

TEWKESBURY BOROUGH COUNCIL

Report to:	Audit and Governance Committee
Date of Meeting:	23 November 2022
Subject:	Internal Audit Monitoring Report
Report of:	Chief Audit Executive (Head of Corporate Services)
Head of Service/Director:	Chief Executive
Lead Member:	Lead Member Corporate Governance
Number of Appendices:	One

Executive Summary:

The monitoring report provides the Audit and Governance Committee with an overview of the internal work completed in the period. This includes a level of assurance as to how well the internal control environment is managed for each audit assignment undertaken.

Recommendation:

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

Financial Implications:

None arising directly from this report.

Legal Implications:

By monitoring the implementation of recommendations, internal audit assists the Council to minimise risk areas and thereby reduce the prospects of legal challenge.

Environmental and Sustainability Implications:

None arising directly from this report.

Resource Implications (including impact on equalities):

None arising directly from this report.

Safeguarding Implications:

None arising directly from this report.

Impact on the Customer:

None arising directly from this report other than providing interested residents with assurance as to the adequacy of the Council's internal control, risk and governance environment.

1.0 INTRODUCTION

1.1 It is a requirement of the Public Sector Internal Audit Standards (PSIAS) that the Chief Audit Executive (Head of Corporate Services) reports formally to the 'board' (Audit and Governance Committee) on the work of internal audit. The monitoring report provides the Audit and Governance Committee with an overview of the work completed by Internal Audit. This includes a level of assurance as to how well the internal control environment is managed for each audit assignment undertaken. Attached at Appendix 1 is the work completed in the period.

2.0 COMPLETED AUDIT ASSIGNMENTS FOR THE PERIOD

2.1 When reporting, a 'split' opinion is given. This means an individual opinion is given for each risk category identified. This approach enables Internal Audit to identify to management specific areas of control that are operating or not. Assurance opinions are categorised as 'substantial, reasonable, limited, no assurance'. The audit opinions can be found in Appendix 1.

2.2 Overall, from the individual opinions given, the conclusion is very positive. Particularly in relation to a key finance system (treasury management) and the implementation of a transformational HR project (e-ploy). In relation to bulky waste, the transformation of the service has seen phenomenal success. In terms of the underlying internal control environment, the audit concluded that for the most part, there are no significant areas of concern apart from one 'limited' opinion in relation to invoice authorisation.

2.3 With regards to work in progress, audits in relation to cemeteries, car parks and arrangements for managing the GDPR risk are well underway. It is anticipated that the conclusion of this work will be presented to Committee in December.

3.0 CONSULTATION

3.1 All managers are consulted prior to the commencement of the audit to agree the scope and each manager has the opportunity to comment on the draft report and complete a client survey at the end of the audit. The status of audit recommendations are reported on a regular basis to Corporate Management Team.

4.0 ASSOCIATED RISKS

4.1 If the Chief Audit Executive (does not report functionally to the board this does not comply with PSIAS. If there are delays in response to the acceptance or implementation of internal audit recommendations, this potentially increases the risk of fraud, error, inefficiency or areas of non-compliance within the systems audited.

5.0 MONITORING

5.1 An internal audit monitoring report of work undertaken is presented at each Audit and Governance Committee.

6.0 RELEVANT COUNCIL PLAN PRIORITIES/COUNCIL POLICIES/STRATEGIES

6.1 The work of Internal Audit supports the internal control, risk mitigation and governance of Council Plan priorities.

Background Papers: Internal Audit Six Monthly Plan (April-September 2022) – approved by Audit and Governance Committee on 24 Mar 2022

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Appendices: Appendix 1 – Internal Audit Opinions