

<b>Report to</b>	Governance & Audit Committee
<b>Date of meeting</b>	25 September 2024
<b>Lead Member / Officer</b>	Cyng / Cllr Gwyneth Ellis / Bob Chowdhury – Chief Internal Auditor
<b>Report author</b>	Bob Chowdhury – Chief Internal Auditor
<b>Title</b>	Internal Audit Update

## **1. What is the report about?**

1.1. This report provides an update for Governance and 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 Terms 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 March 2024.
- 4.2. Since the last Governance and Audit Committee update in March, 10 internal audit reports have been completed with six being awarded a high assurance rating and four receiving a medium assurance rating.
- 4.3. On 3 June, the Council's waste service rolled out a new waste collection and recycling service across the whole of the county. The new service moved away from comingled recycling waste to kerbside collections via a trolley system. The roll out encountered several issues which has resulted in the service requiring support from services across the Council.
- 4.4. As a result, three members of the Internal Audit team were seconded over to support the waste service initially a part-time basis, two of them then went over on full-time basis for a short period. This has resulted in the Audit Plan falling behind schedule. Now we are fully staffed we are working towards completing the plan again.
- 4.5. Since April this year we have had two special investigations that have been very challenging and demanding on Internal Audit resources. Neither investigation has been completed. The first one was following a whistleblowing complaint and the second investigation was via a service request.
- 4.6. I am pleased to inform the Committee that the two Career Pathway Senior Auditors have passed the level 2 qualification with the Association of Account Technicians (AAT) and have enrolled onto level 3 which starts on 11 September 2024. The Principal Auditor is still on target to complete and pass her level 4 qualification with the Institute of Leadership and Management (ILM) and the third Career Pathway Senior Auditor is due to start study for the Institute of Internal Auditors qualification at the end of this year.
- 4.7. 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.