

By: The Head of Audit & Risk  
To: Governance & Audit Committee – 02 December 2008  
Subject: INTERNAL AUDIT REPORTING – IRREGULARITIES  
Classification: Unrestricted

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**Summary:** This report provides brief details of all irregularity cases completed during the period September to October 2008.

## **FOR INFORMATION**

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### **Introduction**

1. In line with best practice and as agreed by Members of the Audit Committee at their meeting on the 1 March 2005, this report summarises the outcome of irregularity investigations that have been concluded within the period from September to October 2008.
2. During the period, nine new cases of potential irregularity were reported, for which investigations are continuing. Where significant, details of these irregularities are reported separately to the Chairman of the Governance and Audit Committee during informal meetings, to ensure that he is made aware of possible problems as they arise.
3. Appendix 1 summarises the outcomes of completed investigations within the period.

### **Recommendation**

4. Members are asked to note this report.

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Xx November 2008

Ref	Directorate	Nature of Irregularity	Value	Outcome
xx773	CF&E	Access to data	n/a	<ul style="list-style-type: none"> <li>▪ A small number of sensitive KCC records were accessed by a single user at another authority, following the use of the data by the IT application system vendor to develop a suite of management information report templates to be made available to customers.</li> <li>▪ Inadvertently, the details relating to 15 records had been left visible to users accessing the template, which should have been cleared before release.</li> <li>▪ An investigation was carried out by Internal Audit and the provider to determine how this occurred and to put controls in place to prevent any further recurrence.</li> </ul>
xx774	CF&E	Procurement procedures not complied with	Unknown	<ul style="list-style-type: none"> <li>▪ A member of staff who also has their own counselling business was engaged by their manager to provide these services.</li> <li>▪ However, the staff member had access to quotes provided by competitors and was therefore able to 'undercut' their prices.</li> <li>▪ The manager has been informed of the correct procedures and the staff member no longer provides the counselling service.</li> </ul>