

REPORT TO	ON
Governance Committee	17 November 2020



TITLE	REPORT OF
Internal Audit Plan - Update	Director of Governance & Monitoring Officer

Is this report confidential?	No
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PURPOSE OF THE REPORT

1. *To provide members with an updated internal audit plan.*

RECOMMENDATIONS

2. *That members note the plan document.*

EXECUTIVE SUMMARY

3. *At the Governance Committee meeting in September a draft internal audit plan was presented to members. Members requested that an updated copy be presented to them when finalised. This report provides the updated plan.*

CORPORATE PRIORITIES

4. The report relates to the following corporate priorities: *(tick all those applicable):*

An exemplary Council	<input checked="" type="checkbox"/>
Thriving communities	<input type="checkbox"/>
A fair local economy that works for everyone	<input type="checkbox"/>
Good homes, green spaces, healthy places	<input type="checkbox"/>

BACKGROUND TO THE REPORT

5. *Members will recall being presented with an Internal Audit Plan at the last meeting. This had been prepared in trying circumstances both in terms of officer capacity and in terms of the Covid restrictions.*

6. *Members properly requested that the plan be revisited, providing greater detail in terms of prioritisation of the audits and the likely times for their delivery, recognising that the plan is already behind due to the summer lockdown and the current vacancies in the internal audit team.*
7. *The new plan provides greater detail both in terms of the time the audits will take (to manage capacity), and the quarter in which they will be delivered.*
8. *Members are asked to acknowledge that this plan is subject to amendment, not least due to factors such as the new imposed national lockdown. This will delay the progress of the audits as teams and services will be diverted onto Covid response work as a priority.*
9. *Due to this unusual factors this year, members will note that a number of the audits are carry overs from last year and due for completion. It was not felt appropriate to report previously incurred time, with the days spent on each audit this year being recorded.*
10. *Members will note that all quarter 3 audits have been allocated and are being progressed (although in some cases we are awaiting audited teams to respond in order to progress the audit.*

Transitional Period

11. *It is agreed that the reporting this year is not ideal. This is for 3 main reasons*
 - a. *Capacity. The Internal Audit team have lost a number of experienced staff in the recent past and these posts have been filled with temporary staff. This is not satisfactory in terms of continuity of service provision or work planning. A restructure of the team has been approved and recruitment is being progressed into a newly establish Service Lead and Senior Auditor role.*
 - b. *Covid. The national lockdown had a significant impact on the ability of internal audit to undertake work. Not only were services and teams diverted to meet covid related work demand but the Internal Audit team were also redeployed to work in the community hubs to support residents.*
 - c. *Strategic Audit Plan. The Internal Audit team had been tasked with reviewing the councils audit plan. This piece of work has not yet been completed.*
12. *It is clear that there have been some procedure related issues identified by Internal Audit and referenced in the AGS. Internal Audit play an important role in the testing of the council's governance framework. However, this framework is currently being reviewed and testing as it currently stands whilst having benefit will likely show only what we already know.*
13. *The recruitment will enable the council to commence a robust internal audit function against a strengthened governance environment from the start of the next council year. That is not to say this year should be abandoned but members are asked to consider that for the reasons outlined this is a challenging year for Internal Audit, but if managed appropriately can put us in a better position going forward.*

COMMENTS OF THE STATUTORY FINANCE OFFICER

14. *No comments*

COMMENTS OF THE MONITORING OFFICER

15. *Within the body of the report*

OTHER IMPLICATIONS:

<p>▶ Risk</p> <p>▶ Equality & Diversity</p> <p><i>Add any other implications which you consider particularly relevant</i></p> <p>All inapplicable risks should be deleted before submission. Do not include 'N/A'.</p>	<p><i>Delivery of the audit plan is a form of managing council risk.</i></p> <p>N/A</p>
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APPENDICES

Appendix A – Internal Audit Plan

Chris Moister
Director of Governance
Monitoring Officer

Report Author:	Telephone:	Date:
Chris Moister (Director of Governance)		