

GOVERNANCE AND AUDIT COMMITTEE

Date of Meeting	Wednesday, 24 th January 2024
Report Subject	Internal Audit Progress Report
Report Author	Internal Audit, Performance and Risk Manager
Type of Report	Assurance

EXECUTIVE SUMMARY

Internal Audit produces a progress report for the Governance and Audit Committee every quarter. This shows the position of the team against the plan, changes to the plan, final reports issued, action tracking, performance indicators and current investigations. This meets the requirements of the Public Sector Internal Audit Standards, and also enables the Committee to fulfil the Terms of Reference with regards to Internal Audit. The current progress report is attached.

RECOMMENDATIONS

1	To consider and accept the report.
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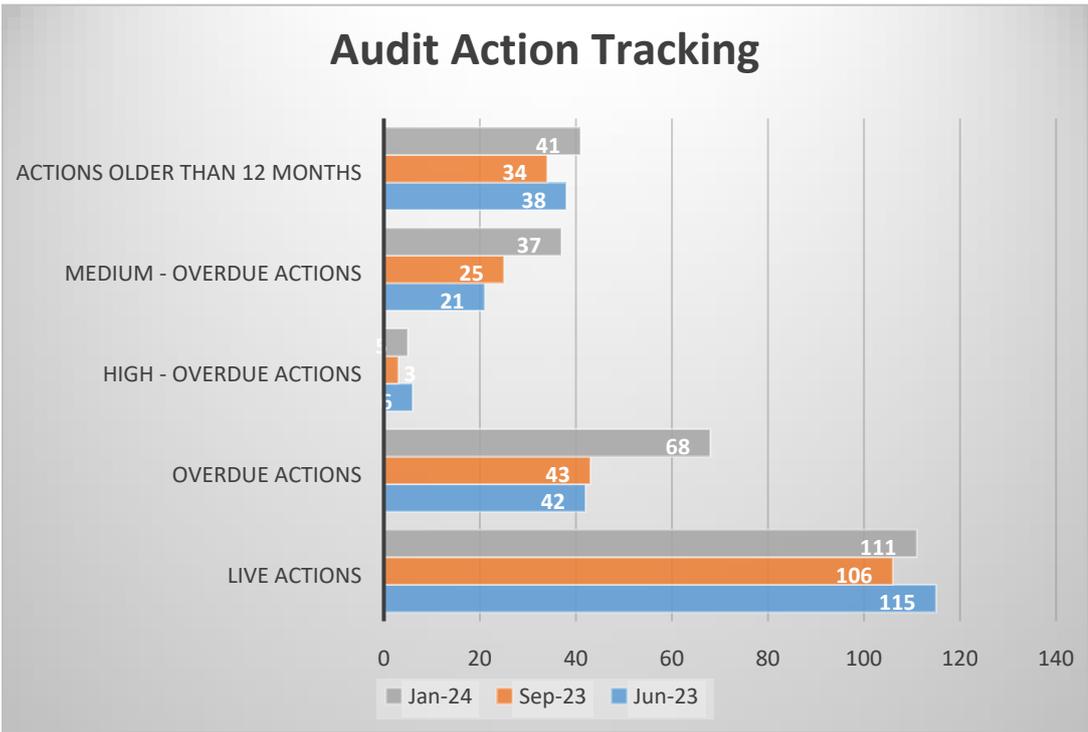
REPORT DETAILS

1.00	EXPLAINING THE INTERNAL AUDIT PROGRESS REPORT
1.01	Internal Audit gives a progress report to the Governance and Audit Committee every quarter as part of the usual reporting process. The report is divided into several parts.
1.02	The level of audit assurance for standard audit reviews is detailed within Appendix A. All reports finalised since the last committee meeting are shown in Appendix B.
1.03	Appendix C provides an oversight to Governance & Audit Committee on the cumulative assurance for 2023/24; however, it should be noted this will be fluid. A footnote has been included to list those reports issued with a Red / Amber Red assurance opinion.

1.04 Since the last report on progress to committee there has been two Amber Red / Some Assurance reports (Strategic Core Funding and Disclosure and Barring Service Checks). Appendix D details the Amber Red reports. Copies of all final reports are available for members if they wish to see them.

1.05 The automated tracking of actions is completed through the use of the integrated audit software. All actions are tracked automatically and the system allows Managers and Chief Officers to monitor their own teams' outstanding actions and confirm they are being implemented.

Below is a summary of audit actions tracked since April 2023.



Overall the number of live actions remains constant however there has been an increase in number of actions overdue this reporting period. Further analysis of overdue actions is detailed in Appendix E.

Appendix F shows those High and Medium priority actions which are overdue and G lists high and medium actions that are older than six months from the original due date and not overdue.

1.06 Appendix H shows the status of current investigations into alleged fraud, irregularities or concerns raised. There are no ongoing investigations.

1.07 Appendix I shows the range of performance indicators for the department.

Overall performance remains positive within the team. There are three PIs off target.

- Time taken to complete reviews
- Time taken to issue of draft report following debrief meeting
- Number of client questionnaires returned.

1.08	<p>Appendix J shows the current position for the 2023/24 Audit Plans, the plan is a flexible plan and continues to be reviewed on a regular basis and reprioritised to accommodate any new requests for work and/or to respond to emerging issues and available resources. Since the last report to committee, the plan has needed to be updated to respond to the increased risk of budget overspend and defer some audits due to a reduction in resources due to vacancies for two full time positions of Principal Auditor and Senior Auditor. Movement within the plan is detailed within Appendix J however in summary the following changes have been made:</p> <p>New Reviews (Advisory)</p> <ul style="list-style-type: none"> • Challenge review of in Year Overspends <p>Deferred Audits</p> <ul style="list-style-type: none"> • Cyclical Property Valuations • Fixed term and permanent exclusions (provisional)] • Risk Management • Procurement • Data Protection • Maes Gwern Follow Up • Temporary Accommodate Follow Up • Treasury Management
2.00	RESOURCE IMPLICATIONS
2.01	None

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None required.

4.00	RISK MANAGEMENT
4.01	The work of Internal Audit provides assurance to the Council that adequate and effective controls are in place to mitigate risks.

5.00	APPENDICES
5.01	<p>Appendix A Levels of Audit Assurance</p> <p>Appendix B Final Reports Issued</p> <p>Appendix C Audit Assurance Summary 2023/24</p> <p>Appendix D Amber Red Assurance Reports</p> <p>Appendix E Action Tracking – Portfolio Statistics</p> <p>Appendix F High & Medium Overdue Actions (including actions older than 6 months if overdue)</p> <p>Appendix G Actions older than six months from original due date and not overdue</p>

	Appendix H	Investigation Update
	Appendix I	Performance Indicators
	Appendix J	Operational Plan and 2023/24

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS	
6.01	Contact Officer:	Lisa Brownbill, Internal Audit, Performance and Risk Manager
	Telephone:	01352 702231
	E-mail:	Lisa.brownbill@flintshire.gov.uk

7.00	GLOSSARY OF TERMS	
7.01	<p>Audit Wales: works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.</p> <p>Corporate Governance: the system by which local authorities direct and control their functions and relate to their communities. It is founded on the basic principles of openness and inclusivity, integrity and accountability together with the overarching concept of leadership. It is an inter-related system that brings together the underlying set of legislative requirements, governance principles and management processes.</p> <p>Operational Plan: the annual plan of work for the Internal Audit team.</p>	