SYSTEMIC CONTROL WEAKNESSES **APPENDIX 2**

Background

The table below lists systemic control weaknesses which have been identified at either or both councils (SODC and VWHDC), from the internal audit reports issued in final since 1 April 2010. The table will be reviewed and updated by the audit manager, head of finance and the strategic director (section 151 officer) on an ongoing basis, and will be used to inform the annual audit plan and the scope of individual reviews.

Definition

A systemic control weakness is defined for the purpose of this table, as a significant control weakness which has been identified across a number of operational areas.

Methodology

Every recommendation made by internal audit has been logged within a recommendation register according to an Institute of Internal Auditors control type definition, and a point system has been used - 1 point for a low risk recommendation, 2 points for a medium risk recommendation and 3 points for a high risk recommendation. The points have been totalled against each control type, and the top 10% control weaknesses which occur across a number of operational areas have been listed as a systemic control weakness.

Systemic control weaknesses as at 1 August 2011

No	Systemic control weakness	Council	Number of audits identified in	List Entry Date
1	Policies, procedures and guidance notes are not comprehensive, up to date and are not owned by a responsible officer.	Joint	34	01/08/11
2	There should be effective communication of work instructions.	Joint	13	01/08/11
3	There should be regular reconciliation of information/data/items.	Joint	10	01/08/11
4	Cases/claims/invoices should be processed in accordance with statutory and council policy timescales.	Joint	10	01/08/11
5	All officers/members should be trained in their role and corporate responsibilties.	Joint	11	01/08/11