

**XENTRALL AUDIT PLAN 2010/11 – PROGRESS REPORT FROM STOCKTON  
BOROUGH COUNCIL’S INTERNAL AUDIT SECTION**

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**SUMMARY REPORT**

**Purpose of Report**

1. To provide Darlington Borough Council’s Audit Committee with a progress report against the 2010/2011 Xentrall Audit Plan as at 1st March, 2011.
2. To notify Members of the proposed plan for 2011/12.

**Information and Analysis**

3. Stockton Borough Council’s Annual Audit Plan for 2010/11 is risk based and was approved by SBC’s Audit Committee in April 2010. The relevant Xentrall element of the Plan was reported to DBC’s Audit Committee in March 2010.
4. 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.
5. Appendix A identifies the previously reported audits, the completed audits in this period and those currently classed as on-going. Compared to the plan for 2010/11 shown in Appendix B, the two HR audits were combined into one and the Disaster Recovery audit was additional work undertaken.
6. Appendix B is the proposed Audit Plan for 2011/12.

**Ian Jones  
Chief Internal Auditor  
Stockton Borough Council**

2010/11 Audits previously reported

Department	Audit Assignment	Assurance Opinion	Where Assurance Opinion Less Than Substantial	
			Audit Comment	Management Response
Xentrall	Transactional HR	Substantial Assurance		
	IS/IT Strategy	Full Assurance		
	Income	Full Assurance		
	Disaster recovery – follow up of previous recommendations	Substantial Assurance	Opinion based on the work undertaken by management to date to address the previous audit recommendations.	

Audits Presented

Department	Audit Assignment	Assurance Opinion	Where Assurance Opinion Less Than Substantial	
			Audit Comment	Management Response
Xentrall	Debtors	Substantial Assurance		
	Governance	Full Assurance		
	Creditors	Substantial Assurance		
	Agresso	Full Assurance		
	Bank Reconciliation	Full Assurance		
	PS Enterprise	Full Assurance		

On-going

Department	Audit Assignment	Status	Where Assurance Opinion Less Than Substantial	
			Audit Comment	Management Response
Xentrall	Payroll	On-going		
	Internet Firewalls/ E-mail	On-going		
	Network Management/ Remote access	On-going		
	ICT Environmental controls	On-going		

## Opinion Scoring Methodology

<b>Assurance</b>	<b>Definition</b>
<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

## 2010/11 PROPOSED ANNUAL AUDIT PLAN

## Appendix B

		<i>RF</i>	<i>Interval</i>		2009/10	2010/11	2011/12	2012/13	2013/14
	<b>SLAs and Management</b>				10	5	5	5	5
	<b>Advice and Guidance</b>				15	5	5	5	5
<b>Core Systems - DBC</b>									
	Bank Reconciliation	5.5	12		10	5	5	5	5
	Business continuity				5		5		5
	Creditors	5.8	12		17	10	15	10	10
	Debtors	5.6	12		15	10	10	15	10
	Design & Print				5				
	Governance					10		10	
	Income	5.1	12		7	7	7	7	7
	Payroll	5.8	12		15	15	15	15	15
	Transactional HR - Absence Management	5.1	12		6	6	10		10
	Transactional HR - Recruitment / Employee Contracts	5.1	12		3	10		10	
<b>ICT Systems - DBC</b>									
	Agresso	5.1	12		20	10	15	10	10
	Disaster Recovery	3.9	24		5		5		5
	E-Commerce Controls	3.5	24		5		5		5
	I WORLD	3.3	24		10		10		10
	ICT Environmental Controls	4.7	24		15	15		15	
	Information security				5				
	Interfacing	0.0	120						
	Internet Firewalls / Email/ Network Management/ Remote access (now combined)	5.1	12			8	10	10	10
	Network Management / Remote Access	3.6	24		5	8			
	New systems management				10				
	PS Enterprise					15			
	Widows NT				15		15		15
<b>Ad-hoc</b>					15	7			
<b>Totals</b>					213	146	137	117	127