

<b>Report of:</b>	Head of Internal Audit, Veritau
<b>Submitted to:</b>	Corporate Affairs and Audit Committee, 24 September 2020
<b>Subject:</b>	Internal Audit progress report

**Summary**

<b>Proposed decision(s)</b>
That the Committee: <ul style="list-style-type: none"> <li>notes the internal audit work completed since the last progress report to this committee</li> </ul>

<b>Report for:</b>	<b>Key decision:</b>	<b>Confidential:</b>
Information	No	No

<b>Contribution to delivery of the 2020-23 Strategic Plan</b>		
<b>People</b>	<b>Place</b>	<b>Business</b>
Agreement to note the audit findings or identify where additional assurance is required will help the Committee perform its role. Internal audit work contributes towards achieving the Council's priorities by identifying any potential control issues which may obstruct that achievement.	Internal Audit assists management in delivering their priorities by working to an annual programme of work that includes assignments linked to corporate risks and priorities, and which seeks to add value by assessing the quality of controls, ensure value for money and achieve better outcomes for local people.	Internal Audit assists management in delivering their priorities by working to an annual programme of work that includes assignments linked to corporate risks and priorities, and which seeks to add value by assessing the quality of controls, ensure value for money and achieve better outcomes for local people.

<b>Ward(s) affected</b>
None.

**What is the purpose of this report?**

1. To provide Members with an update on audit reports issued and other work completed since the last update report to this committee.

### **Why does this report require a Member decision?**

2. Internal audit professional standards require that internal audit report on the findings and conclusions of work completed. This report is an update on progress made in delivering the previously agreed internal audit plan.

### **Report Background**

3. Internal audit provides independent and objective assurance and advice on the Council's operations. It helps the organisation to achieve overall objectives by bringing a systematic, disciplined approach to the evaluation and improvement in the effectiveness of risk management, control and governance processes.
4. The work of internal audit is governed by the Accounts and Audit Regulations 2015 and relevant professional standards. These include the Public Sector Internal Audit Standards (PSIAS), CIPFA guidance on the application of those standards in Local Government and the CIPFA Statement on the role of the Head of Internal Audit.
5. The purpose of this report is to provide an update on audit work carried out in 2020/21. The Council's internal audit plan was approved by this committee in March 2020.

### **Progress report**

6. Appendix 1 summarises the progress made against 2020/21 audits. Work is underway on a number of audits with the majority in the planning stage. Where a specification for the audit has been agreed and fieldwork commenced, this is noted as 'specification issued'.
7. The audits listed are those that are underway or have been agreed with management to take place during the year. Further audits will be added as the year progresses.
8. All audits are currently being carried out remotely and virtual meetings held. In addition to the team that transferred to Veritau from the previous internal audit provider a number of auditors from the wider Veritau group are also involved in carrying out the audits. This should provide a wider range of knowledge and experience to the internal audit work for 2020/21.
9. There are also some outstanding audits from 2019/20 which are currently being completed. Two of these audits have been finalised since the last report to this committee and are summarised at Appendix 2 along with the details of the outstanding audits.

### **What decision(s) are being asked for?**

10. That the committee:
  - notes the work completed since the last progress report to this committee.

### **Why is this being recommended?**

11. Internal audit professional standards require that internal audit prepare an indicative audit plan based on an assessment of risk. This report is an update on the progress made against the previously agreed internal audit plan.

### **Other potential decisions and why these have not been recommended**

12. This report is for information. There are no other options available.

### **Impact(s) of recommended decision(s)**

#### ***Legal***

13. There are no specific risks.

#### ***Financial***

14. There are no specific risks.

#### ***Policy Framework***

15. There are no specific risks.

#### ***Equality and Diversity***

16. There are no specific risks.

#### ***Risk***

17. The Council will fail to comply with proper practice for internal audit if Members are not regularly updated on the progress of internal audit work.

### **Actions to be taken to implement the decision(s)**

18. Any requests for additional assurance or clarification by Members of the Committee will be responded to accordingly.

### **Appendices**

Appendix 1 – internal audit progress report July 2020

Appendix 2 – final reports issued

### **Background papers**

No background papers were used in the preparation of this report

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