

**HEREFORDSHIRE COUNCIL
AUDIT PLAN 2009-10**

AUDIT AREA	Status	Audit Opinion
a. FUNDAMENTALS		
Bank Reconciliation	Final	Good
Creditors	Final	Satisfactory
Payroll (Corporate and Education)	Final	Satisfactory
Debtors	Final	Good
Council Tax and NDR	Final	Satisfactory
Supporting People	Final	Satisfactory
Education LMS and Finance	Final	Satisfactory
Benefits Fraud and Intervention	Final	Good
Asset Register	WIP	
Financial Management System(FMS)	Draft with Client	Good
b. NON-FUNDAMENTALS		
Deputy Chief Executive		
Out of Hours Payments - Corporate	Final	Satisfactory
Resources Directorate		
Industrial Estate Income	Final	Satisfactory
Anti Money Laundering	Draft with Client	Good
Children Services Directorate		
The Hereford Academy - Transfer of Assets	Final	Satisfactory
Pupil Numbers	Final	Good
Environment and Culture Directorate		
Waste Contract Management-PFI	Final	Satisfactory
Trade and Domestic Waste	Final	Marginal
Car Park Income	Work In progress	
Integrated Commissioning Directorate		
Integrated Commissioning Budgetary Control/Monitoring Consultancy	Draft with Client	
Regeneration Directorate		
Homeless Persons Loans	Draft with Client	
c. GOVERNANCE AND ANTI-FRAUD		
Travel and Subsistence	Final	Marginal
National Fraud Initiative (All Areas)	Draft with Client	N/a
Annual Governance Statement	On going	
Procurement and Contract Procedures – Resources	Final	Marginal
Staff Loans	Final	Satisfactory
Staff Register of Gifts	Final	Satisfactory
Amey/Property Services In Scope Works	Final	Satisfactory
Community Network Procurement	Final	Good
Anti-fraud Policy	Final	N/a
Inventory Checks	WIP	
d. OTHER KEY SYSTEMS		
Section 75 Agreements	Draft with Client	
Audit & Corporate Governance Committee	Ongoing	
Member Allowances/Register of Interests and Gifts(2008/09)	Final	Satisfactory
Members Expenses (April to July 2009)	Final	Satisfactory
Members Expenses (August to November 2009)	Final	Satisfactory
ISIS Payments	Final	Marginal

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CRB Checks Consultancy	Draft with Client	
e. ICT PROTOCOLS AND CONTROLS (COUNCIL-WIDE)		
ISO 27001 Technical Compliance	Final	Minor non-compliance
ISO 27001 Physical Security	Final	Full - Compliance
ISO 27001 3 rd Party Management	Final	Full - Compliance
ISO 27001 Business Continuity	Final	Minor Non Compliance
Integrated Social Care Solution Phase 1	Final	Satisfactory
Access Controls (CT, HB,NDR Payroll)	Final	Satisfactory
Access Controls (Cedar, E.pops)	Draft with Client	Satisfactory
f. ESTABLISHMENT VISITS		
Llangrove Primary School	Final	Unsound
Minster College	Draft with Client	
Schools Establishment Audits (DCSF Standard)		
Weobley Primary School	Final	FMSiS Not Met
Pembridge C.E Primary School	Final	FMSiS Met
Wigmore High/Primary School	Final	FMSiS Met
Lady Hawkins High School DCSF Toolkit	Final	FMSiS Met
Leominster Junior School	Final	FMSiS Met
Bodenham St. Michaels C.E Primary School	Draft with Client	
Burley gate C.E. Primary School	Final	FMSiS Met
Eardisley C.E. Primary School	Final	FMSiS Met
Goodrich C.E. Primary School	Final	FMSiS Met
St. James' C.E Primary School	Final	FMSiS Not Met
Wellington Primary School	Final	FMSiS Met
Canon Pyon C.E. Primary School	Final	FMSiS Not Met
Kimbolton St. James Primary School	Final	FMSiS Met
Ewyas Harold Primary School	Final	FMSiS Met
Garway Primary School	Final	FMSiS Met
Brookfield Special School	Final	FMSiS Conditional
Kingsland C.E Primary School	Final	FMSiS Conditional
Kingstone & Thruxton Primary School	Final	FMSiS Met
Luston Primary School	Final	FMSiS Met
Gorsley Goffs Endowed Primary School	Final	FMSiS Met
St. Martin's Primary School	Final	FMSiS Met
Leintwardine Endowed Primary School	Final	FMSiS Met
Ashperton Primary School	Final	FMSiS Met
Marden Primary School	Final	FMSiS Met
Orieton Primary School	Final	FMSiS Met
Riverside Primary School	Final	FMSiS Met
Eastnor Parochial Primary School	Draft with Client	
Leominster Ivington C.E. Primary	Draft with Client	
Kington Primary	Final	FMSiS Met
g. VERIFICATION AND PROBITY		
Good Environmental Management(GEM)	Final	Minor Non Compliance
Good Environmental Management(GEM) Part 2	Final	Minor Non

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AUDIT AREA	Status	Audit Opinion
		Compliance
Corporate Impacts - Procurements	Final	Minor Non Compliance
Good Environment Management PCT Gap Analysis	Draft with Client	
h. RECOMMENDATION FOLLOW UP		
Waste Management Contract	Final	n/a
Benefits Quality , Performance & Processing	Final	n/a
Section 106	Draft with client	n/a
Llangrove Primary School	Draft with Client	n/a
Travel and Subsistence	Draft with Manager	n/a
ISO 27001	Final	n/a
i. PERFORMANCE MANAGEMENT		
National Indicator 181 Housing Benefit/Council Tax Right Time Indicator	Final	Satisfactory
National Indicator 135 Carers Receiving Needs Assessments	Final	Unsatisfactory
LPSA Grant Claim	Final	N/a
Performance Management	WIP	

Quantification and Classification of Internal Control Levels

System and Establishment Audits

Opinion	Definition
Good	A few minor recommendations (if any). No material risk identified.
Satisfactory	Minimal risk; a few areas identified where changes would be beneficial.
Marginal	A number of areas have been identified for improvement.
Unsatisfactory	Unacceptable risks identified, changes should be made.
Unsound	Major risks identified; fundamental improvements are required.

The Audit Opinion is based on a number of factors including the number of Level 1 and, to a lesser extent, Level 2 recommendations. Weighting is given to different aspects of the Audit e.g. a higher weighting for budgetary control. It is expected that larger systems and establishments will receive higher numbers of recommendations and allowance is made for this.

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Compliance Audits

Opinion	Definition
Full-Compliance	Areas reviewed met requirements
Minor Non-Compliance	Areas reviewed failed to meet requirements in some non-critical areas or opportunities for improvement were identified.
Major Non-Compliance	Areas reviewed failed to meet requirements in some critical areas

Many audits are tests of whether a standard or part of a standard has been met. Examples are GEM audits and ISO27001. Majority of compliance audits will find minor compliance.

DCSF FMSiS Standard - Toolkit Assessments

Opinion	Definition
FMSiS Met	The Standard has been met
FMSiS Awaiting SIC	The Standard will be met when the Statement of Internal Control has been signed by the Head Teacher and Chair of Governors.
FMSiS Conditional	The Standard is expected to be met in the short term
FMSiS Not Met	The Standard is not expected to be met in the short term

Schools are expected to reach a standard of financial management (FMSiS - Financial Management in Schools). The assessment reaches a conclusion of meeting the standard or not. In addition, the DCFS allow a conditional pass that means a small number of issues need addressing before a pass is issued. This is the normal status before a full pass is confirmed.

“Awaiting SIC” - Some schools wait until the assessment is finished before signing the SIC. This is sensible and any schools in this status will be given a pass shortly.