

INTERNAL AUDIT REPORTS
WDA/26/14

Recommendation

That:

1. Members note the contents of the reports from the Internal Auditor

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INTERNAL AUDIT REPORTS**WDA/26/14****Report of the Treasurer****1. Purpose of the Report**

- 1.1 The Authority is required to maintain an effective Internal Audit as a part of its statutory governance arrangements. The Authority's Internal Audit is provided by St Helens Council. The Auditor reviews the arrangements at the Authority and reports to Members on any weaknesses and recommends improvements. This report brings to Members attentions the outcome of the latest review.

2. Background

- 2.1 The Internal Auditor has reported on:
- The Authority's Corporate Governance Arrangements
 - The arrangements for delivering the Authority's Community Fund
- 2.2 The detailed reports are attached at Appendix 1 and Appendix 2 to this report.

3. Review of Corporate Governance arrangements

- 3.1 The review considered the Corporate Governance arrangements in place at the Authority including:
- Corporate and Service Level Planning;
 - Risk Management;
 - Performance Management;
 - Corporate Governance Self-Assessment; and
 - Policy and Procedure review

Merseyside Waste Disposal Authority**25th July 2014**

- 3.2 The Auditor concluded that in their overall opinion Substantial Assurance could be taken from the system and the way it was operated. This means that the majority of expected controls are in place but there is some inconsistency in their application. Whilst there is basically a sound system of controls, there may be weaknesses in the design and/or operation of these and recommendations have been made to enhance the control environment further.
- 3.3 The auditor has not identified Key Recommendations for Members, however, there are a number of recommendations for improvements, these have been accepted by officers and an action plan for implementation of the recommendations has been included as an appendix to the auditor's report.

4. Review of Community Fund

- 4.1 The review considered the following: -
- Governance of the fund and initial funding criteria;
 - The application process, including the scoring of applicants against agreed criteria;
 - The approval process, and the appropriateness and timeliness of payments made; and
 - The ongoing monitoring of the fund's successful applicants.
- 4.2 The Auditor concluded that in their overall opinion Substantial Assurance could be taken from the system and the way it was operated. This means that the majority of expected controls are in place but there is some inconsistency in their application. Whilst there is basically a sound system of controls, there may be weaknesses in the design and/or operation of these and recommendations have been made to enhance the control environment further.
- 4.3 The auditor has not identified Key Recommendations for Members, however, there are a number of recommendations for improvements, these have been accepted by officers and an action plan for implementation of the recommendations has been included as an appendix to the auditor's report.

5. Risk Implications

- 5.1 The risks arising from the review are set out in the auditor's report and the responses from the Authority's officers to mitigate the risks are included in the appendix to the auditor's report, which is the action plan.

6. HR Implications

- 6.1 There are no new HR implications

7. Environmental Implications

- 7.1 There are no new environmental implications

8. Financial Implications

- 8.1 There are no financial implications associated with this report

9. Conclusion

- 9.1 Internal Audit reviewed the Authority's Corporate Governance Arrangements and the arrangements for delivering the Authority's Community Fund. The reviews confirmed that there was substantial assurance that the arrangements were appropriate.
- 9.2 While there are no Key Findings for Members there are recommendations for improvements to the control environment which have been accepted. Members are asked to note the report.

The contact officer for this report is: Peter Williams
7th Floor, Number 1 Mann Island, Liverpool, L3 1BP

Email: peter.williams@merseysidewda.gov.uk
Tel: 0151 255 2542
Fax: 0151 227 1848

The background documents to this report are open to inspection in accordance with Section 100D of The Local Government Act 1972 - Nil.