

Committee: Governance, Audit and Performance Committee

Date:

Thursday, 30 May 2019

Title: Internal Audit Progress Report, 01 February to 30 April 2019

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Summary

1. To report to the Governance, Audit & Performance Committee details of work undertaken by Internal Audit since the last report to the Committee on 07 February 2019 and to provide an update on implemented and outstanding internal audit recommendations

Recommendations

2. That the Internal Audit Progress Report 01 February to 30 April 2019 be noted

Financial Implications

3. None. There are no costs associated with the recommendations

Background Papers

4. None.

Impact

- 5.

Communication/Consultation	The Internal Audit Work Programme 2017/18 and 2018/19 referred to in this report have been approved by the Corporate Management Team and endorsed by the Governance, Audit & Performance Committee.
Community Safety	none
Equalities	none
Health and Safety	none
Human Rights/Legal Implications	none

Sustainability	none
Ward-specific impacts	none
Workforce/Workplace	none

Situation

6. The purpose of this report is to provide management and members with:
- i) Details of the work completed by Internal Audit since the last report to the Governance, Audit & Performance Committee at its meeting 07 February 2019;
 - ii) Performance against the Internal Audit Work Programme 2018/19 ;
 - iii) Details of risk level 3 and 4 highest priority recommendations implemented since the last report to Members;
 - iv) Details of any recommendations not implemented within the agreed timescale.

Work Undertaken by Internal Audit 01 February to 30 April 2019

7. Since the last report to the Committee:
- i) The Internal Audit resources have been limited by the need to work on implementation of the new Data Protection Act (GDPR) and sickness absence, and this has affected progress with the Internal Audit programme. Additional resource has been brought in and we have successfully recruited to the vacant internal auditor post. As reported to members at the 07 February meeting of this committee, I have extended work on the Internal Audit Work Programme 2018/19 into the new financial year, aiming for completion by 30 June 2019 at which point I expect sufficient work will have been completed to enable me to give a meaningful overall audit opinion on the Council's control environment for 2018/19 in my Annual Report and Opinion to be presented to members at the July 2019 meeting of this committee.
 - ii) The audit of Council Tax from the 2017/18 audit programme was completed and final report issued 27 February 2019.
 - iii) Between 01 February and 30 April 2019, 4 audits from the 2018/19 audit programme were completed and final reports issued with a total of 13 recommendations made.
 - iv) All final audit reports issued have been copied to Governance, Audit & Performance Committee Members and are available on the Council's Intranet. A summary of final reports issued is presented at Appendix A (i).

- v) Between 01 February and 30 April 2019 work has started on the remaining 10 audits from the Internal Audit Work Programme 2018/19. Progress on the 2018/19 programme is presented at Appendix A (ii);

Recommendations Implemented 01 February to 30 April 2019

8. Four level 3 or level 4 recommendations were implemented during this period; a summary is presented at Appendix A (iii).

Recommendations Not Implemented by due date at 30 April 2019

9. As of 30 April there are no recommendations reported in Pentana as not being implemented in accordance with their agreed due dates.

Risk Analysis

10.

Risk	Likelihood	Impact	Mitigating actions
The issues highlighted in the internal audit reports are not acted upon	1 Action is already being taken towards the implementation of the recommendations contained in the reports	2 There would be varying levels of impact from non-implementation of recommendations given the significance of the control risks identified	Internal audit reports are followed up to ensure compliance. There are escalation procedures in the event of non-compliance

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.