

## **INTERNAL AUDIT SUMMARY REPORT**

### **SYSTEMS AUDIT – BUSINESS PLANNING**

#### **1. INTRODUCTION**

- 1.1. This audit was carried out in line with the Internal Audit Plan 2019/20, and in full consultation with operational staff and management.
- 1.2. The scope of the audit was to determine the effectiveness of the internal controls for Business Planning specifically relating to the auxiliary aspects of business plans, these aspects are:
  - Equalities
  - Business Continuity Management (BCM)
  - Risk Register
  - Environment Act
- 1.3. In addition, the audit will determine the effectiveness of the internal controls in relation to:
  - Support from the Corporate Performance Team
  - Application of the Future Generations Act within business plans
- 1.4. The audit involved confirming the current system with relevant staff and ‘walk through tests’ conducted on a sample of records administered by the Section.

#### **2. SUMMARY OF FINDINGS**

- 2.1. Five weaknesses were identified; of which four were classified as High Risk. The remaining weakness was classified as Medium Risk. The areas involving the High Risk weaknesses were:
  - Business Plans are not authorised appropriately.  
Agreed action – The way in which Business Plans are authorised will be looked at to determine the most effective way to evidence authorisation and management support.
  - Business Plans are not completed fully.  
Agreed action – Individual sections will be reminded of their responsibilities in relation to completing Business Plans.
  - No service level objectives have been set. (Environment Act)  
Agreed action - Service level objectives have now been implemented.
  - BCM plans have not set and updated in line with BCM guidance.  
Agreed action – A review will take place to ensure what should be included within the Business Planning process in relation to BCM.

#### **3. CONCLUSION**

- 3.1. After reviewing all documentation and the current system, it was found that the internal controls used within the Business Planning process were not operating effectively. It should be noted that at a corporate level that an adequate control system and framework has been designed and implemented however on a departmental and operational level the controls are not operating effectively
- 3.2. The Service Manager Performance and Democratic Services has agreed to mitigating actions for each of the weaknesses identified.

**4. INTERNAL CONTROL STANDARD GRADING**

- 4.1. In accordance with the standard gradings, the systems examined indicate that a number of weaknesses have been identified that require appropriate actions to be implemented. The grading is therefore assessed as **‘Limited Assurance’**.