

Report to	Governance & Audit Committee
Date of meeting	22 November 2023
Lead Member / Officer	Cyng / Cllr Gwyneth Ellis / Bob Chowdhury – Chief Internal Auditor
Report author	Bob Chowdhury – Chief Internal Auditor
Title	Internal Audit Update

1. What is the report about?

1.1. This report provides an update for 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.

2. What is the reason for making this report?

2.1. 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?

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

3.2. 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

- 4.1. Appendix 1 provides an update on internal audit work carried out since the last update report to the committee in July 2023.
- 4.2. Since the last Governance & Audit Committee update report, four audits have been completed and they have all been awarded a high assurance rating. During the summer, internal audit carried out an exercise around identifying how many actions remain outstanding on the Verto System and secondly, how many school actions also remain outstanding.
- 4.3. We have not completed as many reviews in the first six months as planned due to numerous incidents requiring Audit's urgent attention. Firstly, a whistleblowing complaint came into the Council at the start of the year and consequently during July and August, an investigation was needed. Also in July, two HoS raised concerns about misappropriation of funds within their service (again requiring large investigations) and in August we were asked by a service to undertake a review of the petty cash float.
- 4.4. I am pleased to announce that since 17 July, internal audit is now fully staffed, and the team is making good progress with tasks undertaken. Training is being provided to support and progress the three career pathway auditors.
- 4.5. Since the last Internal Audit update in July 2023, the Council has advertised and filled the five Head of Service posts identified in the SLT restructure:
 - Head of Adult Social Care and Homelessness
 - Head of Highways & Environmental Services
 - Head of Corporate Support Services: People
 - Head of Corporate Support Services: Performance, Digital & Assets
 - Head of Finance & Audit (Section 151 Officer)
- 4.6. Internal audit monitors performance to address actions arising from audit reviews. It is management's responsibility to address these actions and record progress on the performance management system (Verto). Internal Audit continues to perform a 'follow-up' and reports on progress with implementing action plans arising from low assurance audits to ensure that necessary improvements are being made.

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

5.1. 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?

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

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

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

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

8.1. Not required

9. Chief Finance Officer Statement

9.1. There are no financial implications attached to this report.

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

10.1. Should insufficient audit work be completed during the year, there is a risk that the Chief Internal Auditor is unable to draw on sufficient assurance to issue a complete annual opinion in accordance with the Public Sector Internal Audit Standards. Audits are prioritised to provide coverage of governance, risk management and internal controls and scopes for these audits will focus on key risks.

11. Power to make the decision

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