
**XENTRALL AUDIT PLAN 2013/14 – 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 against the 2013/2014 Xentrall Audit Plan as at 28 February 2014.
2. To notify Members of the proposed plan for 2014/15.

Information and Analysis

3. Stockton Borough Council’s Annual Audit Plan for 2013/14 is risk based and was approved by SBC’s Audit Committee in February 2013. The relevant Xentrall element of the Plan was reported to DBC’s Audit Committee in March 2013.
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.
6. **Appendix B** is the proposed Audit Plan for 2014/15. We have made an amendment to how we record audit assignments which will not have any impact on the amount of work we will undertake but it will impact on how the plan is presented specifically the number of days for each audit as it will include the time to be spent looking at SBC samples.

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APPENDIX A

2013/14 Audits previously reported

| Department | Audit Assignment | Assurance Opinion | Where Assurance Opinion Less Than Substantial | |
|------------|------------------|--------------------|---|---------------------|
| | | | Audit Comment | Management Response |
| Xentrall | IS/ICT Strategy | Full Assurance | | |
| | Income | Full Assurance | | |
| | Firewalls | Moderate Assurance | | |
| | | | | |

Audits Presented

| Department | Audit Assignment | Assurance Opinion | Where Assurance Opinion Less Than Substantial | |
|------------|--|-----------------------|---|---------------------|
| | | | Audit Comment | Management Response |
| Xentrall | Business Continuity & Disaster Recovery (brought forward from 2012/2013) | Substantial Assurance | | |
| | Internet | Substantial Assurance | | |
| | | | | |

On-going

| Department | Audit Assignment | Status | Where Assurance Opinion Less Than Substantial | |
|------------|-----------------------------|----------|---|---------------------|
| | | | Audit Comment | Management Response |
| Xentrall | | | | |
| | Creditors | Draft | | |
| | Bank Reconciliation | On-Going | | |
| | Debtors | On-Going | | |
| | Payroll & Absence Recording | On-Going | | |
| | Agresso | On-Going | | |
| | Active Directory | On-Going | | |
| | Outlook/Email | On-Going | | |

Opinion Scoring Methodology

| Level | Definition |
|------------------------------|---|
| FULL ASSURANCE | A sound system of internal controls is being applied consistently, although there may be scope for these controls to be improved in some areas. |
| SUBSTANTIAL ASSURANCE | Overall, there is a reasonably sound system of internal controls; however, there are areas where internal controls need to be improved. |
| MODERATE ASSURANCE | A system of internal controls is being applied; however, there are weaknesses which may put some of the system objectives at risk. |
| LIMITED ASSURANCE | There is either a limited system of internal controls being applied, or there are significant weaknesses in the controls in place, which are posing a substantial risk to the achievement of system objectives. |
| NO ASSURANCE | The system of controls is failing and in need of urgent management attention. |

2014/15 PROPOSED ANNUAL AUDIT PLAN

Appendix B

| | | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 |
|---|---|---------|---------|---------|---------|---------|
| Core Systems | | | | | | |
| | Bank Reconciliation | 10 | 10 | 10 | 10 | 10 |
| | Business continuity (Covered under ICT Disaster Recovery Below) | 15 | | | | |
| | Creditors | 30 | 30 | 30 | 30 | 30 |
| | Debtors | 25 | 25 | 25 | 25 | |
| | Design & Print | | | | 5 | |
| | Governance | 4 | | 4 | | 4 |
| | Income | 7 | 7 | 7 | 7 | 7 |
| | Payroll & Absence Recording | 55 | 55 | 55 | 55 | 55 |
| | Pension Payments/Early Retirement | | | 10 | | 10 |
| | Transactional HR - Recruitment / Employee Contracts | 15 | | 15 | | 15 |
| ICT Infrastructure & Systems | | | | | | |
| | Agresso | 20 | 20 | 10 | | 10 |
| | Disaster Recovery | 15 | | 15 | | 15 |
| | Paybase | | | | 5 | |
| | Northgate Revenues & Benefits | | 5 | | 5 | |
| | ICT Environmental Controls | 10 | | 10 | | 10 |
| | IS/IT Strategy | | 7 | | | 7 |
| | Active Directory | | 15 | | 15 | |
| | Firewalls | | 10 | | 10 | |
| | Remote Access | | | 10 | | 10 |
| | New Systems Implementation Contingency | 5 | 5 | 5 | 5 | 5 |
| | PS Enterprise | 15 | | 10 | | 10 |
| | Virtualisation | 15 | | 15 | | 15 |
| | Change Control | 10 | | | | 10 |
| | Desktop Management | | | | 10 | |
| | Hardware Controls | 10 | | 10 | | 10 |
| | ICT Project Management | | | 15 | | 15 |

| | | | | | | |
|---------------|--------------------------------------|-----|-----|-----|-----|-----|
| | Internet | | 10 | | | 10 |
| | Network Management | | 15 | | 15 | |
| | Outlook/Email | | 10 | | | 10 |
| | Website/Intranet | | | 10 | | 10 |
| | Server Operating Systems | | | | 20 | |
| | Software Controls | | | | 10 | |
| | Civica Icon Income Management System | 5 | | 5 | | 5 |
| Totals | | 266 | 234 | 271 | 227 | 283 |