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MEETING:	Audit Committee
DATE:	Friday, 20 July 2018
TIME:	2.00 pm
VENUE:	Council Chamber, Barnsley Town Hall

SUPPLEMENTARY AGENDA

Items for Discussion/Decision

5. Internal Audit Quarterly Report 2018/19 - Quarter Ended 30th June, 2018 (*Pages 3 - 8*)

The Executive Director Core Services will submit an update report.

To: Chair and Members of Audit Committee:-

Councillors Richardson (Chair), Barnard, Clements and Lofts; together with Independent members Ms K Armitage, Ms D Brown, Mr S Gill, Mr P Johnson and Mr M Marks

Diana Terris, Chief Executive
All Executive Directors
Andrew Frosdick, Executive Director Core Services
Rob Winter, Head of Internal Audit
Neil Copley, Service Director Finance
Ian Rooth, Head of Financial Services
Adrian Hunt, Risk Management Manager
Michael Potter, Service Director Business Improvement and Communications
Louise Booth, Audit Manager

Council Governance Unit – 3 copies

Please contact William Ward on email governance@barnsley.gov.uk

20th July, 2018

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Update

Report of the Executive Director Core Services

AUDIT COMMITTEE – 20TH JULY, 2018

**INTERNAL AUDIT QUARTERLY REPORT 2018/19
QUARTER ENDED 30TH JUNE, 2018 – UPDATE**

1. Purpose of Report

The Appendix to this report provides an update of the Significant Management actions that were overdue at the 30th June, 2018 referred to in paragraph 4.5 of the report previously submitted.

2. Recommendation

That the current position with regard to the Significant Management actions be noted.

3. Background Papers

Various Internal and External Audit reports, files and working papers

Officer Contact: Andrew Frosdick Executive Director Core Services

Telephone No: 01226 773001

Date: 19th July, 2018

Appendix

Service Area	Audit Recommendation	Target implementation date	Revised date	Reasons for delay
Workforce Development Fund – Partnership Governance	The requirements of the BMBC Partnership Governance Framework and Financial Regulations should be properly considered and evidenced as appropriate	31/05/2018	30/09/2018	The amount of time required to ensure robust understanding of the Partnership Governance Framework and Financial Regulations and in seeking guidance and support from key colleagues for understanding and interpretation underestimated by the Lead Officer
Workforce Development Fund – Operational Procedures	Operational procedures should be documented and agreed relating to those key internal processes for governing, administering and performance managing the WDF. These should subsequently be communicated to all relevant staff	30/06/2018	30/09/2018	Delayed action due to delays in confirmation of grant funding and associated grant requirements being released by the funding body, Skills for Care for the new funding year 2018/19. Procedures are now in development.
Workforce Development – Conflict of Interest	<p>Ongoing arrangements should be established to ensure that any potential conflict of interests on the part of relevant Partnership Board members or officers are appropriately recorded and managed as appropriate.</p> <p>The arrangements for demonstrating how Partnership Members (employees) are supported and encouraged to access learning from a wide range of learning providers should be documented as part of a clear audit trail in accordance with the WDF funding terms and conditions</p>	31/05/2018	30/09/2018	Delayed as a result of the delay in the production of the Terms of Reference (a Merits Attention Management Action) and Operational Procedures, referenced above.

Service Area	Audit Recommendation	Target implementation date	Revised date	Reasons for delay
Workforce Development – Funding Application	Confirmation should be made that criteria supporting approved funding bids is appropriately supported and evidenced.	30/06/2018		Subsequent to the Internal Audit Progress Report being submitted to the Audit Committee, the Action Manager has informed Internal Audit that the action is now complete. Internal Audit will assess and confirm this on receipt of appropriate supporting evidence.
Workforce Development Fund – Partnership Membership Forms	Checks should be completed to ensure that certified WDF forms have been completed for all current 2017/18 members and copies retained accordingly.	30/04/2018		Subsequent to the Internal Audit Progress Report being submitted to the Audit Committee, the Action Manager has informed Internal Audit that the action is now complete. Internal Audit will assess and confirm this on receipt of appropriate supporting evidence.
Workforce Development – Employer Claim Submission Form	Checks should be completed to ensure that certified WDF employer claim submission forms are submitted with all employer funding claims in accordance with grant funding terms and conditions.	30/04/2018	30/09/2018	Delayed action as a result of the ending of 2017/18 funding year and beginning of a new 2018/19 funding year, resulting in delayed information and documentation being released by the funding body, Skills for Care in respect of revised and updated claim submission forms for members

Service Area	Audit Recommendation	Target implementation date	Revised date	Reasons for delay
Establishment Cash Visit – Museums - Management Information and Reporting	<p>In order to improve business decisions for the Museum shops moving forward, further extractions of data from the EPOS system should be explored. This will provide management with a true understanding of the stock control in the Museums. Management should consider the obtaining the following types of custom reports for analysis: -</p> <ul style="list-style-type: none"> • Stock evaluation; • Deliveries; • Stock control; • Slow moving, perishable and obsolete stock; • Stock levels held on comparative dates. 	31/05/2018	28/09/2018	<p>A delay to completing the agreed actions is due to the difficulty in progressing some of the issues due to the dependency on resources being available in other Directorates. Delays largely attributable to staffing changes and infrastructure issues</p> <p>Timescale for completion of the agreed action is recorded as follows: -</p> <ol style="list-style-type: none"> (1) 13/07/18 Training request sent to the supplier (2) 27/07/18 Basic reporting along the lines of income and on hand stock. This can be produced daily/weekly/monthly; (3) 28/09/18 Training to be fulfilled and the ability to form coherent reports.
Establishment Cash Visit – Museums - EPOS Security Controls	<p>Enquiries should be made with the Council's IT Services and/or the supplier with regards to enhancing the system security arrangements - i.e. password control.</p> <p>Enquiries should also include the future provision of a report being produced from the EPOS system showing which officers have access to the system and the access rights of each officer for review purposes.</p> <p>The creation, amendment and deletion of users on the EPOS system should be</p>	31/05/2018	28/09/2018	<p>A delay to completing the agreed actions is due to the difficulty in progressing some of the issues due to the dependency on resources being available in other Directorates. Delays largely attributable to staffing changes and infrastructure issues</p> <p>Timescale for completion of the agreed action is recorded as follows: -</p> <ol style="list-style-type: none"> (1) 13/07/18 Training request sent to the supplier (2) 27/07/18 Basic reporting along the lines of income and on hand stock. This can be produced daily/weekly/monthly;

	restricted to an independent officer.			(3) 28/09/18 Training to be fulfilled and the ability to form coherent reports.
Service Area	Audit Recommendation	Target implementation date	Revised date	Reasons for delay
SFVS – Schools Procurement Themed Review - School Improvement Plan	<p>The Governing Body should approve the School's Improvement Plan on an annual basis prior to the commencement of the relevant financial year.</p> <p>This will help ensure that Governors are fully aware of the targets, timescales and resources required to deliver the improvement plan objectives and subsequently inform the budget setting and monitoring process. The SIP and associated spending plan should be subject to review and update with evidence provided within corresponding Governing Body / Finance Committee Meeting Minutes.</p>	01/05/2018		Internal Audit are in dialog with the school and the Governing Body as to the status of this management action. We are currently waiting for their response.

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