



## **Governance Scrutiny Group**

**Tuesday, 24 November 2020**

### **Internal Audit Progress Report 2020/21**

## **Report of the Executive Manager – Finance and Corporate Services**

### **1. Purpose of report**

- 1.1. The attached report has been prepared by the Council's internal auditors BDO. It reflects the current progress made against the annual Internal Audit programme along with any significant recommendations with regard to the audits completed during this period.

### **2. Recommendation**

It is RECOMMENDED that the Governance Scrutiny Group notes the progress report for 2020/21 (Appendix A) prepared by the Council's Internal Auditor.

### **3. Reasons for Recommendation**

- 3.1. To conform to best practice and Public Sector Internal Audit Standards, and give assurance to the Governance Scrutiny Group regarding the Council's internal control environment.

### **4. Supporting Information**

- 4.1. The Internal Audit Plan for 2020/21 was approved by the Governance Scrutiny Group at its meeting on 6 February 2020 and includes 10 planned reviews. Due to the impact of Covid-19 on workloads, progress at the start of the year was slower than anticipated but is now back on track. The attached report highlights the completion and issuing of three reports: Events, Social Media and Communications, Main Financial Systems, and Follow Up. In terms of findings:

- The two substantive audits have returned findings of Substantial Assurance in terms of Design; Main Financial Systems was also awarded Substantial Assurance for Operational Effectiveness, whereas Events, Social Media and Communications received a Moderate rating for Operational Effectiveness after one medium level recommendation was proposed; the Follow-Up audit is scored differently but received a 'Good Progress' finding.

- The Events, Social Media and Communications audit resulted in one medium and five low level recommendations and management actions have been agreed.
- The Main Financial Systems audit resulted in three low level recommendations and management actions have been agreed.
- The Follow-Up audit resulted in three low priority findings being re-raised. Management actions were agreed in respect of all the recommendations.

## 5. Risks and Uncertainties

- 5.1. If recommendations are not acted upon there is a risk internal controls are weakened and the risk materialises.

## 6. Implications

### 6.1. Financial Implications

There are no direct financial implications to the report. Indirectly a better internal control environment suggests risk has reduced and can result in a reduced audit workload and therefore cost.

### 6.2. Legal Implications

The recommendation supports good risk management.

### 6.3. Equalities Implications

There are no equalities implications identified for this report

### 6.4. Section 17 of the Crime and Disorder Act 1998 Implications

There are no such implications.

## 7. Link to Corporate Priorities

Quality of Life	
Efficient Services	Undertaking a programme of internal audit ensures that proper and efficient services are delivered by the Council.
Sustainable Growth	
The Environment	

## 8. Recommendations

It is RECOMMENDED that the Governance Scrutiny Group notes the final progress report for 2020/21 (**Appendix A**) prepared by the Council's Internal Auditor.

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<b>Background papers available for Inspection:</b>	
<b>List of appendices:</b>	<b>Appendix 1</b> - Internal Audit Progress Report – BDO