

**REPORT TO THE GOVERNANCE & AUDIT COMMITTEE  
MEETING ON: 4<sup>th</sup> March 2020**

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**Status:** For information  
**Title:** Internal Audit – progress and performance update  
**Originator:** Trevor Croote – Audit Manager  
**Where from:** CMT / LGSS Internal Audit  
**Where to next:** N/A

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1 Purpose of report

1.1 *To update Members on progress against the 2019/20 internal audit plan, key findings of audits completed and status of outstanding recommendations*

2 Recommendations

2.1 ***That the internal audit progress report attached at Appendix A and the status of outstanding recommendations at Appendix B be noted.***

3 Summary of reasons for the recommendations

3.1 To support the committee's role in ensuring good governance, strong financial management and an effective internal control environment. Additionally, to oversee the independence, objectivity, performance and professionalism of internal audit.

4 Impact on communities

4.1 Internal audit work provides assurance to management and Members that appropriate controls are in place to safeguard public money and assets. All audit assignments consider the risk of fraud and opportunities to improve value for money in the services delivered by and on behalf of the Council.

5 Key facts

5.1 **Appendix A** summarises progress against the plan together with the latest available performance information and key audit findings. At the time of writing all assignments (100%) are either complete or in progress.

- 5.2 Monitoring the implementation of audit recommendations and holding officers to account for any delays is an important function of this committee. There are currently 21 overdue recommendations of which 11 (52%) are overdue by more than three months and further details are provided in **Appendix B**.
- 5.3 The Committee's role includes approving any amendments to the Internal Audit Plan during the financial year. For reasons of timeliness and efficiency the Committee has previously agreed that any proposed amendments can be approved by the Chief Officer Finance and Assets (Section 151 Officer) in consultation with the Chairman.
- 5.4 Since the last committee meeting it has been agreed to allocate the remainder of the contingency to provide audit support to the Smarter Services Programme.

## 6 Legal issues

- 6.1 Section 5 of The Accounts and Audit Regulations 2015 require the Council to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes. The Council has formally delegated delivery of its internal audit function to LGSS.

## 7 Resource issues

- 7.1 The Council has commissioned LGSS to provide 235 days to deliver the 2019/20 internal audit plan. Progress against the plan is set out in Appendix A.

## 8 Equality implications

- 8.1 Any equality implications arising from audit assignments will be included in individual audit reports and summarised in Appendix A where relevant.

## 9 Impact on the organisation

- 9.1 The organisational impact of each audit assignment is included in individual audit reports and summarised in Appendix A.

## 10 Community safety implications

- 10.1 Any community safety implications arising from audit assignments will be included in individual audit reports and summarised in Appendix A where relevant.

## 11. Carbon management implications

- 11.1 None as far as this report is concerned.

## 12. Risk management implications

12.1 Any risk management implications arising from audit assignments will be included in individual audit reports and summarised in Appendix A where relevant.

13 Consultation

13.1 All internal audit reports are discussed and agreed with management before being finalised. All final reports are issued to the Governance and Audit Committee Chairman.

14 Options considered

14.1 N/A

15 Background papers

15.1 None

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**Previous report(s): Internal Audit Plan 2019/20 (06/03/2019)  
Internal Audit Update (17/10/2019)  
Internal Audit Update (10/12/2019)**

**Information Issued Under Sensitive Issue Procedure: N**

**Ward Members Notified: N**

**Appendices:**

- A. Internal Audit Update – March 2020**
- B. Outstanding Audit Recommendations**