

SHROPSHIRE COUNCIL AUDIT SERVICES

FINAL INTERNAL AUDIT REPORT

IT AUDIT FOLLOW UP 2015/16

Assurance Level	Reasonable
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Customer	Nigel Evans - Director
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Distribution	Neil Marston – IT and Database Support
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Auditors	Barry Hanson
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Fieldwork dates	November 2015
Debrief meeting	14 December 2015
Draft report issued	2 December 2015
Responses received	14 December 2015
Final report issued	15 December 2015

Introduction and Background

1. As part of the approved internal audit plan for 2015/16 Audit Services have undertaken a follow up review of the recommendations made in the 2014-15 Audit.
2. This audit has been conducted in accordance with the Public Sector Internal Audit Standards.
3. Audit Services would like to express their thanks to the officers who assisted during the course of the audit.

Scope of the Audit

4. The scope, incorporating the objectives of the audit, was agreed with key contacts at the commencement of the audit.
To follow up the recommendations made in the 2014-15 audit.
5. Audit work was undertaken to give assurance on the extent to which the following management control objectives are being achieved:
 - To follow up the recommendations made in the 2014-15 audit review.
6. The audit was delivered on time and within budget.

Audit Opinion

7. An opinion is given on the effectiveness of the control environment. This indicates the level of assurance that can be given based upon testing and evaluation of the system. This opinion will be reported to the Audit Committee and will inform the Annual Governance Statement which is included in the Annual Statement of Accounts. There are four levels of assurance; Good, Reasonable, Limited and Unsatisfactory.

As a result of the evaluation and testing of the controls that are in place in the areas examined, from work undertaken Audit Services are able to give the following assurance opinion:

Reasonable	There is generally a sound system of control in place but there is evidence of non-compliance with some of the controls
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8. Responsibility for the maintenance of a sound system of internal control rests with management. The audit process is designed to provide a reasonable chance of discovery of material weaknesses in internal control by means of sample testing. It cannot however guarantee absolute assurance against all material weaknesses, the overriding of management controls, collusion, or instances of fraud or irregularity.
9. Audit recommendations are rated Fundamental, Significant, Requires Attention or Best Practice according to their level of priority. Details are included in the Exception Report provided to management and the Action Plan attached at **Appendix 1**. Implementation of

these recommendations will serve to address the risks identified and enhance the procedures that are currently in place. The following table summarises the number of recommendations made in each category:

Total	Fundamental	Significant	Requires Attention	Best Practice
2	0	0	2	0

10. The review identified the following area where appropriate management controls were in place and operating satisfactorily and, upon which, positive assurance can be given:

✓	To follow up the recommendations made in the 2014-15 audit review.
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11. Recommendations accepted by management at the previous audit have been reviewed and are detailed below:

Number of recommendations accepted by management at the last audit	3
Recommendations implemented	1
Recommendations partially implemented	1
Recommendations superseded	0
Recommendations not actioned	1

Reasonable progress has been made in the implementation of previous recommendations. Recommendations which remain outstanding are included in the attached Exception Report and Action Plan.

Audit Approach

12. The approach adopted for this audit included:
- Follow up of previous recommendations.
13. Internal Audit report only by exception; the exception report provided to management identifies only those areas where control evaluation and audit testing revealed control weaknesses and or errors. Recommendations to improve controls or enhance existing practice are detailed against each exception and the associated risk, and are also included in the Action Plan at **Appendix 1**. A more detailed report covering all of the work undertaken can be provided on request, but this is only available in a working paper note format.
14. In accordance with the Public Sector Internal Audit Standards, recommendations will be followed up to evaluate the adequacy of management action that has been taken to address identified control weaknesses.

Ceri Pilawski
Audit Services Manager

ACTION PLAN FOR IT AUDIT 2015 / 16

Rec Ref.	Rec No.	Recommendation	Rec Rating	Accepted Yes/No/Partially	Management Response	Lead Officer	Date to be Actioned
1.1	1	The draft SLA with Shropshire Council for IT Services should be reviewed and finalised as soon as possible. It should include details of the reporting of compliance with KPI's and confirmation of what happens to WME data and licensing on cessation of the agreement. Consideration should be also given to the support agreement end date and WME should commence a procurement process for IT Support services from April 2016 onwards.	Requires Attention	Yes	Agreed – a draft SLA was received for 15/16 from Shropshire Council on 26 th November. A number of review points have been passed back including the points raised here and a meeting to discuss all the points raised is to be arranged including provision for 16/17.	Nigel Evans	Jan 2016
1.2	2	The IT issues log should be reviewed and updated. This should include details of when the issue was resolved, lessons learned and procedural changes required to ensure service continuity.	Requires Attention	Yes	Agreed	Neil Marston	December 2015