

TEWKESBURY BOROUGH COUNCIL

Report to:	Audit Committee
Date of Meeting:	24 June 2015
Subject:	Internal Audit Plan Monitoring Report
Report of:	Graeme Simpson, Corporate Services Group Manager
Corporate Lead:	Mike Dawson, Chief Executive
Lead Member:	Councillor R J E Vines, Leader of the Council
Number of Appendices:	3

Executive Summary:

This report is the final monitoring report of the financial year and summarises the remaining 2014/15 work of the Internal Audit team.

Recommendation:

To consider the audit work completed, and the assurance given on the adequacy of internal controls operating in the systems audited.

Reasons for Recommendation:

The work of Internal Audit Work complies with the Public Sector Internal Audit Standards (PSIAS). These standards state that the Chief Audit Executive (CAE) must report functionally to the board. This includes reporting on Internal Audit's activity relative to its plan.

Resource Implications:

None.

Legal Implications:

None.

Risk Management Implications:

If the CAE does not report functionally to the board then this does not comply with the PSIAS.

If there are delays in response to the acceptance/implementation of essential audit recommendations then this potentially increases the risk of fraud, error, inefficiency or areas of non-compliance remaining within the systems audited.

Performance Management Follow-up:

All recommendations made by Internal Audit are followed up within appropriate timescales to give assurance they have been implemented. All recommendations made by Internal Audit are now reported to the Audit Committee and these can be found in Appendix 3.

Environmental Implications:

None.

1.0 INTRODUCTION/BACKGROUND

1.1 The 2014/15 Internal Audit Plan was approved at Audit Committee on 19 March 2014. This is the final monitoring report for the year and summarises Internal Audit work completed since the last report to the Audit Committee on 18 March 2015. It is a requirement of the Public Sector Internal Audit Standards (PSIAS) that the Chief Audit Executive (Group Manager Corporate Services) reports formally to the 'board' (Audit Committee).

2.0 INTERNAL AUDIT WORK FOR THE PERIOD

2.1 The work undertaken in the period is detailed in Appendix 1. This provides commentary on the activity audited, the control objectives for each activity and the audit opinion for each control objective.

2.2 A list of the audits within the 2014/15 Audit Plan and their progress to date can be found in Appendix 2. This confirms all audit work is now complete except for the audit of Individual Electoral Registration (IER). Days have been allocated within the 2015/16 Audit Plan to accommodate this work. This translates to a 92.31% completion of the original Plan i.e. 24 of 26 audits completed. In addition to IER, one audit was completed after 31 March 2015. It is important to note, however, that two additional internal audits were undertaken during the year; business flood grants and Repair and Renew grants, as well as the Tewkesbury Town Council audit.

2.3 When reporting, a 'split' opinion can be given. This means an individual opinion can be given for different parts of the system being audited. This approach enables Internal Audit to identify to management specific areas of control that are operating or not. Assurance opinions are categorised as 'good', 'satisfactory', 'limited' and 'unsatisfactory'. For the period being reported, all audit opinions have been given either a good or satisfactory level of control with the exception of Health & Safety (risk assessments), which has a limited audit opinion, and ICT asset inventory, which has an unsatisfactory audit opinion.

2.4 As reported to previous Audit Committees, details of all audit recommendations have been included within this monitoring report. This will help provide the Committee with an overview of the breadth of work undertaken and allow the Committee to monitor the implementation of the audit recommendations. The list of recommendations and their status can be found in Appendix 3.

Note: recommendations that have been previously reported to the Audit Committee as implemented have been removed from the template.

3.0 HEALTH AND SAFETY WORK

3.1 It was previously reported to Audit Committee that the Council's Environmental Safety Officer (ESO) would be 'seconded' to the Internal Audit team to undertake Health and Safety Audits. The audits would be undertaken using the methodology used by Internal Audit. Health and Safety is a key part of the Councils' governance framework and findings from the audits will be formally reported to the Audit Committee. The first of these audits were completed in the reporting period - 'Risk Assessments' and the opinion of this audit can be found in Appendix 1.

4.0 FRAUD/CORRUPTION/THEFT/WHISTLEBLOWING

4.1 No incidents have been reported during the period.

5.0 PARTNERSHIP ARRANGEMENT WITH TEWKESBURY TOWN COUNCIL

5.1 As reported at previous Audit Committees, the Internal Audit team has been commissioned by Tewkesbury Town Council to undertake their internal audit. An interim audit report was issued during the period and considered by the Town Council's Finance Committee. A formal year end audit is currently underway.

6.0 OTHER OPTIONS CONSIDERED

6.1 None.

7.0 CONSULTATION

7.1 All managers are consulted prior to the commencement of the audit to agree the scope and each manager has the opportunity to complete a client survey at the end of the audit.

8.0 RELEVANT COUNCIL POLICIES/STRATEGIES

8.1 Internal Audit Charter and Internal Audit Annual Plan.

9.0 RELEVANT GOVERNMENT POLICIES

9.1 None.

10.0 RESOURCE IMPLICATIONS (Human/Property)

10.1 None.

11.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)

11.1 None.

12.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)

12.1 Internal Audit contributes to VFM through its improvement work.

13.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS

13 .1 None.

Background Papers: None

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Appendices: Appendix 1 – Audit work undertaken March 2015
Appendix 2 – Audit Plan progress
Appendix 3 – Summary of recommendations