

TEWKESBURY BOROUGH COUNCIL

Report to:	Audit & Governance Committee
Date of Meeting:	19 July 2023
Subject:	Internal Audit Plan Monitoring Report
Report of:	Chief Audit Executive (Director Corporate Resources)
Head of Service/Director:	Executive Director Resources and S151
Lead Member:	Lead Member for Corporate Governance
Number of Appendices:	2

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 their 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 (Director of Corporate Resources) 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 well and those that are not. Assurance opinions are categorised as 'substantial, reasonable, limited or no assurance'. The audit opinions can be found in Appendix 1.
- 2.2** Overall, from the individual opinions given, the conclusion is positive. The majority of opinions given conclude at least a reasonable level of control with very few 'high' recommendations made. The audits conclude that for the most part, there are no significant areas of concern, with the exception of one limited opinion in relation to Community Infrastructure Levy governance arrangements. This is currently being responded to by management to address the findings made.
- 2.3** With regards to work in progress, audits in relation to garden waste, disabled facilities grants and High Street Heritage Action Zone (HSHAZ) are underway as well as corporate improvement work to update the Council's contract and partnership registers. The conclusion of this work will be presented to Committee in September 2023.

3.0 FOLLOW-UP OF INTERNAL AUDIT RECOMMENDATIONS

- 3.1** All audit recommendations that were due to be followed-up in the period have been followed-up. 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 these recommendations and their status can be found in Appendix 2. Of the 30 recommendations followed-up during the period, 17 have been implemented, six partially implemented with four yet to be implemented and three mitigated.

4.0 CONSULTATION

- 4.1** 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 is reported on a regular basis to Leadership Team.

5.0 ASSOCIATED RISKS

- 5.1** 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 or implementation of internal audit recommendations, this potentially increases the risk of fraud, error, inefficiency or areas of non-compliance within the systems audited.

6.0 MONITORING

6.1 An internal audit monitoring report of work undertaken during the period is presented at each Audit and Governance Committee.

7.0 RELEVANT COUNCIL PLAN PRIORITIES/COUNCIL POLICIES/STRATEGIES

7.1 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 2023) – approved by Audit and Governance Committee on 23 March 2023

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Appendices: Appendix 1 – Audit Opinions
Appendix 2 – Outstanding Audit Recommendations