

**Agenda Item No:**

**Report to:** Audit Committee

**Date of Meeting:** 27 September 2010

**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 Council Tax and Delegated Authority audit reports.

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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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## Summary Reports

### Report to Audit Committee - Council Tax

#### **Audit Conclusion**

Overall Audit Assessment: B – Satisfactory.  
Expected controls are in place and are working effectively.

#### **Key Findings**

The Council Tax system is administered effectively and efficiently.

A Council Call Centre is actively being implemented which should improve the workload of the Council Tax staff and further increase efficiency.

The loss of a key member of staff later in the year is currently being addressed by further training of existing staff

#### **Management Response**

We agree the findings and are addressing the recommendations made.

## Summary Reports

### Report to Audit Committee - Delegated Authority

#### Background Information

This review was undertaken as part of the agreed audit plan for 2010-11. The audit approach has been to confirm compliance with Delegated authority requirements. This aspect of the Council's activities has not previously been audited. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Audit.

Overall Audit Assessment: B – Satisfactory.

#### Key Findings

Part 8 of the Council's constitution (adopted 25 July 2007 - revised 23 July 2008) (Standing instructions to authorised officers) states that Chief Officers, Heads of Service and their nominees will discharge the functions delegated to them through appropriately qualified officers. The standing instructions also detail specific exceptions to the general authorisations. More detailed regulations, instructions and exceptions are found in the Council's Financial Rules and Financial Operating Procedures (FOPS). All these documents are found either on the Council's website or the Financial Services area of its intranet site.

The audit found that officers were aware of the principles of delegated authority and the exceptions.

Officers in the Legal Services Division and the Financial Services Division will critically examine contracts and large payments to ensure delegations have correctly been used and the financial management system (Agresso) will only allow authorised officers to authorise payments within agreed limits on budgets they are responsible for.

Standing instructions to authorised officers and Financial rules form part of the Council's constitution and can only be revised by agreement at a full Council meeting. This was last done in 2008. The audit found that in the majority of cases these documents accurately showed the delegations and responsibilities. However, in just 2 instances, the delegations did not reflect the latest management restructure.

FOPS are the detailed rules and procedures for dealing with all financial transactions and activities of the Council. The responsibility for maintaining and updating the document is with the Chief Financial officer. The audit found that FOPS are regularly reviewed and updated – the latest review being March 2010 and a more comprehensive review is scheduled to be undertaken this year.

#### Management Response

We agree the findings and action is being taken to discharge the recommendations.

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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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**Background Information**

The detailed internal audit report of Council Tax (September 2010)  
The detailed internal audit report of Delegated Authority (September 2010)

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**Officer to Contact**

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