

Chichester District Council

CORPORATE GOVERNANCE & AUDIT COMMITTEE

25 January 2018

Internal Audit Reports, Progress Report and Audit Plan

1. Contacts

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2. Recommendation

The committee is requested to consider the two Audit Reports and to note progress against the audit plan.

3. Main Report

3.1. Contract Monitoring – Westgate, Bourne and Grange Leisure Centres

This review was split into three main elements; Health & Safety and Finance (Contract Payments) and Key performance Indicators.

The agreed scope was to review the following elements.

- To document the monitoring processes as per the contract and identify controls.
- To walkthrough and test that the controls as documented, to ensure they are being adhered to.
- To report on any areas of non-compliance and make recommendations to improve the monitoring process.

Overall the contract monitoring arrangements for the Chichester Leisure Management Contract are considered to be satisfactorily and operating as expected.

Two recommendations have been made which have been agreed by Management.

3.2. Income Management

This review has been carried out using the 2016-17 budgets so that all services and departments with an income budget based on actual outturn from the previous year of £20k or more would be part of the audit sample. However, this review excluded Council Tax and Non Domestic Rates which although they generate high levels of income, are audited annually as part of the key financial systems. Also the Car Parks and Trade and Green Waste income streams are subject to a separate review.

The main purpose of this audit was to ensure that reconciliations are not only being completed, but are formally reviewed and signed and dated.

The audit found that generally there has been an improvement in the management of income, and controls have been improved for the signing off of income reconciliations by budget managers to demonstrate that they have been checked and verified.

Three recommendations have been made, which have been agreed by management.

4. Deferred Audit – Museum & TIC

- 4.1. Members will recall the discussion that took place at the last meeting relating to the Museum and TIC Audit which had been deferred.

Following the appointment of the Museum Manager it is proposed to undertake the audit in quarter 4 (January to March). To clarify the audit activity since the Museum opened in 2012 I give below details which you might find helpful.

November 2012 - An income management audit was undertaken with recommendations being made.

July 2013 - A stock-take and ordering review was undertaken as a variance had been identified.

November 2013 - A reconciliation review was undertaken to establish that the recommendation made in November 2012 had been implemented.

February 2015 - A further income management audit was undertaken to establish that progress that had been made had been maintained.

October 2017 - An income management audit was undertaken which found that the outstanding issue had been completed.

5. Progress Report Audit Plan

- 5.1. The Audit Progress Report at appendix 3 details the position with individual audits.

6. Background

- 6.1. Not Applicable

7. Outcomes to be achieved

- 7.1. Not Applicable

8. Other Implications

	Yes	No
Crime & Disorder:		✓
Climate Change:		✓
Human Rights and Equality Impact:		✓

Safeguarding and Early Help:			✓
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9. Appendices

- 9.1. Audit Report - Contract Monitoring – Leisure Centres
- 9.2. Audit Report - Income Management
- 9.3. Progress Report - Audit Plan

10. Background Papers

- 13.1 None