XENTRALL AUDIT PLAN 2014/15 – 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 2014/2015 Xentrall Audit Plan as at 28 February 2015.

2. To notify Members of the proposed plan for 2015/16.

Information and Analysis

3. Stockton Borough Council's Annual Audit Plan for 2014/15 is risk based and was approved by SBC's Audit Committee in February 2014. The relevant Xentrall element of the Plan was reported to DBC's Audit Committee in March 2014.

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 2015/16. The number of audits days identified includes SBC as well as DBC samples.

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2014/15 Audits previously reported

Department	Audit Assignment	Assurance Opinion	Where Assurance Opinion Less Than Substantial	
			Audit Comment	**Management Response**
Xentrall				
	Remote Access	Full Assurance		
	ICT Environmental Controls	Full Assurance		
	Transactional HR - Recruitment / Employee Contracts	Full Assurance		
	Network Management	Substantial Assurance		
	Civica Icon Income Management System	Full Assurance		

Audits Presented

Department	Audit Assignment	Status	Where Assurance Opinion Less Than Substantial	
			Audit Comment	**Management Response**
Xentrall	Agresso	Full Assurance		
	Income	Full Assurance		
	Debtors	Substantial Assurance		
	PS Enterprise	Full Assurance		

On-going

Department	Audit Assignment	Status	Where Assurance Opinion Less Than Substantial	
			Audit Comment	**Management Response**
Xentrall	Bank Reconciliation	On-Going		
	Hardware Controls	On-Going		
	ICT Project Management	Draft		
	Governance	On-Going		
	Virtualisation	On-Going		

Department	Audit Assignment	Status	Where Assurance Opinion Less Than Substantial	
			Audit Comment	Management Response
	Creditors	On-Going		
	Payroll & Absence Recording	On-Going		
	Back-up & Disaster Recovery	On-Going		
	Pension Payments/Early Retirement	On-Going		
	Website/Intranet	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.

2015/16 PROPOSED ANNUAL AUDIT PLAN   Appendix B

		2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Core Systems							
	Bank Reconciliation	10	10	10	10	10	10
	Creditors	30	30	30	30	30	30
	Debtors	25	25	25	25	25	25
	Governance		4		4		4
	Income	7	7	7	7	7	7
	Payroll & Absence Management	55	55	55	55	55	55
	Pension Payments/Early Retirement		10		10		10
	Transactional HR - Recruitment / Employee Contracts		15		15		15
ICT Infrastructure & Systems							
	Agresso	20	10	10		10	
	Disaster Recovery		15		15		
	Paybase					5	
	Northgate Revenues & Benefits	5		5		5	
	ICT Environmental Controls		10			10	
	IS/IT Strategy	7				7	
	Active Directory	15			15		
	Firewalls	10					10
	Remote Access		10				10
	PS Enterprise		10			10	
	Virtualisation		15		15		
	Change Control						10
	Desktop Management				10		
	Hardware Controls		10				10
	ICT Project Management		15				10
	Internet	10				10	
	Network Management	15					10
	Outlook/Email	10				10	
	Website/Intranet		10			10	
	Cloud Computing			10			

	Server Operating Systems			10			
	Software Controls			10			
	Civica Icon Income Management System		5		7		
Totals		219	266	172	218	204	216