



Internal Audit Summary Report

Gifts, Hospitality and Staff Loans Audit

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Auditors
29/5/2018**

Contents

**Audit: Loans and Gifts and Hospitality Audit
Auditors: Ann Kirk & Julie Ball**

If viewing on-screen, please click on the links below or use the scrolling arrows

Chichester District Council
Internal Audit Report

1	Introduction.....	3
2	Scope	3
3	Areas for Improvement.....	3
4	Agreed Actions	3
5	Action Plan – Appendix 1	4

1 Introduction

- 1.1 Internal Audit reviewed; Bicycle, Car Loans, Gifts and Hospitality as part of the Annual Internal Audit Plan which is approved by Corporate Governance and Audit Committee each year. This review ensures that the internal controls identified are relevant and operating effectively.

2 Scope

- 2.1 Internal Audit reviewed the processes for the above systems to provide assurance that internal controls are operating effectively. Testing was undertaken in accordance with an approved testing strategy based upon population, frequency and type of control, i.e. manual or automated.
- 2.2 The format of this report is to raise exceptions only; areas highlighted where improvements should be made. All exceptions raised in this report have already been discussed and actions agreed with the appropriate Service Managers and/or Divisional Manager.

3 Areas for Improvement

- 3.1 In the areas that Internal Audit reviewed, we have identified two areas for improvement.
- 3.2 All areas where improvements have been identified are reported below in an Action Plan. This plan also shows agreed actions, the responsible officer and target dates.

4 Agreed Actions

- 4.1 The agreed Action Plan can be seen at Appendix 1 to this report.
- 4.2 In order to prioritise actions required, a High, Medium and Low risk factor has been applied to identify issues raised as follows:
 - High – Significant areas of improvement to be addressed
 - Medium – Important areas of improvement to be addressed
 - Low – Minor areas of improvement to be addressed

5 Agreed Action Plan – Appendix 1

	Areas for Improvement	Priority	Agreed Actions	Responsible Officer	Target Date
Car Loans	It is a requirement for a vendor's receipted invoice to be provided after the purchase of a car. This is to ensure that the price of the vehicle is the same value or higher than the value of the loan.	M	Payroll has agreed to obtain copies of vendors receipted invoices at the time purchase. Payroll are currently chasing the required documents that were missing from the sample tested.	Payroll Manager	With immediate effect
Gifts and Hospitality	All Gifts and Hospitality records need to be reviewed annually and those over 4 years destroyed.	L	Hospitality records over 4 years will be destroyed. A reminder has been sent by the Legal & Democratic Service Manager to remind data holders to destroy records as required.	Divisional Manager Democratic Services	Completed