

# TEWKESBURY BOROUGH COUNCIL

<b>Report to:</b>	Audit Committee
<b>Date of Meeting:</b>	4 March 2016
<b>Subject:</b>	Internal Audit Plan Monitoring Report
<b>Report of:</b>	Graeme Simpson, Corporate Services Group Manager
<b>Corporate Lead:</b>	Mike Dawson, Chief Executive
<b>Lead Member:</b>	Councillor R J E Vines, Leader of the Council
<b>Number of Appendices:</b>	3

## **Executive Summary:**

This is the third monitoring report of the financial year and summarises the work undertaken by and the assurance opinions given by Internal Audit for the period December 2015 – February 2016.

## **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 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 reported to the Audit Committee and these can be found in Appendix 3.

## **Environmental Implications:**

None.

## **1.0 INTRODUCTION/BACKGROUND**

**1.1** The 2015/16 Internal Audit Plan was approved at Audit Committee on 18 March 2015. This is the third monitoring report of the financial year and summarises the work undertaken, and the assurance opinions given, by Internal Audit for the period December 2015 – February 2016. 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 2015/16 Audit Plan and their progress to date can be found in Appendix 2.

**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, the majority of audit opinions have been given either a good or satisfactory level of control except for one 'limited' opinion re: stock control at Cascades.

**2.4** All audit recommendations have been included within this monitoring report. This provides the Committee with an overview of the breadth of work undertaken and allows the Committee to monitor the implementation of the audit recommendations. The list of recommendations and their status can be found in Appendix 3.

N.B.: Recommendations that have been previously reported to the Audit Committee as implemented have been removed from the template.

## **3.0 INTERNAL AUDIT STAFFING**

**3.1** The Internal Audit establishment consists of two full-time equivalent posts. As reported to Audit Committee in September 2015 and December 2015 one of the postholders was on maternity leave and this leave was covered through a combination of a secondment arrangement and an external contractor. Two Officers now share one post leaving one post vacant and which is now being recruited for.

## **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 its Internal Audit. No work has been commissioned during the period.

## **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 value for money through its improvement work.
- 13.0 **RELATED DECISIONS AND ANY OTHER RELEVANT FACTS**
- 13.1 None.

---

**Background Papers:** None

**Contact Officer:** Graeme Simpson, Corporate Services Group Manager  
01684 272002 [Graeme.simpson@teWKesbury.gov.uk](mailto:Graeme.simpson@teWKesbury.gov.uk)

**Appendices:** Appendix 1 – Audit work undertaken December 2015 – February 2016  
Appendix 2 – Audit Plan progress  
Appendix 3 – Summary of recommendations