

INTERNAL AUDIT – PROGRESS REPORT

SUMMARY

- 1.1 At the end of the 1st quarter of the Audit Plan year, Internal Audit is performing slightly ahead of its two reported performance targets.
- 1.2 Two of the Audits finalised during the period achieved an unsatisfactory overall control rating and, as such, should receive the Committee's specific attention.

RECOMMENDATION

- 2.1 To note the activity and performance of Internal Audit in the period 1 June 2010 to 31 August 2010 and to comment accordingly.

REASONS FOR RECOMMENDATION

- 3.1 The Terms of Reference of the Audit & Accounts Committee requires that it considers a summary of internal audit activity (actual and proposed) and consider reports dealing with the management and performance of the providers of internal audit services.

SUPPORTING INFORMATION

- 4.1 This report summarises the internal audit work completed in the period from 1 June 2010 to 31 August 2010 and seeks a decision by the Committee to determine the audit reports it wishes to review in more detail at the next meeting.
- 4.2 **Summary of internal audit activity – 1 June 2010 to 31 August 2010**

Appendix 3 provides details of internal audit's overall opinion on the adequacy of the level of internal control for each of the 21 audit reviews finalised in the period and the number of recommendations made for each review. Table 1 following provides an analysis of audit opinion on the system of control. Appendices 4 and 5 provide members with the main issues relating to each completed audit. Appendix 5 covers exempt items which are not for publication.

Table 1: Overall Audit Opinion in audits finalised between 1 June 2010 and 31 August 2010.

Department	Good	Satisfactory	Marginal	Unsatisfactory	Unsound	No Opinion	Total
Regeneration & Community	1	1					2
Children & Young People	2	1	1			1	5
Resources	1	4	1	2		1	9
Environmental Services	2						2
Corporate & Adult Services	1	1	1				3
Total	7	7	3	2	0	2	21

Note: This table does not include any audits undertaken on behalf of external bodies or the external assessment of schools in respect of FMSIS.

- 4.3 As a general policy, all audits leading to a rating of “unsound” or “unsatisfactory” will be brought to the Committee’s specific attention. In the period, there have been two audits which have rated the overall control in the area/service under review as unsatisfactory. Appendix 3 contains a brief definition for each category of control rating.
- 4.4 Currently the Internal Audit Section has achieved a productivity rate of 73.74%. The target for the year is 73.3%. During the period, a total of 451.75 days has been spent on audit reviews within departments. The breakdown by department is shown in Table 2 below:

Table 2: Analysis of time spent by Department in the period from 1 June 2010 to 31 August 2010

Department	Actual Days
Chief Executive’s Office	23.75
Children and Young People	111.25
Resources	227.50
Neighbourhoods	31.25
Adults, Health & Housing	58.00
Total	451.75

- 4.5 The days delivered during this period have also been analysed over the different types of audit work. (See Table 3 below.)

Table 3: Analysis of time spent by areas of audit work in the period 1 June 2010 to 31 August 2010

Audit Area	Actual Days
Advice to Clients	32.75
Investigations	73.75
Governance Audits	4.25
Follow-up Work	8.00
Certification Work	0.00
Performance Indicator Audits	40.00
Managed Audits	46.75
IT Audits	64.50
Contract/Partnership Audits	0.00
Systems Audits	80.00
Probity Audits	69.50
Schools FMSiS	32.25
Total	451.75

- 4.6 By 31 August 2010, Internal Audit had delivered 22.9% of Derby City Council's annual Audit Plan and the target for the same period was 22.8% completion.

OTHER OPTIONS CONSIDERED

- 5.1 Not applicable.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Service Director(s) Other(s)	Richard Boneham, Head of Audit & Risk Management
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For more information contact: Background papers: List of appendices:	Adrian Manifold, Audit Manager, 01332 255686 adrian.manifold@derby.gov.uk None Appendix 1 - Implications Appendix 2 - Internal Audit Output Summary 1 June 2010 to 31 August 2010 Appendix 3 - Opinion & Issues/Recommendations Made and Accepted in Jobs Finalised during the period 1 June 2010 to 31 August 2010 Appendix 4 - Summary of Audit reports issued between 1 June 2010 and 31 August 2010 Appendix 5 - Summary of Audit reports issued between 1 June 2010 and 31 August 2010 (Not for Publication)
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IMPLICATIONS

Financial

- 1.1 None directly arising.

Legal

- 2.1 Under the Accounts and Audit Regulations 2003, the Council is required to maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper internal audit practices.

Personnel

- 3.1 None directly arising.

Equalities Impact

- 4.1 None directly arising.

Health and Safety

- 5.1 None directly arising.

Carbon commitment

- 6.1 None directly arising.

Value for money

- 7.1 None directly arising.

Corporate objectives and priorities for change

- 8.1 The functions of the Committee have been established to support delivery of corporate objectives by enhancing scrutiny of various aspects of the Council's controls and governance arrangements.

Internal Audit Output Summary – August 2010

August		Chief Executives	Children & Young People	Resources	Neighbourhoods	Adults, Health & Housing	Derby Homes	Fire & Rescue	Amber Valley	South Derbyshire	Other External Bodies	Total
	%											
Not Allocated		2		11	2	2		1				18
Allocated but not yet started	0%-10%	1	24	5	1		5	6	11	9		62
Started - Fieldwork commenced	0%-80%	1	4	15	1	3	3	2	3			32
Awaiting Review - Fieldwork complete and file submitted for review	80%		1	3					1		1	6
Reviewed but draft report not yet issued	90%		1	2	1							4
Draft Report issued but final report not issued	95%	1	1	4								6
Final Report issued	100%	2	3	8	2	3						18
Complete Job finalised but no formal report with recommendations issued	100%		5	2								7
	Total	7	39	50	7	8	8	9	15	9	1	153
Removed from Plan	0%											

Opinion & Issues/Recommendations Made and Accepted in Jobs Finalised during the period 1 Jun 2010 to 31 Aug 2010

Job Name	Overall control rating	Issues Raised / Recommendations Made			Issues Accepted		
		Funda-mental	Signif-icant	Merits Attention	Funda-mental	Signif-icant	Merits Attention
Chief Executive's Office							
Performance Indicators 2009-10	Satisfactory	0	3	2	0	3	2
NI 187 - Tackling fuel poverty	Good	0	0	1	0	0	1
Children & Young People							
Contact Point	Good	0	0	6	0	0	6
NI 086 - Secondary schools standards of behaviour	Good	0	0	2	0	0	2
FMSiS Development & Maintenance 2010-11	N/A	0	0	0	0	0	0
Surestart	Marginal	0	0	0	0	0	0
Merrill College	Satisfactory	0	0	0	0	0	0
Resources							
Back-up Procedures & Security	Marginal	0	5	2	0	5	2
Income Risk Assessment	N/A	0	0	0	0	0	0
Council Tax 2009-10	Good	0	0	4	0	0	4
Fixed Assets 2009-10	Satisfactory	0	2	1	0	2	1
Creditors - 2009-10	Satisfactory	0	5	9	0	5	9
Debtors 2009-10	Satisfactory	0	3	9	0	3	9
Risk Management	Unsatisfactory	0	5	10	0	5	10
Long Service Awards	Unsatisfactory	0	0	0	0	0	0
Corporate Credit Cards	Satisfactory	0	2	3	0	2	3
Neighbourhoods							
Parks Cash Handling	Good	0	0	1	0	0	1
Concessionary Travel	Good	0	0	3	0	0	3
Adults, Health & Housing							
NI 142 - Vulnerable people supported for independent living	Satisfactory	0	2	1	0	2	1
NI 131 - Delayed transfers of care from hospitals	Good	0	1	2	0	1	2
Abacus SPLS – IT System Security	Marginal	0	6	1	0	6	1
Total Recommendations Made		0	34	57	0	34	57

Table does not include 1 audit finalised in respect of Internal Audit's external contracts or the 2 FMSiS external assessments where the schools achieved the Standard.

Unsound	means that the risks identified within the audit are major and fundamental improvements are required.
Unsatisfactory	means that the risks identified within the audit are unacceptable and significant changes should be made.
Marginal	means that the risks identified within the audit are either numerous or significant and require improvement.
Satisfactory	means that the risks identified within the audit are minimal or less significant but changes are required.
Good	means that either no risks have been found or the risks identified within the audit are minor and only a small amount of changes would be beneficial.

Summary of Audits Finalised during period 1 June 2010 to 31 August 2010

Introduction

The main findings in final audit reports issued are summarised below. It should be noted that this summary comments on key weaknesses found, as this is the focus of the recommendations. The full audit reports give a more rounded picture of the overall control environment, and to appreciate this broader picture, members should also take note of the overall control rating and the controls that were tested and found to be adequate.

Chief Executive's Office

Performance Indicators 2009-10

Overall control rating: Satisfactory

This audit focused on the National Indicators the Council were required to report during 2009/10, specifically the Local Area Agreement (LAA) Indicators which were subject to Self Assessment in 2008/09. We have also incorporated a summary of the performance Indicator audits conducted during 2009/10 as a result of the 2008/09 Self Assessment process.

The following issues were considered to be the key control weaknesses:

- Data required to calculate National Indicator 116 was not made available to the Council by either the Dept for Work and Pensions (DWP) or Jobcentre Plus.
- The Council did not have a formal agreement with Jobcentre Plus to provide the Council access to the performance management systems at Jobcentre Plus to review National Indicator 152.
- The Council had not calculated the performance for LPSA 2 Target 1 in line with the requirements of the definition or met the special conditions assigned to this indicator.
- The Accountable Officer for LPSA 2 Target 7 had not conducted validation checks on the performance figures provided by a third party organisation.
- Internal Audit was given just one months notice of the requirement for them to undertake LPSA 2 grant certification work and key documents were not made available in a timely manner.

All of the control issues raised within this report were accepted and positive action was agreed to be taken to address all issues. Positive action had already been taken in respect of 2 recommendations, 2 recommendations were due to be addressed by the end of December 2010, with the remaining issue due to be addressed by the end of March 2011.

NI 187 - Tackling fuel poverty

Overall control rating: Good

The Audit Commission Key Lines of Enquiry (KLOE) for Data Quality require Council's to have in place effective arrangements for the monitoring and review of data quality. Internal Audit reviews the accuracy and completeness of performance information as part of these

arrangements. National Indicator 187 on “Tackling fuel poverty - percentage of people receiving income based benefits living in homes with a low energy efficiency rating” was included in the sample of performance indicators selected for review during 2010/11.

From the 17 key controls evaluated in this audit review, 16 were considered to provide adequate control and only 1 contained weaknesses. The following issue was considered to be the key control weakness:

- There was no Accountable Officer responsible for checking the performance process and signing off the performance figures.

The control issue was accepted and positive action was taken with immediate effect to resolve the weakness identified.

Children & Young People

Contact Point

Overall control rating: Good

This audit encompassed an advisory and consultation role during the development phase of the accreditation process delivered by the ContactPoint Team. The audit focused on reviewing the adequacy of the systems in place for assessing how partner organisations were accredited to supply data and make use of ContactPoint. Management were seeking assurance over the adequacy of the procedure in place to ensure organisational accreditation was achieved within the statutory requirements set under the Children Act 2004.

From the 70 key controls evaluated in this audit review, 61 were considered to provide adequate control and only 9 contained weaknesses. The following issues were considered to be the key control weaknesses:

- The time committed by the ContactPoint team in assisting the CYP department gain accreditation equated to almost a year questioning whether this level of support could be sustained for all partners.
- The ContactPoint team did not require the partner organisation to complete the self assessment on LARA or an alternative, to establish the areas seen to be non compliant.
- There was no standard document being used to record the ongoing advice and progress being made by the partner organisations, to the address actions raised to meet the accreditation standards for accessing and using ContactPoint.
- The ContactPoint Policy and Accreditation Compliance (CYP) document referred to HR running a report showing all ContactPoint users at that point, which will be available to audit as required, not clearly stipulating what this requirement would entail.
- The ContactPoint Policy and Accreditation Compliance (CYP) document stated, ‘Failure to return tokens with the PIN reset will result in a £50 fine (as it will be rendered useless)’. But it was unclear as who would be liable to meet the charge.
- The ContactPoint Policy and Accreditation Compliance (CYP) document made reference to the Council’s disciplinary processes being specific to each department, rather than a single corporate procedure followed consistently by all departments across the Council.

All 6 of the control issues raised within this report were accepted and positive action was agreed to be taken to address all issues. Positive action in respect of all 6 recommendations was to be completed by the end of September 2010.

NI 086 - Secondary schools standards of behaviour

Overall control rating: Good

The Audit Commission Key Lines of Enquiry (KLOE) for Data Quality require Council's to have in place effective arrangements for the monitoring and review of data quality. Internal Audit reviews the accuracy and completeness of performance information as part of these arrangements. National Indicator 86 on "Secondary schools judged as having good or outstanding standards of behaviour" was included in the sample of performance indicators selected for review during 2010/11.

From the 17 key controls evaluated in this audit review, 15 were considered to provide adequate control and only 2 contained weaknesses. The following issues were considered to be the key control weaknesses:

- Supporting documentation maintained by the Compiling Officer was not consistent with the performance figure reported in 2009/10 and the figure reported had been incorrectly rounded.
- Performance figures were not being checked and authorised by the Accountable Officer.

Both control issues were accepted and positive action was agreed to be taken by the end of December 2010.

FMSiS Development & Maintenance 2010-11

Overall control rating: N/A

The audit approach to the Financial Management Standard in Schools (FMSiS) was to provide proactive assistance for schools in preparing for the external assessment and continue developing the supporting documents to further enhance and improve the process. Those schools due for reassessment in 2010/2011 were invited to attend a reassessment workshop. The aim of the event was to provide schools with an update on the process and introduce the supporting documents for completing the assessment. The assessor's expectations in light of the guidance issued by the Department for Education were communicated and all relevant documentation from the event made available via the school circular. The feedback received was positive and encouraging.

Resources

Back-up Procedures & Security

Overall control rating: Marginal

This audit focused on the procedures and security in place relating to the back-up of critical and non-critical servers.

From the 53 key controls evaluated in this audit review, 32 were considered to provide adequate control and 21 contained weaknesses. The following issues were considered to be the key control weaknesses:

- The back-up policy had not been formally agreed with the Council and vital information was missing from the policy itself. If the missing information is not included in the report there is a risk that it will not be actioned due to a lack of guidance.
- Business System Administrators had not been consulted on the formation of the back-up schedule. This could result in data loss if a restore from back-up is required but the restoration period is not available.
- The check sheets did not contain all of the critical servers and back-up jobs that were contained within the back-up policy. This could result in checks for the missing servers not being completed, which could result in back-up failures going unnoticed.
- Back-up failures were not being adequately documented and there was no clear audit trail of back-up failures which showed the details of the failure and how it had been addressed.
- There was no formal testing procedure and no adequate testing of back-up media. Also a restore of critical servers in a Disaster Recovery restore test had not been carried out since January 2009.

All 7 of the control issues raised within this report were accepted and positive action was agreed to be taken to address all 7 recommendations by the end of December 2010.

Income Risk Assessment

Overall control rating: N/A

Audit sought to identify and risk assess all income streams across the Authority. Budget holders were asked to complete a questionnaire which sought to identify the key controls in place and the current exposure to risk. Audit designed a database to collate, analyse and prioritise the questionnaire responses using a scoring/weighting system to determine higher risk income streams. Income streams were risk ranked according to the results with a view to determining and prioritising future audit coverage. The database system was made sufficiently flexible to incorporate future changes to income streams and reflect the change in the levels of risk to steer future year's audit plans.

Results suggest that audit coverage should be prioritised to examine the income streams in the following areas:

- Libraries.
- Catering – Schools.
- Leisure Centres.
- Older People's Homes.
- Taxi Licensing.
- Children's Centres.

It is intended that these areas will be prioritised for audit coverage in future years audit plans.

Council Tax 2009-10

Overall control rating: Good

This audit focused on checking the adequacy of controls over the process for billing and collecting Council Tax, to provide assurance that all tax due is identified and collected in a timely manner.

From the 36 key controls evaluated in this audit review, 32 were considered to provide adequate control and only 4 contained weaknesses. The following issues were considered to be the key control weaknesses:

- An account review had not been undertaken in accordance with a system prompt, which resulted in a student discount being awarded for a longer period than was necessary.
- System access rights allocated to staff administering council tax on Academy were not subject to regular checks by management for assurance that they were appropriate for the tasks expected to be undertaken within the role.
- There was no evidence that management were reviewing transactions going through the Council tax suspense account for assurance that it was being cleared regularly and the items treated correctly.
- Academy system had automatically withdrawn the liability order on an arrears account when the balance was written off in error. The write off error was subsequently identified and corrected but the recovery measure was not reinstated.

All of the 4 control issues raised within the report were accepted and positive action agreed to be taken to address the issues. Positive action had already been taken in respect of 1 issue and the remaining 3 issues were to be addressed in stages by the end of August 2010.

Fixed Assets 2009-10

Overall control rating: Satisfactory

This audit focused on reviewing the systems and controls in place surrounding the Council's fixed assets. In addition, supplementary testing was undertaken to ensure that the amendments made to the fixed asset register were appropriate and that there was supporting evidence available.

From the 20 key controls evaluated in this audit review, 10 were considered to provide adequate control and 10 contained weaknesses. The following issues were considered to be the key control weaknesses:

- Land and building assets were subject to physical verification checks. However, departments did not perceive verification of vehicle, plant and equipment was their responsibility.
- There were no robust processes or documented guidance in place which covered the treatment of assets that have a nil cost.
- Some policies and procedures were being developed at the time of audit. Those that had been documented were not widely accessible.

All 3 of the control issues raised within this report have been accepted and positive action has been agreed to be taken to address the recommendations by the end of March 2011.

Creditors - 2009-10

Overall control rating: Satisfactory

The objective of this audit was to ensure that only bona fide payments were made from the Accounts Payable system and that all transactions were adequately and correctly recorded in the accounts. This audit focused on the Accounts Payable systems and procedures with sampling from 2009/10 transactions.

From the 35 key controls evaluated in this audit review, 16 were considered to provide adequate control and 19 contained weaknesses. The following issues were considered to be the key control weaknesses:

- Purchase orders had not always been raised and approved to cover all parts of consolidated invoice payments.
- Certain consolidated invoices, which had been rejected numerous times by different budget holders, were being inappropriately authorised by a single officer, which meant that the charges levied could not be appropriately scrutinised or challenged.
- Procedural guidance notes had not been prepared to instruct officers involved in the processing and approval of consolidated invoices, in the appropriate control processes.
- At the time of testing there was a substantial backlog of bank account changes waiting to be processed on the Accounts Payable system.
- Effective systems were not in place to ensure that invoices had been scanned onto the Accounts Payable system to be scrutinised prior to electronic invoice approval.

All 14 of the control issues raised within this report were accepted and positive action was agreed to be taken to address 10 issues. The remaining 4 issues were accepted and these points were to be raised with the Business Systems Manager and a further update provided when actions were agreed. Positive action in respect of 2 recommendations were due to be taken by the end of August 2010, 3 recommendations were due to be addressed by the end of September 2010, with 1 recommendation due to be addressed by the end of October 2010 and the remaining 4 issues due to be addressed by the end of December 2010.

Debtors 2009-10

Overall control rating: Satisfactory

This audit focused on the processes and controls of the central Accounts Receivable service and also reflected on previous audit recommendations.

From the 46 key controls evaluated in this audit review, 19 were considered to provide adequate control and 27 contained weaknesses. The following issues were considered to be the key control weaknesses:

- Service departments were being immediately credited with the full value of all invoices raised. Accordingly, they were not thoroughly checking the credit-worthiness of new recurring customers or obtaining full contact details to ensure the prospect of incurring bad debts was reduced.
- Adjustments and amendments to customer accounts were not fully traceable as the current system report did not show the complete (double entry) impact of the transaction.

- The creation and application of invoices and credit memos was not being adequately monitored, such that the same officer was carrying out both functions, without the transactions being reviewed or approved by management.

All 12 of the control issues raised within this report were accepted and positive action was agreed to be taken to address all issues. Positive action in respect of all 12 recommendations was to be completed by the end of September 2010.

Risk Management

Overall control rating: Unsatisfactory

This audit focused on reviewing the risk management processes in place to ensure they were sound and gave sufficient consideration to risk identification and mitigating actions.

From the 28 key controls evaluated in this audit review, 7 were considered to provide adequate control and 21 contained weaknesses. The following issues were considered to be the key control weaknesses:

- The business planning process had been reviewed and the emphasis on risk identification and recording had been removed.
- Processes surrounding the identification, management and monitoring of partnership risks were underdeveloped.
- There was inadequate consideration and documentation of the treatment of residual risks and how they should be mitigated for both strategic and operational risks.
- There was insufficient communication between responsible officers across the Council in relation to risk management developments and changes to key risks and action plans.
- There was no documented evidence to suggest that risk management was used to inform decision-making within the Council.

All 15 of the control issues raised within this report were accepted and positive action was agreed to be taken to address 1 of the recommendations by the end of August 2010, 3 by the end of September 2010, 3 by the end of October 2010 and 4 by the end of March 2011. 4 of the recommendations had been implemented as the report was made final.

Corporate Credit Cards

Overall control rating: Satisfactory

The audit was requested by the Strategic Director – Resources to seek assurance of the controls in place. It focused on the controls in place relating to corporate credit cards from the initial application, through payment of monthly statements, to the cancellation of cards.

From the 35 key controls evaluated in this audit review, 4 were considered to provide adequate control and 31 contained weaknesses. The following issues were considered to be the key control weaknesses:

- The Council was not reviewing the continued need of any individual officer to hold a credit card.
- The Council was not periodically reviewing the credit limit for those corporate credit cards in existence.

- Not all expenditure had been checked and authorised, although all had been paid as credit card charges are automatically paid by Direct Debit.
- Purchasing via a corporate credit card can bypass the restrictions of corporate contracts by enabling orders to be placed with non-contractual suppliers.
- VAT incurred on credit card expenditure was not always being appropriately allocated from statements into the Financial Management System. This has resulted in a failure to reclaim VAT incurred on credit card purchases.

All 5 of the control issues raised within this report were accepted and positive action was agreed to be taken to address all issues. Positive action in respect of all 5 recommendations was to be completed by the end of July 2010.

Neighbourhoods

Parks Cash Handling

Overall control rating: Good

We reviewed the degree of implementation of recommendations agreed in the 2007/08 audit report regarding Income - Park Rangers. Our original audit report contained Management's agreed action plan for the implementation of recommendations or agreed alternative actions. This formed the basis of our follow-up audit, which was aimed at reviewing progress on the implementation of those agreed recommendations.

The follow-up audit identified that 5 of the 6 recommendations made in the original report had been implemented, but 1 had not been implemented.

- We found that the main safe insurance limit was still being exceeded especially during busy periods, even though we had been informed at the time of the original audit that our recommendation to mitigate this weakness, had been implemented.

It was agreed that to prevent the build up of cash in the safe during the week that during the busiest periods, cash collections will be increased from two days per week to every day. It was also agreed that if there is a build up of cash in the safe because, for example, a particular event generates significant income, then additional one-off collections would be made.

Concessionary Travel

Overall control rating: Good

This audit focused on processes that support the arrangements for the re-imbursements to the bus operators undertaken by the Transport section at Derbyshire County Council.

From the 17 key controls evaluated in this audit review, 14 were considered to provide adequate control and only 3 contained weaknesses. The following issues were considered to be the key control weaknesses:

- Formal agreements were not in place between the bus operators and Derbyshire County Council. Also Derby City Council was not being made aware of agreed payment increases to the bus operators.
- The fare stage allocation data had not been reviewed by Derby City Council since the commencement of the scheme.

- Derby City Council did not receive any information as to the amounts paid over to the bus operators.

All 3 of the control issues raised within this report were accepted. Positive action was agreed to be taken to address the recommendations by the end of October 2010.

Adults, Health & Housing

NI 142 - Vulnerable people supported for independent living

Overall control rating: Satisfactory

The Audit Commission Key Lines of Enquiry (KLOE) for Data Quality require Council's to have in place effective arrangements for the monitoring and review of data quality. Internal Audit's review of the accuracy and completeness of performance information forms part of these arrangements. National Indicator 142 on the "Percentage of vulnerable people who are supported to maintain independent living" was included in the sample of performance indicators selected for review during 2010/11.

From the 17 key controls evaluated in this audit review, 13 were considered to provide adequate control and 4 contained weaknesses. The following issues were considered to be the key control weaknesses:

- Reported performance figures were not consistent with the supporting documentation held for each quarter reported in 2009/10.
- Performance figures were not being checked and authorised by the Accountable Officer.
- Performance figures had not been reported on the Performance Management system for Quarter 2 and Quarter 3 2009/10 and the figures which had been reported had not been entered to the correct number of decimal places.

All 3 of the control issues raised within this report were accepted and positive action was agreed to be taken to address all issues. Positive action was due to be taken to address all 3 recommendations by the end of October 2010.

NI 131 - Delayed transfers of care from hospitals

Overall control rating: Good

The Government require Council's to have effective arrangements in place for the monitoring and review of data quality. Internal Audit reviews the accuracy and completeness of performance information as part of these arrangements. National Indicator 131 on the "Delayed transfers of care from hospitals" was included in the sample of performance indicators selected for review during 2010/11.

From the 17 key controls evaluated in this audit review, 13 were considered to provide adequate control and 4 contained weaknesses. The following issues were considered to be the key control weaknesses:

- Supporting documentation maintained by the Compiling Officer was not consistent with the performance figures reported for each quarter in 2009/10.
- Performance figures were not being checked and authorised by the Accountable Officer.

- Figures have been rounded during the calculation process which has affected the accuracy of the reported performance.

All 3 of the control issues raised within this report were accepted and positive action was agreed to be taken to address all issues. Positive action was due to be taken to address all 3 recommendations by the end of October 2010.