

Harborough District Council

Report to the Audit & Standards Committee 31st July 2024



Title:	Internal Audit – progress and performance update
Status:	Public
Key Decision:	No
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Portfolio Holder:	Cllr Mark Graves
Appendices:	Appendix A – Internal Audit Progress Report July 2024 Appendix B – Overdue Recommendations

Executive Summary

The Audit and Standards Committee is scheduled to meet four times a year, at each meeting Internal Audit reports its performance in respect of:

- **the audit plan**; the assignments for the first quarter of the financial year are progressing well;
- **any recommended amendments to the audit plan**; one addition to the plan is noted in this report; and
- **outcomes of finalised audit assignments**; which will be reported to the committee as the reports and action plans are agreed by officers.

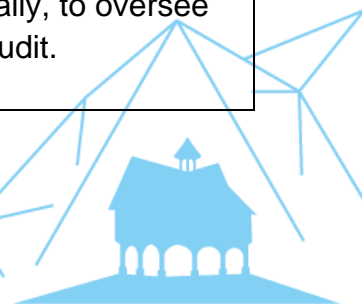
In addition to performance, Internal Audit also reports on outstanding actions arising from audit reports. There are currently 35 actions that have not been implemented by the agreed implementation deadline; 27 of which are over 3 months over their implementation date and of “medium-priority”.

Recommendations

The committee considers the Internal Audit Progress Report (Appendix A) and Overdue Recommendations (Appendix B) and comments as necessary.

Reasons for Recommendations

To support the Audit and Standards 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.



1. Purpose of Report

- 1.1 To update Members on progress against the 2024/25 internal audit plan, key findings of audits completed and status of outstanding recommendations.

2. Background

Internal Audit

- 2.1. The Council's internal audit service is provided, under delegation, by North Northamptonshire Council. The Audit and Standards Committee (ASC) agreed a new delegation at the meeting held on 2nd February 2022 (link to report [here](#)). They are commissioned to provide 235 days to deliver the 2024/25 Annual Audit Plan, which was approved by ASC on the 24th April 2024 (link to report [here](#)).

3. Detail

- 3.1 The following paragraphs summarise the main items covered within the Internal Audit Progress Report (**Appendix 1**) and provide commentary in respect of overdue recommendations (**Appendix 2**).

Internal Audit Progress 2024/25

3.2 Audit Plan

- 3.2.1 The Internal Audit team are delivering against the audit plan that was approved in April 2024 and all assignments scheduled for the first quarter of the financial year are underway.
- 3.2.2 The Chief Internal Auditor has confirmed that the Audit Plan is on target to be achieved within the allocated 235 days.

3.3 Customer Satisfaction

- 3.3.1 Two customer feedback questionnaires have been returned so far this financial year and are summarised in Appendix A.

Outstanding Recommendations.

- 3.4 Since the last report to committee, 5 actions have been implemented and 25 remain overdue. Of the 25 unimplemented actions:
- 1 "high priority" and 19 "medium priority" actions are over three months since their implementation date;
 - 7 "medium priority" actions were due to have been completed within the last 3 months. All "high priority" and "medium priority" overdue actions are detailed in **Appendix 2**.

4. Implications of Decisions

- 4.1. **Corporate Priorities**; internal audit provides assurance to the Council in respect of internal control and other governance issues, which directly supports the delivery of the Councils corporate priorities.
- 4.2. **Financial**; there are no direct financial implications arising from this report.
- 4.3. **Legal**; there are no direct legal implications arising from this report.
- 4.4. **Policy**; there are no direct policy implications arising from this report.
- 4.5. **Environmental Implications including contributions to achieving a net zero carbon Council by 2030**; there are no direct environmental implications arising from this report.
- 4.6. **Risk Management**; there are no direct risk management implications arising from this report. However, members must not that the audit approach is “risk-based” and an effective internal audit service is one means by which the Council is able to effectively manage risk.
- 4.7. **Equalities Impact**; there are no direct equalities implications arising from the report.
- 4.8. **Data Protection**; there are no direct data protection implications arising from the report.

5. **Summary of Consultation and Outcome**

- 5.1 The Chief Internal Auditor has consulted with the Councils s.151 in respect of performance and senior managers for individual audit assignments. The Audit and Standards Committee were consulted in respect of preparing the 2024/25 Audit Plan and approved the plan in April 2024.

6. **Alternative Options Considered**

- 6.1 No alternative options considered as none are appropriate.

7. **Background papers**

- 7.1 None