

GOVERNANCE COMMITTEE**28th JUNE 2016****REPORT OF HEAD OF WELLAND INTERNAL AUDIT CONSORTIUM****INTERNAL AUDIT UPDATE****1.0 PURPOSE OF REPORT**

1.1 To update Members on progress made in delivering the 2016/17 Annual Audit Plan and key findings arising from audit assignments completed.

2.0 RECOMMENDATIONS

2.1 **That Members note the report and progress made by the Internal Audit team in delivery of the Audit Plan.**

3.0 UPDATE ON DELIVERY OF THE INTERNAL AUDIT PLAN

3.1 The progress achieved to date in delivering the 2016/17 Audit Plan is set out in Appendix A. At the time of reporting, two assignments have been finalised and fieldwork is underway or complete on a further four assignments. As such, good progress is being made in delivering the plan at this early stage in the year.

3.2 The key findings of the audit assignments from 2016/17 completed to date are provided within Appendix A.

3.3 In addition to the assignments within the Audit Plan for 2016/17, Internal Audit has been commissioned by senior management to undertake two additional reviews for Melton Borough Council. This includes a fact finding investigation into a whistle-blowing disclosure and a specific, consultancy review of the management of capital expenditure on Phase 1 of the Leisure Vision Project and the allocated revenue budget.

4.0 IMPLEMENTATION OF RECOMMENDATIONS

4.1 The Chief Executive requires the Council's Management Team to review progress made on implementing agreed management actions on a regular basis. Since the last Committee meeting, 12 actions from audit reports have been completed by officers, this represents 70% of the actions due for completion during the period. At the date of reporting, there are five agreed management actions which are overdue for implementation. Reasons have been supplied for the overdue actions and revised dates for completion have been set. Further details are provided in Appendix A.

5.0 POLICY AND CORPORATE IMPLICATIONS

5.1 The report allows the Committee to develop independent assurance about the quality of the Council's internal control framework.

6.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

6.1 There are no financial or other resource implications arising directly from this report.

7.0 LEGAL IMPLICATIONS/POWERS

7.1 There are no legal implications arising directly from this report

8.0 **COMMUNITY SAFETY**

8.1 There are no community safety implications arising directly from this report.

9.0 **EQUALITIES**

9.1 There are no equalities implications arising directly from this report.

10.0 **RISKS**

10.1 If the Consortium does not deliver the approved Audit Plan the assurance that it can provide about the Council's control framework would be compromised.

11.0 **CLIMATE CHANGE**

11.1 There are no climate change implications arising directly from this report.

12.0 **CONSULTATION**

12.1 N/A

13.0 **WARDS AFFECTED**

13.1 All wards are indirectly affected by the report.

Contact Officer Rachel Ashley-Caunt

Date: 28/06/2016

Appendices : A – Internal Audit Update Report

Background Papers: N/A

Reference : N/A