

Audits finalised since the last Audit Committee meeting: July 2014

Audit Title:	Council Tax					Date of Report:		August 2014	
Number of 'High Priority' Recommendations:	0	Current Audit Opinion:	1	Previous Audit Opinion:	2	Overall Evaluation (Risk):	Moderate		
<u>Key Recommendations</u> No key recommendations were made as a result of this review.									

Audit Title:	Council Tax – Discounts, Disregards and Exemptions				Date of Report:	July 2014	
Number of ‘High Priority’ Recommendations:	1	Current Audit Opinion:	2	Previous Audit Opinion:	2	Overall Evaluation (Risk):	Moderate
<u>Key Recommendations</u> The key recommendation made as a result of the review is: <ul style="list-style-type: none"> Two potential “fraud” cases identified by the audit should be investigated to ascertain if they are valid claims or not. If found to be invalid recovery of Council Tax due should be made. 							

Audit Title:	Housing Benefit, Council Tax and NNDR: System Control and Integrity				Date of Report:		August 2014	
Number of 'High Priority' Recommendations:	3	Current Audit Opinion:	2	Previous Audit Opinion:	2	Overall Evaluation (Risk):	Moderate	
<u>Key Recommendations</u> The key recommendations made as a result of the review are: <ul style="list-style-type: none"> • A review of the users with access to the Northgate and Anite systems at system administrator level should be carried out, to ensure that this is kept to a minimum, and is only for those who require it for system maintenance. • The frequency for testing of application backups should be set as at least quarterly for the Northgate system. • In accordance with the Protective Monitoring Policy, the appropriate level of protective monitoring for the system should be determined by the Head of Information and Technology Strategy in conjunction with the Information Asset Owner, and applied. The amount of monitoring carried out and what it may be used for should be communicated to all users. 								

Audit Title:	Learning Disabilities - Transitions				Date of Report:	June 2104	
Number of 'High Priority' Recommendations:	n/a	Current Audit Opinion:	n/a	Previous Audit Opinion:	n/a	Overall Evaluation (Risk):	n/a
<u>Key Recommendations</u> The key recommendations made as a result of the review are: <ul style="list-style-type: none"> • The need for a single point of contact to ensure reviews and moving on plans are undertaken and the information is sent to the relevant interested parties. • There should be one central data source on which moving on plans are recorded and monitored. 							

Audit Title:	NNDR					Date of Report:	August 2014		
Number of 'High Priority' Recommendations:	0	Current Audit Opinion:	1	Previous Audit Opinion:	2	Overall Evaluation (Risk):	Moderate		
<u>Key Recommendations</u> No key recommendations were made as a result of this review.									

Audit Title:	Community Capacity Building				Date of Audit:	August 2014	
Number of High Priority Recommendations:	NA	Current Audit Opinion:	NA	Previous Audit Opinion:	NA	Overall Evaluation (Risk):	NA
<u>Key Findings and Recommendations</u> <p>Internal Audit was requested to carry out research to contribute to production of the Council's forthcoming Community Capacity Building Strategy. The research topic undertaken related to:</p> <ul style="list-style-type: none"> • The role of Members in building community capacity to meet identified needs. • Examples of devolved decision-making, service planning and service delivery at a community level. • Processes and structures to support ward Members in their role. <p>The findings of the research were presented to the Corporate Planning Lead and the Head of Strategy and Development for consideration.</p>							

Audit Title:	Oracle System Control and Integrity				Date of Report:	August 2014	
Number of High Priority Recommendations:	4	Current Audit Opinion:	3	Previous Audit Opinion:	NA	Overall Evaluation (Risk):	Of Concern

Key Findings and Recommendations

The key recommendations made as a result of the review are:

- A review of system configuration and default/seeded user accounts/passwords should be undertaken against Oracle best practice guides, to ensure potential vulnerabilities are removed. The number of users with system administrator responsibilities in their access profiles should be reduced.
- Any data from Oracle that contains personal information should be sanitised before release.
- A protective monitoring policy should be produced for the Oracle system. Logging in proportion to the risk of system misuse should be implemented and allow actions undertaken by individuals to be logged where necessary. It should also specify how logs should be monitored and if any critical events have been altered by system administrators (e.g. switching off of the audit trail). System logging for key system functions and users should be enabled. If logging is introduced, a policy statement should be set when users log into Oracle, notifying users that their activity is being recorded and may be monitored.
- A disaster recovery test for the system should be scheduled and carried out to ensure a functioning system can be rebuilt in the event of an incident. Disaster recovery procedures, referencing specific processes that must be enacted at Swindon should be produced for the system. The Council should consider whether a cold DR solution is appropriate for key financial systems.

Audit Title:	Carbon Reduction Commitment – Grant Claim 2014				Date of Audit:	July 2014	
Number of High Priority Recommendations:	0	Current Audit Opinion:	N/A	Previous Audit Opinion:	N/A	Overall Evaluation (Risk):	N/A

Key Findings and Recommendations

As required by the Environment Agency, Swindon Internal Audit Services completed an audit review of the evidence pack used as a basis for determining the Council's Carbon Annual Report Summary for 2013/14. A summary of the findings of the review is included below.

The Carbon Reduction Commitment (known as the CRC Energy Efficiency Scheme) is the UK's first mandatory carbon trading scheme that is compulsory for all organisations that consumed 6,000,000 KWh during the registration period of 2008. The Council's consumption during this period resulted in our compulsory inclusion in the scheme.

As a result of improvements on the internal checking process for the claim, only one very minor adjustment was required as a result of the audit, the financial effect of which was negligible. Therefore, on the basis of the testing undertaken, the documentation provided and the explanations received, it is the auditor's opinion that the evidence pack used to support the energy consumption data used in the Council's return is accurate and reflects the guidance provided by the Environment Agency.

Based on this submission, the Council has emitted 26,405 tonnes of CO2 at a cost of approximately £316,860.

Audit Title:	Chiseldon School					Date of Report:	June 2014	
Number of 'High Priority' Recommendations:	10	Current Audit Opinion:	3	Previous Audit Opinion:	2	Overall Evaluation (Risk):	Moderate	

The Auditor found that the Head teacher and Chair of Finance have a good understanding of the School's current financial position and its future challenges with a clear vision for the future direction of the School. However, a number of significant control weaknesses were identified from the review as listed below which are addressed in the action plan of the report:

- Financial information sent to Governors was not retained by the School to evidence the figures Governors had been provided with.
- Changes to the budget during the year were not supported by authorised budget virements forms to confirm Governors had agreed the changes.
- The financial impact of changes to the staffing structure was not provided to Governors when they were approving staff changes.
- Governors were not provided with a summary during the year of the progress being made in delivering the School Development Plan (SDP) objectives.
- Of 70 purchases reviewed, only 27 (39%) were supported with purchase orders to confirm they had been approved and ensure a commitment was recorded on the financial system at the time the order was placed.
- Three orders were found to be unsigned and for three significant purchases, the School could not demonstrate obtaining best value as quotations from other suppliers had not been obtained.
- Payments were identified that had no evidence of authorisation, were paid outside the suppliers terms and conditions and had no evidence that the invoice had been checked to the original order to confirm the good/services were those that were ordered.
- The School were using a debit card for some purchases contrary to financial regulations. A charge card for the previous Head teacher was also still in the Schools possession and needed to be destroyed.
- Cash income at the school was not stored securely, being kept in a plastic box in a storage room behind reception where it could be accessed by anyone.
- The Schools Financial Value Standard (SFVS) statement had not been fully discussed with Governors and as a result of the Audit Review findings, a number of changes were identified that needed to be reflected in the SFVS.

Audit Title:	Library Strategy				Date of Report:	June 2014	
Number of 'High Priority' Recommendations:	n/a	Current Audit Opinion:	n/a	Previous Audit Opinion:	n/a	Overall Evaluation (Risk):	Not Applicable
<p>The Head of Leisure, Libraries, Culture and Traded Services requested a review of the Library Strategy to assist him and the service area in ensuring the Library Strategy will allow the service to respond to the financial challenges facing the Council, whilst ensuring the service meets its legal requirements. This review was carried out as a piece of consultancy, consequently an overall audit opinion and risk evaluation was not given.</p> <p>The review found that in order to ensure the Council responds to its financial challenges, whilst ensuring a comprehensive and efficient library service is provided, a long term view of library provision should be taken. The draft Library Strategy examined was found to reflect the changes occurring nationally and locally since the 2011 Strategy was published, but it needs to be clearer in identifying what the service aims to deliver in the future.</p> <p>The draft Strategy is specific in the number of core libraries that will be in operation in future, alongside a network of 'community partnered' libraries. Including this specific information, without carrying out a needs assessment, full consultation, or without knowing the savings required from the Library Service, would leave the Council open to challenge should a different delivery model be chosen.</p> <p><u>Key Recommendations</u></p> <p>The key recommendations made as a result of the review are:</p> <ul style="list-style-type: none"> • The financial savings required from the Library Service for the next three years should be identified. • A transformation/project team should be established which is resourced to a similar level as the Change Programmes. The function of this team should be as follows: <ul style="list-style-type: none"> ❖ Carry out a strategic review of the library service, including identifying which of the library uses it regards as 'core' and 'non-core'. ❖ Devise a Library Strategy for the medium/long term which is underpinned with the Stronger Together principles, this should include: <ul style="list-style-type: none"> ▪ Interpretation of the statutory requirements of The Public Libraries and Museums Act 1964 ▪ The Vision for the Library Service ▪ A Mission Statement setting out strategic direction ▪ Outcomes ▪ An analysis of the impact the Library Strategy will have on other Council strategies, ❖ Preparation of a Needs Assessment and an assessment of available resources. ❖ Develop a proposed service delivery model(s) for the library service which corresponds to the vision of the service and its proposed outcomes and which delivers the required savings. ❖ The identification of any areas of investment necessary to achieve longer term aims and savings. ❖ Completion of Equality Impact Assessments for all options to identify any adverse impact on specific groups. 							