

## GOVERNANCE AND AUDIT COMMITTEE

<b>Date of Meeting</b>	Monday, 14 <sup>th</sup> March 2022
<b>Report Subject</b>	Internal Audit Progress Report
<b>Report Author</b>	Internal Audit, Performance and Risk Manager
<b>Type of Report</b>	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

<b>1.00</b>	<b>EXPLAINING THE INTERNAL AUDIT PROGRESS REPORT</b>
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 Audit Committee on the cumulative assurance throughout the year; 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	<p>Since the last report on progress to committee in January, there has been one Red / Limited assurance report. Appendix D shows details the Red / Limited Assurance report. Copies of all final reports are available for members if they wish to see them.</p>																			
1.05	<p>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.</p> <p>At the last committee in January, 51 actions were overdue. This has increased slightly to 52 for this reporting period. Overall 48% of live actions are overdue of which five are High priority actions and 29 Medium priority actions. Overall 108 actions are live.</p> <p>As agreed, only those High or Medium priority actions are to be reported to Committee, of which there are 34. Actions overdue are listed in Appendix F. Appendix G lists 8 high or medium actions that are older than six months from the original due date.</p>																			
1.06	<p>Appendix I shows the status of current investigations into alleged fraud or irregularities. There are no ongoing investigations.</p>																			
1.07	<p>Appendix I shows the range of performance indicators for the department.</p> <p>Overall performance remains good however there are three PIs where performance has reduced this being:</p> <ol style="list-style-type: none"> <li>1. Audit Completed within planned time</li> <li>2. Return rate of client Satisfaction Questionnaires</li> </ol> <p>Monitoring will continue to ensure where possible work is completed within time. The last PIs is reliant on the business providing information to Internal Audit.</p>																			
1.08	<p>Appendix J shows the current position of the 2021/22 audit plan. The plan will continue to be reviewed on a regular basis and reprioritised to accommodate any new requests for work, or to respond to emerging issues. Since the last committee in January, there has been some movement in the plan. This being:</p>																			
	<table border="1"> <thead> <tr> <th data-bbox="292 1619 722 1653"><b>Audit</b></th> <th data-bbox="730 1619 1393 1653"><b>Reason</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="292 1653 722 1709">Protection against Ransomware Attack</td> <td data-bbox="730 1653 1393 1709">Deferred until 2022/23 due to available resources within the service to accommodate the audit</td> </tr> <tr> <td data-bbox="292 1709 722 1742">Environmental Health Strategy</td> <td data-bbox="730 1709 1393 1742">As above</td> </tr> <tr> <td data-bbox="292 1742 722 1776">Single Point of Access (SPOA)</td> <td data-bbox="730 1742 1393 1776">As above</td> </tr> <tr> <td data-bbox="292 1776 722 1809">SLA - NEWydd</td> <td data-bbox="730 1776 1393 1809">As above</td> </tr> <tr> <td data-bbox="292 1809 722 1843">Direct Payments to Children</td> <td data-bbox="730 1809 1393 1843">New audit</td> </tr> <tr> <td data-bbox="292 1843 722 1877">Employment Support Allowance</td> <td data-bbox="730 1843 1393 1877">No longer required following a review of the plan</td> </tr> <tr> <td data-bbox="292 1877 722 1910">Micro Care</td> <td data-bbox="730 1877 1393 1910">As above</td> </tr> <tr> <td data-bbox="292 1910 722 1989">Environmental Permits</td> <td data-bbox="730 1910 1393 1989">As above</td> </tr> </tbody> </table>	<b>Audit</b>	<b>Reason</b>	Protection against Ransomware Attack	Deferred until 2022/23 due to available resources within the service to accommodate the audit	Environmental Health Strategy	As above	Single Point of Access (SPOA)	As above	SLA - NEWydd	As above	Direct Payments to Children	New audit	Employment Support Allowance	No longer required following a review of the plan	Micro Care	As above	Environmental Permits	As above	
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<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>																			
2.01	None																			

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	None required.

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

<b>5.00</b>	<b>APPENDICES</b>
5.01	<p>Appendix A Levels of Audit Assurance</p> <p>Appendix B Final Reports Issued Since November 2021</p> <p>Appendix C Audit Assurance Summary</p> <p>Appendix D Red / Limited Assurance Provided</p> <p>Appendix E Action Tracking – Portfolio Statistics</p> <p>Appendix F High &amp; 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> <p>Appendix H Investigation Update</p> <p>Appendix I Performance Indicators</p> <p>Appendix J Operational Plan 2021/22</p>

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	<p><b>Contact Officer:</b> Lisa Brownbill, Internal Audit, Performance and Risk Manager</p> <p><b>Telephone:</b> 01352 702231</p> <p><b>E-mail:</b> <a href="mailto:Lisa.brownbill@flintshire.gov.uk">Lisa.brownbill@flintshire.gov.uk</a></p>

<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
7.01	<p><b>Internal Audit:</b></p> <p><b>Audit Wales:</b> 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><b>Corporate Governance:</b> 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</p>

	<p>system that brings together the underlying set of legislative requirements, governance principles and management processes.</p>
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	<p><b>Operational Plan:</b> the annual plan of work for the Internal Audit team.</p>
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