

**Agenda Item No:**

**Report to:** Audit Committee

**Date of Meeting:** 28 September 2009

**Report Title:** Chief Auditor's Summary Audit and Risk Report

**Report By:** Tom Davies  
Chief Auditor

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**Purpose of Report**

To inform the Audit Committee of recent audit findings of the Creditor Payments and Robert Tressell Training Closure audits.

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**Recommendation(s)**

**1. That the Audit Committee note the report**

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**Reasons for Recommendations**

To monitor levels of control in the organisation.

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## Background

### Summary Reports

#### Report to Audit Committee - Creditors

##### Background Information

The creditor payments system is a fully integrated module of the Agresso Financial Management System.

The Agresso Web services system requires officers to authorise requisitions for goods and services and payments to be made by electronically indicating their approval. Officers are sent system generated emails reminding them that they have invoices awaiting approval and if no action is taken emails will be automatically escalated to a supervising officer.

Invoices are received into the Finance Section and scanned and input into system. Upon confirmation that the goods or services have been delivered payment will be made either by bankers payment directly into the suppliers bank account or by cheque.

##### Overall Audit Assessment: A - Good

Adequate controls are in place and work effectively. There are no significant audit concerns.

##### Key Findings

The audit found that Payments were being made to the correct creditor and generally within 30 days of receipt of the invoice.

Staff had become more familiar with the various facets of the web based ordering and payments system.

The “positive pay” facility within the banking system that would highlight to staff if a cheque was to be presented, which had not been properly authorised by Council officers, is now working. This is an important control factor within the payments system, which is necessary to prevent incorrect payments and fraud.

A joint IT review has been carried to ensure there are no unacceptable weaknesses in the Agresso system.

##### Management Response

The Report is noted and action on the recommendation is in progress.

**Summary Reports**  
**Report to Audit Committee**  
**Robert Tressell Training - Closure Audit**

**Background**

The audit division was requested to confirm that the closure of the Tressell training centre at Portland Place was undertaken correctly.

The Council had agreed to transfer all assets to the Hastings College of Further Education.

**Key findings**

The accounts up to the 31st March 2009 had been completed and it was confirmed with the accountant responsible that all financial data had been received and agreed. It was left to ensure the books and papers relating to the training courses provided by the training centre were securely stored as the Department of Education and Skills had required these records be kept and available for audit if considered appropriate. Potentially if errors were found the D of E & S could demand recovery of any monies overpaid to the Council.

The site at Portland Place was inspected and the current storage facilities of the documentation discussed with the Regeneration Programme Manager. A suitable storage facility was agreed and a standard pro forma document was drafted that would ensure these records could be retained and accessed if necessary.

It was also confirmed that the standard utility meter readings had been taken to ensure future problems would not arise with the new property owner.

**Summary**

The closure of the Tressell training centre at Portland Place went according to plan. There are no issues to report.

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**Wards Affected**

None

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**Area(s) Affected**

None

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**Policy Implications**

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	No
Crime and Fear of Crime (Section 17)	No
Risk Management	Yes
Environmental Issues	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	No

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**Supporting Documents**

Internal Audit reports: Creditor Payments and Robert Tressell Training - Closure

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**Officer to Contact**

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