

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 31 May 2014.

Information and Analysis

2. 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.
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, the completed audits in this period and those currently classed as on-going.

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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	The change control procedures for the authorisation and recording of changes made to the firewall configuration/rulebase were limited. Although the firewall management software has a comprehensive audit trail facility, the majority of firewall rulebase changes are not being logged in full on the change control software. This means that for most changes there is no second officer check. Periodic reviews of the firewall rulebases were considered to be overdue and risk assessment of the firewall software patching policy is also required.	Resources were deployed to review the firewall rulebases in October/November 2013 and future quarterly reviews are to be scheduled. These reviews include checking of the management logs alongside the checks on the rulebases.
	Business Continuity & Disaster Recovery (brought forward from 2012/2013)	Substantial Assurance		
	Internet	Substantial Assurance		

Audits Presented – 2013/2014

Department	Audit Assignment	Assurance Opinion	Where Assurance Opinion Less Than Substantial	
			Audit Comment	Management Response
Xentrall	Payroll & Absence Management	Full Assurance		
	Creditors	Substantial Assurance		
	Bank Reconciliation	Full Assurance		
	Debtors	Substantial Assurance		
	Agresso	Substantial Assurance		
	Active Directory	Substantial Assurance		
	Outlook/Email	Full Assurance		
	Northgate Revenues & Benefits	Full Assurance		

On-going

Department	Audit Assignment	Status	Where Assurance Opinion Less Than Substantial	
			Audit Comment	Management Response
Xentrall	Network Management	Start Delayed, now in progress		

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.