

## **XENTRALL AUDIT PLAN 2009/10 – PROGRESS REPORT FROM STOCKTON BOROUGH COUNCIL'S INTERNAL AUDIT SECTION**

### **Purpose of Report**

1. To provide Darlington Borough Council's Audit Committee with a progress report on the completion of the 2009/2010 Xentrall Audit Plan.

### **Information and Analysis**

2. Stockton Borough Council's Annual Audit Plan for 2009/10 is risk based and was approved by SBC's Audit Committee in May 2009. The relevant Xentrall element of the Plan was reported to DBC's Audit Committee in March 2009.
3. The range of audit work to be carried out on the partnership was developed following consultation with the Xentrall Management Board, Audit Services at Darlington Borough Council and the External Auditors of both councils. The detailed scope of each audit assignment is agreed by Stockton Borough Council Internal Audit and Xentrall management prior to the commencement of audit work.
4. Appendix A identifies the previously reported audits and those completed in this period.

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**APPENDIX A**

2009/10 Audits previously reported

Department	Audit Assignment	Assurance Opinion	Where Assurance Opinion Less Than Substantial	
			Audit Comment	Management Response
<b>Xentrall</b>				
	Design & Print	Full Assurance		
	Income	Substantial		
	New systems implementation – PSE migration	Full		
	Network Management	Substantial		
	Transactional HR Absence management	Substantial		
	Transactional HR Recruitment/ Employee contracts.	Full Assurance	Follow-up on previous audit recommendations; all implemented.	
	Xentrall Governance	Full		
	Bank reconciliation	Full		
	Creditors	Substantial		
	Debtors	Substantial		
	E-commerce	Substantial		

Audits Presented

Department	Audit Assignment	Assurance Opinion	Where Assurance Opinion Less Than Substantial	
			Audit Comment	Management Response
<b>Xentrall</b>	Windows NT & I WORLD	Substantial		
	Payroll	Substantial		
	Business continuity	Substantial		
	Agresso	Substantial		

Department	Audit Assignment	Assurance Opinion	Where Assurance Opinion Less Than Substantial	
			Audit Comment	Management Response
	Disaster recovery	Limited	Limited assurance as arrangements yet to be fully tested.	
	Environmental controls	Substantial		

Opinion Scoring Methodology

Assurance	Definition
<b>FULL ASSURANCE</b>	A sound system of controls is being applied consistently 91 -100% assurance on testing results
<b>SUBSTANTIAL ASSURANCE</b>	Overall, there is a sound system of internal controls, however, the implementation of the agreed recommendations would further strengthen these controls 71 – 90% assurance on testing results
<b>LIMITED ASSURANCE</b>	The system of controls is weak and (either) is not being complied with in some significant areas, or does not cover all areas. 41 – 70% assurance on testing results
<b>NO ASSURANCE</b>	The system of controls is failing and in need of urgent management attention. 0 – 40% assurance on testing results