

APPENDIX A

2014/15 Completed Full Audits between 1st April - 26th August

Audit Title	Critical Risk	High Risk	Medium Risk	Low Risk - Improvement	Total Exceptions	Internal Control Environment	Compliance	Effectiveness of Operations	Safeguarding of Assets	Reliability & Integrity	Audit Assurance	Summary	
<b>Children's Social Care - Stephen Kitchman</b>													
1415-006   CSC - Corporate Parenting	0	0	0	0	0	0	No areas tested (NAT)	0	NAT	NAT	Assurance	No exceptions were raised from this audit. It was found that the Corporate Parenting Strategy follows best practice as set out by the Local Government Association, clearly sets out the governance arrangements. Performance targets are monitored closely by the Corporate Parenting Board and Children's Trust Board and the targets take into account the views of Looked After Children.	
1415-010   CSC - Private Foster Carers	1	3	1		5	1	2	2	NAT	NAT	No Assurance	One critical exception was raised in relation to Disclosure and Baring Service checks. Three high risk exceptions were raised which relate to non-compliance with PCC procedures, incomplete 'capacity to care assessments' and a lack of monthly supervision of private fostering cases	
1415-013   CSC - Family Support Children in need			1		1	0	1	0	NAT	NAT	Limited Assurance	Testing has highlighted an improvement in compliance with procedures in comparison to previous reviews in this area. One medium risk exception has been raised as a result of testing in relation to the fact that there was no evidence that 3/10 Children in need Plans for the sample tested had been signed and copied to all concerned within 5 working days of the planning meeting.	
1415-015   CSC - Social Work Matters	0	0	0	0	0	0	0	0	NAT	NAT	Assurance	No exceptions were raised from this audit. It was found that there is a clear framework within which the project was managed and the programme board was given regular progress updates. The objectives of the project appear to have been met.	
<b>HR, Legal &amp; Performance - Jon Bell</b>													
1415-067   HLP - eBay Account		1	1	1	3	1	0	NAT	1	1	Limited Assurance	A high risk exception was raised as passwords for Paypal and eBay were found to be identical and weak in nature. Medium risk exception raised as whilst procedures are in place they are in need of expansion.	
<b>Integrated Commissioning Unit - Preeti Sheth</b>													
1415-089   ICU - Care homes placements		0	2		2	4	1	2	1	NAT	NAT	Limited Assurance	Two medium risk exceptions were raised, the first is in relation to a lack of communication between Social Workers/ Care Managers and Contract Officers prior to care home reviews. The second is in relation to a lack of evidence of checks of staff turnover and/or financial checks undertaken as part of the monitoring review process.
<b>Transport &amp; Environment - Simon Moon</b>													
1415-111   T&E - Climate Change and Sustainability	0	0	0	0	0	0	0	0	NAT	NAT	Assurance	An audit of the Carbon Reduction Return for 2013/14 was undertaken before submission of the required figures to the Environment Agency. Assurance was given on the accuracy of the return based on the arithmetical checking of the return and sample testing.	

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<b>External</b>												
1415-119   EXT - Gatcombe Park Primary		4	2		6	1	3	1	0	1	Limited Assurance	The Full Audit resulted in four high risk exceptions relating to the petty cash account being overdrawn, an out of date internet policy, a failure to take up references for a member of staff and a failure of the Friends of Gatcombe Park to submit an audited statement of account within the expected timeframe. Two medium risk exceptions were also raised. Completion of the Schools Financial Value Standard (SFVS) statement for year ending March 2014 is in line with Internal Audit's judgment.
1415-121   EXT - Northern Parade Primary		1	1		2	0	2	0	0	0	Limited Assurance	The Full Audit, highlighted one high risk exception in relation to non compliance with Cash Handling instructions and one medium risk exception was also raised. Completion of the Schools Financial Value Standard (SFVS) statement for year ending March 2014 is in line with Internal Audit's judgment.
1415-132   EXT - Meredith Infant		2	1		3	0	1	0	1	1	Limited Assurance	The Full Audit resulted in two high risk exceptions relating to a failure of staff to sign the responsible internet use statement and a lack of internal control in relation to the inventory. One medium risk exception was also raised. Completion of the Schools Financial Value Standard (SFVS) statement for year ending March 2014 is in line with Internal Audit's judgment.
1415-133   EXT - St Judes Primary		6	2		8	1	7	0	0	0	Limited Assurance	The Full Audit, resulted in six high risk exceptions in relation to retention of DBS documentation, lack of / or out of date hire agreement forms, no signed cash handling instructions by finance staff, non compliance with quotation requirements, an incomplete register of pecuniary interest and a failure of the Friends of St Judes to submit an audited statement of account within the expected timeframe. Two medium risk exceptions were also raised. Completion of the Schools Financial Value Standard (SFVS) statement for year ending March 2014 is in line with Internal Audit's judgment.
1415-135   EXT - Devonshire Infant & Nursery	0	0	0	0	0	0	0	0	0	0	Assurance	The Full Audit resulted in no exceptions being raised for any of the areas tested. Completion of the Schools Financial Value Standard (SFVS) statement for year ending March 2014 is in line with Internal Audit's judgment.
<b>Grand Total For Period</b>	<b>1</b>	<b>17</b>	<b>11</b>	<b>3</b>	<b>32</b>	<b>5</b>	<b>18</b>	<b>4</b>	<b>2</b>	<b>3</b>		

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2014/15 Completed Full Audits  
Between 26th August & 6th October

Audit Title	Critical Risk	High Risk	Medium Risk	Low Risk - Improvement	Total Exceptions	Internal Control Environment	Compliance	Effectiveness of Operations	Safeguarding of Assets	Reliability & Integrity	Audit Assurance	Summary
<b>Children's Social Care - Stephen Kitchman</b>												
1415-012   CSC - Direct Payments	2	1	1		4	1	2	1	0	NAT	No assurance	The audit highlighted that the checks carried out to ensure that the expenditure incurred is genuine are inadequate. Members of the Finance Team were not provided with the appropriate information as to the agreed use of the Direct Payment as detailed in the young person's care plan or the vetted carers, this is essential when considering the appropriateness of the returns. In addition to this a number of the returns were found to be overdue and identified concerns had not been escalated to the Social Work staff to follow-up. Overall our opinion is that no assurance is given in relation to Children's Social Care Direct Payments.
<b>Customer, Community &amp; Democratic Services - Louise Wilders</b>												
1415-038   CCD - Freedom of Information (FOI)		1			1	NAT	1	NAT	NAT	NAT	Limited Assurance	The review found that the Authority is currently not meeting the Information Commissioners Office target of answering Freedom of Information requests within 20 working days
<b>City Development &amp; Cultural Services - Stephen Baily</b>												
1415-047   CDC - Portsdown Hill & Hilsea Lines Rangers			1	1	2	1	0	NAT	1	NAT	Limited Assurance	Testing has highlighted one medium risk exception in relation to evidencing an annual 'Work Activities' Health & Safety Risk Assessment. One low-risk improvement exception was also raised.
<b>Financial Services - Chris Ward</b>												
1415-064   FIN - Payment of travel and subsistence			2		2	0	1	0	1	NAT	Limited Assurance	Two medium risk exceptions raised. First exception relates to small areas of non compliance in respect of subsistence limits and mileage claims being checked and queried by managers. The second relates to members of staff not providing proof that they have the required insurance to drive their vehicle for work purposes.
<b>Housing &amp; Property Services - Owen Buckwell</b>												
1415-077   H&P - Homelessness & Temporary Accommodation		1	1		2	NAT	1	0	1	NAT	Limited Assurance	Testing found 1 high risk and 1 medium risk exception. One for incorrect payments to suppliers and the other for a previous breach of legislation, Homelessness Order 2003.
1415-084   H&P - Maintenance Repairs					0	NAT	NAT	0	NAT	NAT	Assurance	No exceptions were raised as a result of this audit. Testing reviewed customer satisfaction measures confirmed how value for money was obtained within the Repairs & Maintenance and Green & Clean services

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<b>Information Service - Mel Burns</b>												
1415-097   INS - Vendor Management			1		1	NAT	0	1	NAT	NAT	Limited Assurance	One medium risk exception relating to lack of monitoring on a IS related contract which arose from a lack of clarity from the service as to who was responsible for this monitoring.
<b>Revenues &amp; Benefits - Ed Woodhouse</b>												
1415-103   R&B - Housing & Council Tax benefits					0	NAT	0	0	NAT	NAT	Assurance	No exceptions were raised as a result of this audit. Testing reviewed a sample of 25 Housing Benefit and Council Tax support claims, no areas of conflicting evidence were identified. Performance and quality management were also reviewed. At the time of this audit testing established there are good controls in place when monitoring individual performance and overall quality.
<b>Transport &amp; Environment - Simon Moon</b>												
1415-107   T&E - PFI Contract					0	0	NAT	NAT	NAT	NAT	Assurance	Audit have reviewed the negotiation strategy formulated to renegotiate the Highways PFI Modernisation Programme (HPMP), along with the changes made to the insurance cover for the Highways PFI contract and have no comment to make at this time due to the Highways PFI contract being under renegotiation with the contractor Ensign. No further audit work will be undertaken until the renegotiation process has been completed.
1415-108   T&E - PFI Contract Claims					0	0	NAT	NAT	NAT	NAT	Assurance	
<b>External</b>												
1415-120   EXT - Secondary School		14	1		15	2	9	4	0	0	No assurance	Internal Audit reviewed the effectiveness of the Internal Control Framework, specifically, but not exclusively on the financial operations, including preparation, monitoring and oversight. No judgement has been made on the academic side of the school's activities. Overall, areas of weak financial practices and non-compliance with PCC Financial Rules, Ofsted requirements, DBS Code of Practice, Data Protection Act and Keeping Children Safe in Education legislation were identified. Based on audit testing, no assurance overall is given.
1415-125   EXT - Meon Infant		2		1	3	0	1	0	1	1	Limited Assurance	The Full Audit resulted in two high risk exceptions relating to non-compliance with Insurance requirements in relation to keys to the 'safe' and weaknesses in the administration and control of assets. One low risk improvement was also raised. Completion of the Schools Financial Value Standard (SFVS) statement for year ending March 2014 is in line with Internal Audit's judgment
1415-128   EXT - Corpus Christi		3	3		6	1	2	2	0	1	Limited Assurance	The Full Audit resulted in three high risk exceptions relating to the petty cash account being overdrawn, the Single Central Register not being current and a failure to take up references and evidence qualifications for 3 members of staff. Three medium risk exceptions were also raised. Completion of the Schools Financial Value Standard (SFVS) statement for year ending March 2014 is in line with Internal Audit's judgment

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1415-130   EXT - St Swithuns Primary		2	1		3	0	1	0	1	1	Limited Assurance	The Full Audit resulted in two high risk exceptions relating to a lack of income trail for uniform purchases and a weakness in controls for the administration of school assets. One medium risk exception was also raised. Completion of the Schools Financial Value Standard (SFVS) statement for year ending March 2014 is in line with Internal Audit's judgment
1415-134   EXT - Langstone Harbour Board						0	0	0	0	0	Assurance	External work
Grand Total For Period	2	24	11	2	39	5	18	8	5	3		

**2014/15 Completed Full Audits  
Between 6th October & 22nd  
December 2014**

Audit Title	Critical Risk	High Risk	Medium Risk	Low Risk - Improvement	Total Exceptions	Internal Control Environment	Compliance	Effectiveness of Operations	Safeguarding of Assets	Reliability & Integrity	Audit Assurance	Summary
<b>Audit Social Care - Julian Wooster</b>												
1415-004   ASC - Maritime Lodge					0	0	0	0	NAT	0	Assurance	Audit testing has not highlighted any exceptions relating to the Four Sites Scheme (Maritime House). As no exceptions have been raised as a result of this review, based on the testing, Internal Audit considers this to be of low risk to the Authority at this stage.
<b>Children's Social Care - Stephen Kitchman</b>												
1415-009   CSC - Looked after Children's Funds		4			4	2	1	0	3	NAT	No Assurance	Four high risk exceptions were raised as part of this review. These related to a formal procedures for the processing of savings payments, a lack of controls throughout the Looked After Children's Funds operation, reviews not being undertaken on Disabled Living Allowance expenditure and incorrect payments of foster allowances being made.
1415-014   CSC - Portsmouth Safeguarding Children's Board		4			4	3	NAT	1	NAT	NAT	Limited Assurance	Four high risk exceptions were raised as part of this review. These related to a lack of clarity within the Boards Constitution, a lack of risk register being in place, no consultation having taken place when forming the business plan and there being no formal escalation process in place
<b>City Development &amp; Cultural Services - Stephen Baily</b>												
1415-018   CDC - Development Control			1		1	0	1	NAT	NAT	NAT	Limited Assurance	1 medium risk exception arose under testing for compliance relating to the length of time taken for decision. From the sample taken 16% breached the statutory 8 week requirement.
<b>Corporate Assets, Business &amp; Standards - Alan Cuffley</b>												
1415-028   CAB - Housing Assistance					0	0	0	0	0	NAT	Assurance	No exceptions were raised during this audit. Testing reviewed the procedures in place for awarding Housing Assistance as well as testing that those procedures had been complied with for a sample of 25 cases.

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<b>Education &amp; Strategic Commissioning - Julien Kramer</b>												
1415-051   ESC - Health & Safety School Trips					0	0	0	0	NAT	NAT	Assurance	Based on the testing conducted, assurance can be given that the Authority is complying with the Health & Safety at Work Act 1974 in relation to school off-site activities and trips.
1415-053   ESC - School Sufficiency Programme		1			1	0	NAT	0	3	NAT	Limited Assurance	One exception arose regarding an overspend on the project due to unexpected remedial works. Testing confirmed that the processes involved within the School Sufficiency Programme were adequate and assurance can be given on those areas
<b>Financial Services - Chris Ward</b>												
1415-060   FIN - Cash Collection		5			5	NAT	4	NAT	0	1	No Assurance	Five high risk exceptions have been raised in relation to a lack of separation of duties at Portsmouth Dog Kennels, a breach of the PCC anti-money laundering policy at the Main Cashiers, cash handling instructions not being signed by staff at the Somerstown Hub. Testing also identified at the Somerstown hub cashiers floats were not being spot checked in accordance with cash handling instruction and the safe was reviewed which identified a gift of £100 cash and a previous tenants new debt card.
<b>Housing &amp; Property Services - Owen Buckwell</b>												
1415-076   H&P - Claims		2		1	3	1	1	NAT	NAT	1	Limited Assurance	Two high risks were raised as a result of audit testing. The first relates to a lack of process for handling claims under the £500 departmental excess. The second relates to an inconsistency across the services when handing claims resulting in insufficient evidence of the damage, no signed documentation from the tenant, payments being made against incorrect cost codes and a lack of separation of duties.
1415-086   H&P - PAT Testing		1		2	3	1	1	0	1	NAT	No Assurance	Testing found 1 critical risk, 1 high risk and 1 medium risk exception. The critical risk exception relates to coverage of PAT testing throughout the Civic Offices. This lack of coverage poses a risk of damage to property and equipment as well as risk of death and injury from potentially faulty equipment and risk of subsequent litigation claims. The high risk relates to a lack of suitable PAT testing monitoring in investment properties and the medium to incorrect details in recharge forms.
<b>Integrated Commissioning Unit - Preeti Sheth</b>												
1415-088   ICU - Contract Monitoring					0	0	0	0	0	NAT	Assurance	Tested looked at the contract monitoring process for 5 ICU contracts and found no exceptions
<b>External</b>												
1415-123   EXT - Langstone Infant		5			5	1	2	2	0	0	Limited Assurance	The Full Audit resulted in five high risk exceptions relating to unclear definitions of financial responsibility and accountability, lack of clarity of financial reporting to the Full Governing Body, incomplete Business Continuity Plan, a School Improvement Plan that is not linked to the budget and missing bank statements. Completion of the Schools Financial Value Standard (SFVS) statement for year ending March 2014 is not in line with Internal Audit's judgment.

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1415-129   EXT - Manor Infant		13			13	1	8	2	1	1	No Assurance	Thirteen high risk exceptions have been raised as a result of non compliance in relation to the Head Teacher delegated spending limit, security of safe keys, ICT acceptable use policy, income trail from receipt to banking, Financial reports to Governors, School Emergency Plan, Administration and control of assets, school uniform, petty cash and purchase card, CCTV policy, references and voluntary fund. Overall no assurance can be given on the effectiveness of financial controls. A follow up audit has been arranged for April 2015.
1415-136   EXT - Wimborne Junior		1	1		2	1	0	0	0	1	Limited Assurance	The Full Audit resulted in one high risk exception in relation to weakness in controls for the Voluntary Fund which is being run on behalf of the School. One medium risk exception was also raised. Completion of the Schools Financial Value Standard (SFVS) statement for year ending March 2014 is in line with Internal Audit's judgment
1415-138   EXT - Stamshaw Junior		2	1		3	1	2	0	0	0	Limited Assurance	The Full Audit resulted in two high risk exception in relation to a lack of financial framework for the Interim Education Board and no evidence of obtaining three quotations for replacement windows. One medium risk exception was also raised. Completion of the Schools Financial Value Standard (SFVS) statement for year ending March 2014 is in line with Internal Audit's judgment
<b>Transport &amp; Environment - Simon Moon</b>												
1415-141   T&E - Park & Ride		1			1	0	1	NAT	0	NAT	Limited Assurance	One high risk exception has been raised, at the time of audit testing it was not possible to get live data from the ticketing machine.
Exceptions for the period	1	38	5		1	45						

**Completed Audits between 22nd December 2014 and 6th February 2015**

Audit Title	Critical Risk	High Risk	Medium Risk	Low Risk - Improvement	Total Exceptions	Internal Control Environment	Compliance	Effectiveness of Operations	Safeguarding of Assets	Reliability & Integrity	Audit Assurance	Summary
City Development & Cultural Services - Stephen Baily												
1415-022   CDC - Tipner Regeneration		1			1	1	NAT	NAT	NAT	NAT	Limited Assurance	Audit testing has highlighted one high risk exception relating to the finalising of the risk register. Details of the project risk register highlighted a number of risks which could have a serious financial & reputational effect to the Authority and should be flagged up on the Corporate risk register. The Corporate risk register has now been updated
1415-023   CDC - City Deal					0	0	NAT	0	0	NAT	Assurance	Based on the testing conducted, assurance can be given that an adequate governance framework currently exists, relevant project objectives are being set and project. monitoring is occurring at both an operational and strategic level
1415-025   CDC - Seafrost Water Safety		3			3	2	1	0	NAT	0	Limited Assurance	Three high risks exceptions were highlighted two relating to policy and strategy and one related to procedure. All of which have been progressed.

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<b>Corporate Assets, Business &amp; Standards - Alan Cuffley</b>												
1415-027   CAB - Homecheck Telecare												
		5			5	3	1	0	1	NAT	No assurance	Testing has highlighted 5 high risk exceptions. Three exceptions referred to breaches of the Cash Handling Policy and Financial Rules. One high risk exception related to the lack of manual handling training by Homecheck Staff. The final high risk exception arose due to a lack of inventory management.
<b>Financial Services - Chris Ward</b>												
1415-056   FIN - Purchase Cards												
	1	1	0	1	3	0	2	1	NAT	NAT	No assurance	One critical risk exception and one high risk exception have been raised as a result of audit testing. The critical risk relate to non-compliance with Financial Rules and the Purchase Card Policy and the high risk exception relates to spot checks not being conducted by Education Finance. Whilst not material in themselves, extrapolation of the critical exception over the whole sum of purchase card expenditure could be. With the addition of the fundamental breach in the principles of proper control of purchase card use and the fact that these have been raised as issues in previous audit reports. Although there has been an improvement in errors identified during audit testing from the 2013/14 audit and follow up audit the administration of Purchase Cards still remains an area of high risk. In 2013/2014 a total of £3.4 million was spent on PCC Purchase Cards with approximately 800 card holders. Audit testing found an overall transactions error rate of 13% when reviewing 3% of PCC transaction logs.
1415-066   FIN - Concessionary Travel Passes												
	1				1	0	1	NAT	NAT	0	No assurance	Audit testing highlighted one critical risk exception relating to the control of the Parking Scratch cards. No stock records were maintained to show the opening stock of cards, cards issued, closing stock. At the time of the audit the number of books held was 1014. Daily Parking charges at Southsea Seafront is £12, this gives the stock a value of £121,680. It has not been possible to verify if the current stock held is in line with what it should be as no reconciliations are undertaken. Stock records have now been introduced and the stock of cards has been reduced to 250 books. The balance of the remaining cards were destroyed; classified as confidential waste.
<b>Housing &amp; Property Services - Owen Buckwell</b>												
1415-086   H&P - PAT Testing												
	1		2		3	1	1	0	1	NAT	No assurance	Testing found 1 critical risk, 1 high risk and 1 medium risk exception. The critical risk exception relates to coverage of PAT testing throughout the Civic Offices. This lack of coverage poses a risk damage to property and equipment as well as risk of death and injury from potentially faulty equipment and risk of subsequent litigation claims. The high risk relates to a lack of suitable PAT testing monitoring in investment properties and the medium to incorrect details in recharge forms.
<b>Revenues &amp; Benefits - Ed Woodhouse</b>												
1415-102   R&B - Council Tax & NNDR												
		1	1	1	3	NAT	3	0	NAT	NAT	Limited Assurance	One high risk was raised as a result of audit test, this relates to accounts where the liable party is deceased. Testing identified 20% of the accounts selected for testing did not comply with expected procedures.



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External													
1415-122   EXT - St George's Beneficial					0	0	0	0	0	0	0	Assurance	The Full Audit resulted in no exceptions being raised for any of the areas tested. Completion of the Schools Financial Value Standard (SFVS) statement for year ending March 2014 is in line with Internal Audit's judgment.
1415-127   EXT - Langstone Junior					0	0	0	0	0	0	0	Assurance	The Full Audit resulted in no exceptions being raised for any of the areas tested. Completion of the Schools Financial Value Standard (SFVS) statement for year ending March 2014 is in line with Internal Audit's judgment.
1415-131   EXT - Wimborne Infant		12			12	3	5	2	1	1		No assurance	Twelve high risk exceptions have been raised as a result of non compliance in relation to the Governors Financial Competency Matrix, ICT acceptable use policy, income trail from receipt to banking, School Emergency Plan, Administration and control of assets, petty cash, whistle blowing policy, cash handling instructions, single central record, retention of DBS documentation, references and voluntary fund. Overall no assurance can be given on the effectiveness of financial controls. Discussions were held with the HT regarding a follow up audit for 2015/2016.
1415-142   EXT - Redwood Park Secondary - Review		2			2	0	2	0	0	2		Limited Assurance	Overall, based on the testing conducted, Internal Audit can give assurance that good progress has been made by the School to strengthen the weaknesses highlighted in the previous Audit Report and a cohesive financial management framework is now in place and being actively monitored by the Governing Body.
<b>Total For Period</b>	<b>3</b>	<b>25</b>	<b>3</b>	<b>2</b>	<b>33</b>								
<b>Total Exceptions</b>	<b>7</b>	<b>104</b>	<b>30</b>	<b>8</b>	<b>149</b>								