

GOVERNANCE COMMITTEE

6th FEBRUARY 2017

REPORT OF HEAD OF INTERNAL AUDIT

INTERNAL AUDIT UPDATE

1.0 PURPOSE OF REPORT

1.1 To update Members on progress made in delivering the 2017/18 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.**

2.2 **That Members approve the proposed amendment to the Audit Plan to incorporate a review of the new Housing Repairs contract approach and remove the consultancy support on the Transformation programme.**

3.0 UPDATE ON DELIVERY OF THE INTERNAL AUDIT PLAN

3.1 The progress achieved to date in delivering the 2017/18 Audit Plan is set out in Appendix A. Since the last Governance committee meeting, three reports have been finalised. At the time of reporting, 93% of planned assignments are either complete or in progress.

3.2 The key findings of the audit assignments from 2017/18 completed to date are provided within Appendix A.

3.3 Following discussions with senior management team, an amendment to the current year's Audit Plan is proposed. It is recommended that the consultancy assignment on the Transformation programme be cancelled, given that this is not currently a high risk area, and that the days be reallocated to enable a timely review of the new housing repairs contractual arrangements whereby payments are moving to a Payment Per Property basis. Any remaining days can be used to fund additional unplanned work that has been delivered by Internal Audit during 2017/18.

4.0 IMPLEMENTATION OF RECOMMENDATIONS

4.1 The Council's Management Team review progress made on implementing agreed management actions on a regular basis. Since the last Committee meeting, 15 actions from audit reports have been completed by officers. At the date of reporting, there are 32 agreed management actions which are overdue for implementation. Reasons have been requested for the overdue actions. There are a number of overdue actions which have been delayed due to a change in officers' responsibilities and these have now been reallocated to the relevant lead officer and are subject to revised timescales. 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 Internal Audit 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: 19/01/2017

Appendices : A – Internal Audit Update Report

Background Papers: N/A

Reference : N/A