

**REPORT**

<b>SUBJECT:</b>	<b>Audit Report Annual Holistic Plan 2016-17</b>
<b>MEETING:</b>	<b>SRS Board</b>
<b>DATE:</b>	<b>May 2016</b>

**1. PURPOSE:**

1.1 The purpose of this report is to update Board with summary audit intentions for the year.

**2. RECOMMENDATIONS:**

2.1 That Board endorses the programme included in para 3.1 below.

2.2 Supports the provision of a risk assessment alongside any proposed plan, to allow Section 151 officer and Board to understand why particular areas have been chosen. The first opportunity for this consideration being the imminent 3 year audit plan.

**3. KEY ISSUES:**

3.1 Following discussion amongst audit representatives of 3 partners the following annual programme is volunteered by Chief Internal Auditor of TCBC.

AUDREF	MONTH	LAST SYSTEM AUDIT	STAGE	TYPE	PROJECT_NAME	QTR	Allocation (Hours)
SRS-16001	SRS12-02	30-Oct-12	NID	SYS	Application Support	Any	89
SRS-16002	SRS12-03	13-Jun-13	NID	SYS	Back Office	02/03/04	89
SRS-16003	SRS13-04	23-Jun-14	NID	SYS	CCTV / Control Centre	02/03/04	89
SRS-16004			NID	FUP	Change Management	03/04r	52
SRS-16005	SRS13-07	22-Jul-13	NID	SYS	Email	02/03/04	89
SRS-			NID	FUP	Firewall	03/04	52

SRS-16007		15-Dec-15	NID	SPL	ISO27001:2013 New Standard Year 2	02/03	111
SRS-16008	Any		NID	FUP	IT Disposals	Any	52
SRS-16009	APR	Feb-14	ISS	SYS	IT Governance (Best Practice, MOU)	1	148
SRS-16010		30-Jul-15	NID	FUP	ServicePoint	Any	52
SRS-16011			NID	SYS	Virtualisation	1	89

- 3.2 The work areas largely equate to those originally proposed by TCBC, but then neither Gwent Police nor MCC have a designated computer auditor nor traditionally have carried out the same extent of audit on SRS annually, so this isn't unreasonable.
- 3.3 It is the audit intention to provide a 3 year audit plan in due course. At present the lead auditor (TCBC) has requested partners (including Blaenau Gwent as a prospective partner) to provide details of their longer term audit aspirations. Following this a meeting of all partners is proposed to risk assess the coverage and produce a working draft for consideration by Section 151 officer and upward facilitation to SRS Board.

#### 4 SECTION 151 RESPONSE

- 4.1 Ideally, the expectation would be to be provided with some risk assessment governing how these audit topics had been chosen for this year, and for future that would be the recommendation.
- 4.2 At the moment, the adequacy of the control environment is more influenced by the historic lack of progress in addressing audit recommendations than it is from audit coverage issues.
- 4.3 So I don't believe not having the audit risk assessment information invalidates the proposed programme, as pragmatically a number of work packages will be scheduled follow up audits and it is understood systems are reviewed on a cyclical basis every 3-4 years.
- 4.4 As an inaugural report, if helpful to Board's initial consideration of the risk environment I provide an earlier summary analysis of the audits undertaken by the partners since 2011-12 in Appendix 1.

For ease of reference I've colour coded the summary judgement, red being unsatisfactory, green satisfactory, and black indicative of audit work pieces for 2015-16. The analysis suggests the volume of unsatisfactory judgements greater than satisfactory ones. Board may wish to use the recently introduced monthly audit report to focus on the timely

implementation of improvements to improve the robustness of control environment.

**5 CONSULTEES:**

Matt Lewis, SRS Chief Operating Officer  
Joy Robson, MCC Section 151 Officer  
Marie Bartlett, MCC Finance Manager Enterprise & Operations  
Andrew Wathan, MCC Chief Internal Auditor  
Nigel Stephens, Gwent Police Assistant Chief Officer Resources  
Nigel Aurelius, TCBC Deputy Chief Executive  
Peter Williams, TCBC Chief Internal Auditor

**6 BACKGROUND PAPERS:**

Appendix 1 – Summary Audit Judgements 2011-12 to 2014-15

**7 SUSTAINABILITY AND EQUALITY IMPACT ASSESSMENT**

None

**8 SAFEGUARDING AND CORPORATE PARENTING IMPLICATIONS**

None

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