



<b>Audit Committee</b>	<b>Wednesday, 04 March 2020</b>	<b>Matter for Information</b>
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**Report Title:** **Internal Audit Progress Report (To Mid-February 2020)**

**Report Author(s):** **Clive Mason (Chief Financial Officer / Section 151 Officer)**

<b>Purpose of Report:</b>	To update the Committee on progress made in delivering the 2019/20 Audit Plan and to provide an update in relation to management's implementation of internal audit recommendations.
<b>Report Summary:</b>	<p>The Internal Auditors are slightly behind where they would have expected to be at this stage of the audit plan; however they do not anticipate any issues in providing sufficient audit coverage to be able to provide the required Head of Audit Opinion within the timescale required by the Council.</p> <p>By mid-February, five audits have been completed; 4 with significant assurance and 1 with moderate assurance. In addition, 11 recommendations remain outstanding (&gt; 4% of recommendations due by the end of February 2020).</p> <p>The auditors are currently developing the 2020/21 audit plan and are reporting on the risks areas currently being considered for review.</p>
<b>Recommendation(s):</b>	<p><b>A. That the contents of the report and appendix be noted.</b></p> <p><b>B. That Members consider the potential risk areas being considered for the 2020/21 Audit Plan (Appendix 1, Section 6), and suggest other areas that they consider would benefit from Internal Audit Review.</b></p>
<b>Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):</b>	<p>Clive Mason (Chief Financial Officer / Section 151 Officer) (0116) 257 2736 <a href="mailto:clive.mason@oadby-wigston.gov.uk">clive.mason@oadby-wigston.gov.uk</a></p> <p>Mark Watkins (Head of Internal Audit, CW Audit Services) (07926) 252 619 <a href="mailto:mark.watkins@cwaudit.org.uk">mark.watkins@cwaudit.org.uk</a></p>
<b>Corporate Objectives:</b>	Providing Excellent Services (CO3)
<b>Vision and Values:</b>	<p>"A Stronger Borough Together" (Vision)</p> <p>Accountability (V1)</p> <p>Innovation (V4)</p> <p>Teamwork (V3)</p> <p>Customer Focus (V5)</p>
<b>Report Implications:-</b>	
Legal:	There are no implications arising from this report.
Financial:	There are no implications directly arising from this report.
Corporate Risk	Reputation Damage (CR4)

Management:	Effective Utilisation of Assets / Buildings (CR5) Regulatory Governance (CR6) Organisational / Transformational Change (CR8)
Equalities and Equalities Assessment (EA):	There are no implications arising from this report. EA not applicable
Human Rights:	There are no implications arising from this report.
Health and Safety:	There are no implications arising from this report.
<b>Statutory Officers' Comments:-</b>	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	As the author, the report is satisfactory.
Monitoring Officer:	The report is satisfactory.
<b>Consultees:</b>	None.
<b>Background Papers:</b>	None.
<b>Appendices:</b>	<b>1.</b> Internal Audit Progress Report (February 2020)

## **1. Introduction**

- 1.1 This report summarises the work of Internal Audit for the financial year 2019/20 up until mid-February 2020. A copy of the Internal Audit Progress Report is attached at **Appendix 1**.
- 1.2 The purpose of the report is to update the Committee on progress made in delivering the 2019/20 Audit Plan, provide an update in relation to management's implementation of internal audit recommendations and to provide some commentary on the development of the 2020/21 audit plan.

## **2. Reviews Since Last Report** (Appendix 1, Section 3)

- 2.1 Five internal audit reports have been completed, 4 having been given significant assurance and 1 (Safeguarding) has been given Moderate assurance; the following are the key actions from the Safeguarding audit:

- Appropriate assessment for the need of DBS checks, including secure holding of such checks.
- Seek assurance from grants aided organisations that they are complying with safeguarding legislation.
- Continue to see assurance from Social Care on quality of referrals.

- 2.2 The Council has not received any limited assurance reports during 2019/20.

## **3. Recommendation Tracking** (Appendix 1, Section 4)

- 3.1 Since April 2015, the auditors have issued 330 recommendations, of which 11 (3.3%) remain outstanding and all are less than 6 months old. There is one "High" risk recommendation in respect of Risk Management that remains outstanding; this will be actioned during the first quarter of 2020/21.

## **4. Internal Audit Plan** (Appendix 1, Section 5)

- 4.1 The Internal Audit Plan for 2019/20 has been agreed, as shown at Section 5 giving details of planned audits over the coming months.
- 4.2 There has been a slight delay in the plan due to staff changes within the audit team; however the auditors do not anticipate any issues in providing sufficient audit coverage to be able to provide the required Head of Audit Opinion within the timescale required by the Council.

**5. Strategic Internal Audit Plan – 2020/21 onwards** (Appendix 1, Section 6)

- 5.1 The audit plan for 2020/21 is currently being developed and will be reported to the Committee in June. Appendix 1, Section 6 shows the areas that are currently being considered but members of the Committee are invited to discuss and comment on these potential risk areas and suggest other areas that they consider would benefit from internal audit review.