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# Internal Audit Update Report

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<b>Committee considering report:</b>	Governance and Ethics Committee
<b>Date of Committee:</b>	27 September 2021
<b>Portfolio Member:</b>	Councillor Howard Woollaston
<b>Date Head of Service agreed report:</b>	20th July 2021
<b>Report Author:</b>	Julie Gillhespey (Audit Manager)
<b>Forward Plan Ref:</b>	GE4091

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## 1 Purpose of the Report

- 1.1 To update the Committee on the outcome of Internal Audit work carried out during quarter one of 2021/22.
- 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
<b>Financial:</b>	None
<b>Human Resource:</b>	None
<b>Legal:</b>	None

<b>Risk Management:</b>	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.			
<b>Property:</b>	None			
<b>Policy:</b>	None			
	<b>Positive</b>	<b>Neutral</b>	<b>Negative</b>	<b>Commentary</b>
<b>Equalities Impact:</b>				
<b>A</b> Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
<b>B</b> Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
<b>Environmental Impact:</b>		X		
<b>Health Impact:</b>		X		
<b>ICT Impact:</b>		X		

<b>Digital Services Impact:</b>		X		
<b>Council Strategy Priorities:</b>		X		
<b>Core Business:</b>		X		
<b>Data Impact:</b>		X		
<b>Consultation and Engagement:</b>	None			

## 4 Executive Summary

- 4.1 To update the Committee on the outcome of Internal Audit work completed during quarter one of 2021/22.
- 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 For the work completed during the quarter there were no corporate audits given a less than satisfactory opinion. There was one school given a weak opinion. Details are set out in the main body of the report.
- 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.

## 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.

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Audit Type	Very weak	Weak	Satisfactory	Well Controlled	Very Well Controlled
Key Financial Systems					
Other Systems			2	1	
Schools		1	2	3	

- 5.2 For this reporting period there were no corporate audits which were given a less than satisfactory opinion. There was one school given a weak opinion, the main reason for this opinion was the need to strengthen the processes for income collection, recording and monitoring.
- 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 The number of school visits planned for last year was severely impacted by the Covid pandemic, with visits being either cancelled or postponed. This resulted in a backlog of school visits which was then prioritised to be undertaken in the first quarter of the current year, this is reflected in the number of schools listed in Appendix B.
- 5.5 The Audit Manager has mentioned in previous update reports that she would provide the Committee with updates regarding any COVID related audit work which would impact on the Audit Plan. As at the end of June the team has spent 53 days on Covid related grant assurance work, this level of work is likely to continue during the second quarter of the year.

## Proposals

Members note the outcome of audit work.

## 6 Other options considered

Not applicable, the report is for information only.

## 7 Conclusion

There were no corporate audits given a less than satisfactory opinion in this reporting period. There was one school given a weak opinion. The Audit Team continues to undertake COVID grant assurance work which impacts on the level of planned work that can be achieved, although the impact to date is not at a significant level.

## 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.

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## Background Papers:

Attached

### 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
- 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

**Wards affected:** All

### Officer details:

Name: Julie Gillhespey  
Job Title: Audit Manager  
Tel No: 01635 519455  
E-mail: julie.gillhespey@westberks.gov.uk

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## Document Control

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<b>Version:</b>	01	<b>Date Modified:</b>	
<b>Author:</b>	Julie Gillhespey (Audit Manager)		
<b>Owning Service</b>	Strategy and Governance		

## Change History

Version	Date	Description	Change ID
1			
2			