

ITEM NO.

Report to: Audit Committee
Date: 12th July 2007
Report of: Gordon Fletcher, Audit Manager
Subject: Internal Audit Progress Report - 2007/2008
Ward: All

1 Purpose of the Report

- 1.1. The purpose of this report is to update the Audit Committee as to the progress made completing the 2007/2008 Internal Audit plan. This is the first progress report for this financial year, and covers the months April to June 2007.

2. Consultation

- 2.1. In preparing this report I have consulted with:
Senior Auditor
Head of Financial Management.

3. Background

- 3.1 It was agreed that the Audit Manager would report to the Audit Committee on the progress of audit work throughout the year. This is a process that has been commended by the Audit Commission, following previous annual assessment of the Council's Internal Audit Section.

4. Position Statement

- 4.1. Appendix 1, summarises the planned audit work completed by Internal Audit for the period. The objectives of the audit are shown, along with the conclusions, and any recommended actions agreed with the auditee.
- 4.2. Appendix 2, shows a list of the planned audit work currently in progress, which will be carried forward to the next quarter. Some of these have been completed but they either have outstanding queries or are being reviewed.

5. Implications

- 5.1 Legal Implications.
It is a requirement of law that the Council maintains an adequate and effective Internal Audit service.
- 5.2. There are no Financial, Policy, Risk Management, Communications or Corporate implications.

6. Recommendation

- 6.1 Members are asked to note the information contained within the report.

7. Background Papers/Documents Referred to in Preparing this Report

- 7.1 Internal Audit reports.
Internal Audit time sheets.

Completed audit work for the period ending June 2007

Concessionary travel (3 yearly audit)

Background.

A new County Durham Travel Scheme was introduced on 1st April 2006 after an agreement was reached between the County Durham District Councils and the bus companies.

The production of a travel permit by eligible residents of the districts enables concessionary bus travel throughout County Durham to be free of charge and half fare to be charged for selected train journeys.

Aims and Objectives

The objective of this audit was to ensure that there are proper procedures in place for accurately recording details and issuing travel permits relating to the County Durham Concessionary Travel Scheme.

Conclusions:

Birth certificates are checked to confirm the person's age but sometimes the name may have changed (e.g. if married) and no further documentation was checked to confirm the person's name.

Applicants are not required to provide confirmation of their address, to prove that they are living in the District.

Recommendations

If the applicant name is different from that on the birth certificate then proof of their identity should be provided. The applicant should also provide proof of address in order to confirm residence in the district e.g. utility bill.

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APPENDIX 2

Ongoing audit work

Payroll - completed with queries to resolve

Benefits – completed with queries to resolve and further work required

NNDR - ongoing

Creditors – completed being reviewed

NFI work - ongoing

Grants – commenced June

Right to Buy – completed but further work required

Capital Accounting - ongoing

Investigation - ongoing