

INTERNAL AUDIT PROGRESS REPORT

Head of Service:	Gillian McTaggart, Head of Corporate Assurance
Wards affected:	(All Wards);
Urgent Decision?	No
If yes, reason urgent decision required:	N/A
Appendices (attached):	Appendix 1 – Internal Audit Progress Report – January 2022

Summary

This report summarises progress against the Internal Audit Plan

Recommendation (s)

The Committee is asked to:

- (1) Receive the internal audit progress report from Southern Internal Audit Partnership attached at Appendix 1**

1 Reason for Recommendation

- 1.1 This Committee has overall responsibility for the audit and governance frameworks, including the functions of an audit committee.
- 1.2 The Committee receives regular internal audit progress reports which update the Committee on progress made against the audit plan and the outcomes of individual audits.

2 Background

- 2.1 Southern Internal Audit Partnership (SIAP) was appointed as the Council's internal auditors from April 2019 for a period of four years. SIAP is now in the third year of the contract. Although delivery of the audit plan in 2020-2021 was impacted by the Covid pandemic.

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- 2.2 The Internal Audit Plan and Charter was endorsed by the Committee on 8th April 2021.

3 Audit Plan 2021-2022

- 3.1 The report attached as Appendix 1 outlines the progress made against the current annual audit plan and analysis of live audit reports and outstanding audit recommendations.
- 3.2 One audit has completed since the last progress report. This was the Treasury Management audit which received a “substantial” assurance opinion rating.
- 3.3 Appendix 1 also confirms the completion of the Annual Governance Statement audit (“reasonable”), which Members were made aware of at the previous meeting.
- 3.4 The audit plan will need to be delivered by June 2022 for the Head of Internal Audit to complete the End of Year Opinion. The remaining audits in the plan are expected to complete in Quarter 4.

4 Outstanding Management Actions

- 4.1 There are three high priority outstanding management actions, these are:
- 4.2 Building Control: Reconciliation to take place between Uniform and Civica.
- 4.3 Asset Management (Property Assets): (i) The Council can influence the sustainability of its own occupied buildings; and (ii) the use of national property performance indicators.
- 4.4 For further information see section Annex 1 in Appendix A
- 4.5 There are 27 overdue ‘Low & Medium Priority’ Management Actions. Narrative and revised dates for these actions are being follow-up at present, and will be available at the committee.

5 Risk Assessment

- 5.1 Impact Assessment
- 5.1.1 No formal equalities impact assessment for the purposes of this report.
- 5.2 Crime & Disorder
- 5.2.1 None for the purposes of this report.
- 5.3 Safeguarding
- 5.3.1 None for the purposes of this report.

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5.4 Dependencies

5.4.1 The Head of Internal Audit (SIAP) will issue an annual Internal Audit Report and Opinion for 2021-22 on completion of the annual plan. This report is a critical document that will be used in preparing the Annual Governance Statement for 2021/22, which is included in the Statement of Accounts.

5.5 Other

5.5.1 None for the purposes of this report.

6 **Financial Implications**

6.1 There are no financial implications in this report.

6.2 Section 151 Officer's comments: None arising from the contents of this report.

7 **Legal Implications**

7.1 There are no legal implications arising from this report.

7.2 Legal Officer's comments: none arising from the contents of this report.

8 **Policies, Plans & Partnerships**

8.1 Council's Key Priorities: The following Key Priorities are engaged: Effective Council

8.2 Service Plans: The matter is not included within the current Service Delivery Plans.

8.3 Climate & Environmental Impact of recommendations: no relevance for the purpose of this report.

8.4 Sustainability Policy & Community Safety Implications: no relevance for the purpose of this report

8.5 Partnerships: not applicable

9 **Background papers**

9.1 The documents referred to in compiling this report are as follows:

Previous reports:

Annual Audit Plan: Audit, Crime & Disorder and Scrutiny Committee, 8 April 2021, *Internal Audit Plan 2021-22*.

Progress Report: Audit, Crime & Disorder and Scrutiny Committee - Thursday, 18th November, 2021, *Internal Audit Progress Report*.