

Chichester District Council

CORPORATE GOVERNANCE & AUDIT COMMITTEE

29 March 2018

Audit Report, Audit Plan & Progress Report – Audit Plan

1. Contacts

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2. Recommendation

2.1. **The committee is requested to consider the audit report and note the progress on the 2017-2018 Audit Plan.**

2.2. **The committee is requested to consider the Audit Plan for 2018-2019.**

3. Main Report

3.1. Building & Facilities Services

Internal Audit together with input from the Building & Facility Services Manager and the Procurement Officer completed an Operational Risk Assessment for the Audit. This determined the controls to be tested to ensure compliance in the following areas of the service.

- To document and test the processes being followed for the procurement of goods and services under £50k and to ensure that they are in accordance with the Council's Contract Standing Orders and Financial Regulations.
- To identify and report on any areas of non-compliance against the regulations mentioned above.

In the main contract standing orders are being complied with, however, the service does not keep adequate records relating to low value contacts.

It was agreed between Internal Audit, the Building Services Manager and the Procurement Officer that detailed procedure notes need to be put in place to support contract standing orders. These procedures are currently being updated together with health & safety procedures.

The Audit has made four recommendations two significant and two important which have been agreed by Management.

3.2. Audit Plan 2018/2019

The audit plan for 2018/2019 has been prepared and considers the risk, value and system complexity. Each audit will also review the arrangements for securing value for money, and the identification of potential efficiency gains. It is envisaged that a large proportion of audit work will be to undertake the Key Financial Systems work which will

allow the External Auditors (Ernst & Young) to place reliance on Internal Audit's work, rather than re-test these areas themselves. The remaining time will be taken up with annual activity and audits that are high risk, or have not been audited before.

4. Background

4.1. Not Applicable

5. Outcomes to be achieved

5.1. Not Applicable

6. Proposal

6.1. Not Applicable

7. Alternatives that have been considered

7.1. Not Applicable

8. Resource and legal implications

8.1. Not Applicable

9. Consultation

9.1. Not Applicable

10. Community impact and corporate risks

10.1. Not Applicable

11. Other Implications

| | Yes | No |
|--|-----|----|
| Crime & Disorder: | | √ |
| Climate Change: | | √ |
| Human Rights and Equality Impact: | | √ |
| Safeguarding: | | √ |
| Other (Please specify): | | √ |

12. Appendices

- 12.1. Building & Facilities - Audit Report
- 12.2. Progress Report - Audit Plan
- 12.3. Audit Plan 2018/2019

13. Background Papers

13.1 None