

## AUDIT AND RISK COMMITTEE

24<sup>th</sup> July 2018

### INTERNAL AUDIT UPDATE

#### Report of the Head of Internal Audit

Strategic Aim:	All	
Exempt Information	No	
Cabinet Member(s) Responsible:	Councillor Gordon Brown – Deputy Leader and Portfolio Holder for Regulatory Services, Waste Management, Planning Policy and Operations, Property Services, Finance including Revenues & Benefits and Internal Audit	
Contact Officer(s):	Rachel Ashley-Caunt, Head of Internal Audit	Tel: 07824 537900 <a href="mailto:rashley-caunt@rutland.gcsx.gov.uk">rashley-caunt@rutland.gcsx.gov.uk</a>
Ward Councillors	N/A	

### DECISION RECOMMENDATIONS

That Members note the Internal Audit update report (Appendix A).

## 1 PURPOSE OF THE REPORT

- 1.1 To update Members on the progress made in delivering the 2018/19 Annual Audit Plan and outcomes from audit assignments completed since the last Committee meeting.

## 2 BACKGROUND AND MAIN CONSIDERATIONS

### Update on Delivery of Internal Audit Plan

- 2.1 The progress made to date in delivering the 2018/19 audit plan is set out in Appendix A. At the time of reporting, one audit report has been finalised and work is underway on two further assignments.

### Implementation of Recommendations

- 2.4 Internal Audit request that officers provide updates on all open audit actions on a monthly basis.

- 2.5 Since the last Committee meeting, 28 recommendations have been confirmed as implemented.
- 2.6 There are currently five actions rated as 'High' or 'Medium' priority which are more than three months overdue for implementation but have not yet been fully implemented. Internal Audit has been provided with assurance that progress is being made in these areas and to manage the risks associated, with revised dates for full implementation provided where possible.

### **Amendments to the Audit Plan 2018/19**

- 2.7 An amendment to the Audit Plan has been agreed with the Chair of the Audit and Risk Committee and management since the Plan was agreed in April 2018. It is proposed that the audit of Community Safety be deferred to 2019/20 on the basis of ongoing work in this area and to ensure that an audit assignment is timed so as to add the best possible value. The use of the days allocated to this audit can be used to deliver an assignment in line with the request from the Audit and Risk Committee in April 2018. A terms of reference for this review on project governance has been drafted at the time of reporting and an update can be provided at the Committee meeting.

## **3 CONSULTATION**

- 3.1 No formal consultation is required.

## **4 ALTERNATIVE OPTIONS**

- 4.1 The Committee is asked to note the report but may wish to receive an earlier update on any limited assurance reports.

## **5 FINANCIAL IMPLICATIONS**

- 5.1 There are no financial implications arising from this report.

## **6 LEGAL AND GOVERNANCE CONSIDERATIONS**

- 6.1 The Audit and Risk Committee is responsible for oversight of the work of Internal Audit including approving the annual report and satisfying itself that the conclusions reached are reasonable in light of the work undertaken. It is also responsible for gaining assurance that internal audit is complying with internal audit standards.

- 6.2 There are no legal implications arising from this report.

## **7 EQUALITY IMPACT ASSESSMENT**

- 7.1 There are no equality implications.

## **8 COMMUNITY SAFETY IMPLICATIONS**

- 8.1 There are no community safety implications.

## **9 HEALTH AND WELLBEING IMPLICATIONS**

- 9.1 There are no health and wellbeing implications.

**10 CONCLUSION AND SUMMARY OF REASONS FOR THE  
RECOMMENDATIONS**

- 10.1 The latest update report, provided in Appendix A, details the findings of recent Internal Audit work and any weaknesses in the control environment highlighted by these reviews, and provides an overview of the performance of the Internal Audit team and the implementation of actions by management. The Committee plays an important role in the oversight of Internal Audit work.

**11 BACKGROUND PAPERS**

- 11.1 There are no additional background papers to the report

**12 APPENDICES**

- 12.1 Appendix A: Internal Audit Update Report  
12.2 Appendix B: Implementation of Audit Recommendations  
12.3 Appendix C: Customer Satisfaction Statistics  
12.4 Appendix D: Limitations and responsibilities

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