

Report to	Corporate Governance & Audit Committee
Date of meeting	18 November 2020
Lead Member / Officer	Cllr Julian Thompson Hill / Lisa Lovegrove – Chief Internal Auditor
Report author	Lisa Lovegrove – Chief Internal Auditor
Title	Internal Audit Update

1. What is the report about?

This report provides an update for Corporate Governance & Audit Committee on Internal Audit's latest progress in terms of its service delivery, assurance provision, reviews completed, performance and effectiveness in driving improvement. It also includes an update on progress with the CIPFA Good Practice for Audit Committees.

2. What is the reason for making this report?

To provide information on the work carried out by Internal Audit since the last Committee meeting. It allows the Committee to monitor Internal Audit's performance and progress as well as providing summaries of Internal Audit reports so that the Committee can receive assurance on other council services and corporate areas. This enables the committee to discharge its responsibilities as per its Term of Reference. Delivery of the audit plan will assist the committee with obtaining assurance that the Annual Governance Statement appropriately reflects the conditions of the Council.

3. What are the Recommendations?

That the Committee considers the report content, assesses Internal Audit's progress and performance.

That the Committee decides whether it needs further assurance on any of the audited areas to follow up progress with implementing the improvement action plans.

4. Report details

Appendix 1 provides an update on internal audit work carried out since the last update report to the committee in July 2020. Since the last Corporate Governance & Audit Committee update report we have finalised 8 reports, one of which was given a low assurance rating and the audit report is included as Appendix 2.

As a result of the coronavirus pandemic emergency, a key focus for the team has been providing advice and support to new activities and changes to arrangements that the Council is having to implement at pace to respond to the pandemic. Operationally, the Council has had to react quickly to rapidly changing circumstances, which has had an impact on the pace and progression of some of our audits. We continue to carry out audits and 2020/21 planned work with good engagement from services.

In addition to the planned audit work, the team has also been assisting the Council with grant payments (e.g. free school meals, social care workers bonus payments and business rate grants) through provision of support and advice. The team has also supported the Council's Test, Trace and Protect (TTP) Team in response to the Covid-19 pandemic, with a Senior Auditor seconded to the team.

In light of the above, Appendix 1 shows the impact had on progress against the Audit Plan for 2020/21 in part due to temporary reduction in audit resource due to the redeployment and subsequent secondment of one Senior Auditor to the TTP team (from June 2020), and one Auditor retiring in October 2020. We are currently advertising for a Senior Auditor for a 12 month temporary contract to backfill for the Senior Auditor and there remains uncertainty whether the council will support the recruitment into the vacant Auditor post. The Audit Plan will remain under review, as will the utilisation of available internal audit resource, in the context of the Council's ongoing response to the Covid-19 pandemic and to ensure we continue to focus our work on areas of greatest risk to the council.

5. How does the decision contribute to the Corporate Priorities?

There is no decision required with this report. There is no direct contribution to Corporate Priorities, but some projects in the audit plan will review Corporate Priority areas and will provide assurance on their delivery.

6. What will it cost and how will it affect other services?

Not applicable – there is no decision or costs attached to the report.

7. What are the main conclusions of the Well-being Impact Assessment?

Not applicable – this report does not require a decision or proposal for change.

8. What consultations have been carried out with Scrutiny and others?

Not required.

9. Chief Finance Officer Statement

There are no financial implications attached to this report.

10. What risks are there and is there anything we can do to reduce them?

The work of internal audit gives assurance to the council on the adequacy and effectiveness of controls in place to manage and mitigate risks.

11. Power to make the decision

Not applicable – there is no decision required with this report.