
Internal Audit Update Report

Committee considering report:	Governance and Ethics Committee
Date of Committee:	16 January 2023
Portfolio Member:	Councillor Tom Marino
Report Author:	Julie Gillhespey (Audit Manager)
Forward Plan Ref:	GE4228

1 Purpose of the Report

- 1.1 To update the Committee on the status of Internal Audit work as at the end of quarter two of 2022/23.
- 1.2 The Public Sector Internal Audit Standards (PSIAS), as adapted by CIPFA's "Local Government Application Note", require the Audit Manager to provide periodic updates to senior officers and members on performance against the Audit Plan. As stated in the Council's approved Internal Audit Charter, quarterly updates are required to be presented to the Committee.
- 1.3 The periodic reports aim to provide a progress update against the work in the Audit Plan together with highlighting any emerging significant issues/risks that are of concern.

2 Recommendation

To note the content of the report.

3 Implications and Impact Assessment

Implication	Commentary
Financial:	None
Human Resource:	None
Legal:	None
Risk Management:	Internal Audit work helps to improve risk management processes by identifying weaknesses in systems and procedures and making recommendations to provide

	mitigation. The aim of which is to help ensure that services and functions across the Council achieve their goals and targets, and the organisation as a whole meets its plans and objectives.			
Property:	None			
Policy:	None			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
Environmental Impact:		X		
Health Impact:		X		
ICT Impact:		X		
Digital Services Impact:		X		
Council Strategy Priorities:		X		

Core Business:		X		
Data Impact:		X		
Consultation and Engagement:	None			

4 Executive Summary

- 4.1 To update the Committee on the status of Internal Audit work as at the end of quarter two of 2022/23.
- 4.2 The Public Sector Internal Audit Standards (PSIAS), as adapted by CIPFA's "Local Government Application Note", require the Audit Manager to provide periodic updates to senior officers and members on performance against the Audit Plan. As stated in the Council's approved Internal Audit Charter quarterly updates are required to be presented to Committee.
- 4.3 The periodic reports aim to provide a progress update against the work in the Audit Plan together with highlighting any emerging significant issues/risks that are of concern.
- 4.4 Work completed during the quarter did not identify any audits with a less than satisfactory opinion.
- 4.5 There are no significant issues of concern identified through audit work during the period that need to be highlighted to senior officers/members.
- 4.6 The team has a KPI target to achieve 80% of the Audit Plan, as at the end of quarter two the projection is for us to achieve 73%, this is based on the planned work for five people. One post has been vacant since early June, if adjusted for the vacancy the projected productivity percentage for the year is estimated to be 86%.

5 Supporting Information

Introduction/Background

- 5.1 A list of audit work completed is set out in Appendix A. The following table summarises the results of the audit work where an opinion was given.

Audit Type	Very weak	Weak	Satisfactory	Well Controlled	Very Well Controlled
Key Financial Systems					
Other Systems			2	1	
Schools					1

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- 5.2 For this reporting period there were no completed audits given a less than satisfactory opinion. There was an advisory review completed where no opinion is given, there were no follow-up audits completed during the period.
- 5.3 Details of the audit work in progress and the stage reached is set out at Appendix B. Progress made against the Anti-Fraud Work Plan is set out at Appendix C.
- 5.4 One of the Senior Auditor posts has been vacant since early June, a second attempt at recruitment early in November was not successful. The intention is to now change the post to be an Auditor/Senior Auditor post on a career grade to improve the chances of successful recruitment, but envisage it will result in us needing to train an auditor from scratch.
- 5.5 The team has a KPI target to achieve 80% of the Audit Plan, as at the end of quarter two the projection was for us to achieve 73%, this is based on the planned work for five people, if adjusted for the vacancy the projected productivity percentage is 86%.

Proposals

Members note the outcome of audit work.

6 Other options considered

Not applicable, the report is for information only.

7 Conclusion

There was no work completed for the period which had a less than satisfactory opinion, and no areas of concern which need to be highlighted to Committee.

8 Appendices

- 8.1 Appendix A – Completed Audit Work.
- 8.2 Appendix B – Current Audit Work.
- 8.3 Appendix C – Anti-Fraud Work Plan Update.

Subject to Call-In:

Yes: No:

The item is due to be referred to Council for final approval

Delays in implementation could have serious financial implications for the Council

Delays in implementation could compromise the Council's position

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Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months

Item is Urgent Key Decision

Report is to note only

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