specific steps taken to resume operations after a catastrophic incident or national emergency. In information technology, such steps may include restoring servers from backups or provisioning local area networks (LANs). Business continuity describes the processes and procedures an organisation must put in place to ensure that mission-critical functions can continue during and after a disaster. The concept is often seen as interchangeable with disaster recovery plan (DRP) and hence there is an increasing trend of combining business continuity and disaster recovery into a single term.
- 3.3 Whilst ICT have a business continuity plan there is no documented disaster recovery plan. In the event of a disaster, arrangements to recover services will be devised reactively at the point in time that the event occurs using incident management procedures. These arrangements are likely to be less effective and efficient than would be the case if a documented disaster recovery plan was in place. This view is supported by disaster recovery benchmark surveys which suggest that organisations will be better prepared if they have a disaster recovery plan in place and that it is regularly tested. The division in the audit opinion reflects this position. The disaster recovery arrangements for the council should be driven through the establishment of the acceptable delay in the recovery of services (recovery time objective) and the maximum acceptable period for which data can be lost (recovery point objective). At present these objectives have not been established within the service areas and therefore the arrangements may not meet implied expectations.
- 3.4 Recommendations have been made to strengthen the controls found to require improvement and these are set out in section 4 of this report with risk ratings and categories alongside your agreed actions. We have included a risk rating - High, Medium, and Low- for each recommendation to assist you in the prioritisation of their implementation.

Recommendation Risk Rating	Number	Percentage
High		
Medium	5	71%
Low	2	29%
Total	7	100%

Nuplace

1. Introduction and Scope

- 1.1 An audit review commenced⁷ in December 2016, to provide an opinion on the risk and control environment and a level of assurance for Nuplace. The Internal Audit opinion on these risks and controls will contribute to the Annual Internal Audit opinion included in the Council's Annual Governance Statement.
- 1.2 The scope of the audit was agreed by Housing, Nuplace & Commercial Projects Service Delivery Manager (scope attached as Appendix A)
- 1.3 We would like to thank the following for their help during the audit:
- ❖ Lettings Officer
 - ❖ Housing, Nuplace & Commercial Projects Service Delivery Manager
 - ❖ Telford Home Finder Programme Manager
 - ❖ Finance Team Leader
 - ❖ Project Officer

2. Management Summary and Overall Opinion

- 2.1 On the basis of the work carried out, our opinion based 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.
- 2.2 Recommendations have been made to strengthen the controls found to require improvement in order to reduce the risks and these are set out in section 3 of this report with risk ratings and categories alongside your agreed actions. We have included a risk rating - High, Medium, and Low- for each recommendation to assist you in the prioritisation of their implementation.

Recommendation Risk Rating	Number	Percentage
High	5	17%
Medium	23	79%
Low	1	4%
Total	29	100%

⁷ In accordance with PSIAS Code of Practice for Internal Audit in Local Government