

GOVERNANCE COMMITTEE

27th March 2018

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.**

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, 100% of planned assignments are either complete or in progress and the team is on track to exceed the target for delivery of 90% of the plan to draft report stage by the end of March 2018.
- 3.2 The key findings of the audit assignments from 2017/18 completed to date are provided within Appendix A.

4.0 IMPLEMENTATION OF RECOMMENDATIONS

- 4.1 The Council's Management Team review progress made on implementing agreed management actions on a regular basis. At the date of reporting, there are 37 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 UNPLANNED WORK

- 5.1 An update is provided in Appendix A in relation to the fraud investigation deliver by Internal Audit in 2016/17. In February 2018, the former Council officer and his wife both pleaded guilty to both counts of Fraud by Abuse of Position and Acquisition of Criminal Property. This has been a welcome outcome which demonstrates the Council's zero tolerance to fraud and the effectiveness of the fraud response plan.

6.0 POLICY AND CORPORATE IMPLICATIONS

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

7.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

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

8.0 **LEGAL IMPLICATIONS/POWERS**

8.1 There are no legal implications arising directly from this report

9.0 **COMMUNITY SAFETY**

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

10.0 **EQUALITIES**

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

11.0 **RISKS**

11.1 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.

12.0 **CLIMATE CHANGE**

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

13.0 **CONSULTATION**

13.1 N/A

14.0 **WARDS AFFECTED**

14.1 All wards are indirectly affected by the report.

Contact Officer Rachel Ashley-Caunt

Date: 09/03/2018

Appendices : A – Internal Audit Update Report

Background Papers: N/A

Reference : N/A