

GOVERNANCE AND AUDIT COMMITTEE

Date of Meeting	Wednesday, 26 th January 2022
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 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 March, there have been no Red / Limited assurance reports issued. Appendix D shows three reports with an Amber Red / Some assurance given. 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 November, 34 actions were overdue. This has increased to 51 for this reporting period. Overall 50% of live actions are overdue of which two are High priority actions and 32 Medium priority actions. Overall 102 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 4 high or medium actions that are older than six months from the original due date.</p>												
1.06	<p>Appendix H 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"> 1. Audit Completed within planned time 2. Days taken for departments to return draft reports 3. Return rate of client Satisfaction Questionnaires <p>Monitoring will continue to ensure where possible work is completed within time. The last two PIs are 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 November, there has been some movement in the plan. This being:</p>												
	<table border="1"> <thead> <tr> <th data-bbox="292 1653 798 1686">Audit</th> <th data-bbox="805 1653 1393 1686">Reason</th> </tr> </thead> <tbody> <tr> <td data-bbox="292 1697 798 1731">Tenancy Enforcement</td> <td data-bbox="805 1697 1393 1731">Defer to 2022/23 due to staff restructure</td> </tr> <tr> <td data-bbox="292 1742 798 1776">House of Multiple Occupancy</td> <td data-bbox="805 1742 1393 1776">Defer to 2022/23 due service resources</td> </tr> <tr> <td data-bbox="292 1787 798 1821">Extra Care Facility – Llyn Eleanor</td> <td data-bbox="805 1787 1393 1821">Long longer required</td> </tr> <tr> <td data-bbox="292 1832 798 1863">Drury Primary School</td> <td data-bbox="805 1832 1393 1863">New request</td> </tr> <tr> <td data-bbox="292 1874 798 1908">School Transport Funding</td> <td data-bbox="805 1874 1393 1908">New request</td> </tr> </tbody> </table>	Audit	Reason	Tenancy Enforcement	Defer to 2022/23 due to staff restructure	House of Multiple Occupancy	Defer to 2022/23 due service resources	Extra Care Facility – Llyn Eleanor	Long longer required	Drury Primary School	New request	School Transport Funding	New request
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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 Since November 2021</p> <p>Appendix C Audit Assurance Summary</p> <p>Appendix D Amber Red / Some Assurance Provided</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> <p>Appendix H Investigation Update</p> <p>Appendix I Performance Indicators</p> <p>Appendix J Operational Plan 2021/22</p>

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

7.00	GLOSSARY OF TERMS
7.01	<p>Internal Audit:</p> <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</p>

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.

Operational Plan: the annual plan of work for the Internal Audit team.