

Committee: Governance, Audit and Performance Committee

Date:

Thursday, 7
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Title: Internal Audit Progress Report, 01 November 2018 to 31 January 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 15 November 2018 and to provide an update on implemented and outstanding internal audit recommendations

Recommendations

2. That the Internal Audit Progress Report, 01 November 2018 to 31 January 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	none

Implications	
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 15 November 2018;
 - 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 November 2018 to 31 January 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. However, steps are being taken to bring in some extra resource and to recruit to a post which has recently become vacant.
 - ii) The audit of Council Tax from the 2017/18 audit programme is still to be completed due to unplanned resource issues. It is now expected this audit will be completed by 28 February 2019.
 - iii) Between 01 November 2018 to 31 January 2019, 3 audits from the 2018/19 audit programme were completed and final reports issued with a total of 6 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 November 2018 to 31 January 2019 work has started on 1 audit from the Internal Audit Work Programme 2018/19. Progress on the 2018/19 programme is presented at Appendix A (ii);

- vi) The 2018/19 Internal Audit Work Programme will not be completed by 31 March 2019. I will be extending work on the programme into the new financial year and aiming for completion by 30 June 2019; at which point I will consider if sufficient work has 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.

Recommendations Implemented 01 November 2018 to 31 January 2019

8. No level 3 or level 4 recommendations were scheduled for implementation during this period.

Recommendations Not Implemented by due date at 31 January 2019

9. As of 31 January 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.