

## AUDIT AND RISK COMMITTEE

27 June 2023

### INTERNAL AUDIT UPDATE

Report of the Chief Internal Auditor

Strategic Aim:	All		
Exempt Information	No		
Cabinet Member(s) Responsible:	Cllr A Johnson, Portfolio Holder for Resources		
Contact Officer(s):	Rachel Ashley-Caunt, Chief Internal Auditor	Tel: 07799 217378 <a href="mailto:rashley-caunt@rutland.gov.uk">rashley-caunt@rutland.gov.uk</a>	
Ward Councillors	N/A		

#### DECISION RECOMMENDATIONS

That the Committee:

1. Notes the Internal Audit update report (Appendix A).
2. Approves the proposed amendment to the 2023/24 Internal Audit plan to postpone the audit of Adult Social Care Data Quality and reallocate the 12 audit days to a follow up audit of Home to School Transport.

## 1 PURPOSE OF THE REPORT

- 1.1 To provide the Committee with a copy of the 2023/24 annual Internal Audit plan and provide an update on the progress made in delivering the 2023/24 planned assignments.

## 2 BACKGROUND AND MAIN CONSIDERATIONS

### 2.1 Delivery of Internal Audit plan

- 2.1.1 The 2023/24 Internal Audit plan was approved by the Audit and Risk Committee in March 2023, in line with the Public Sector Internal Audit Standards. The development of the plan was informed by consultation with the Committee and senior management and was designed to provide risk based coverage.
- 2.1.2 The progress made to date in delivering the 2023/24 audit plan is set out in Appendix

A. At the time of reporting, 27% of the planned assignments are underway. The outcomes of completed audits will be reported to the Audit and Risk Committee throughout the financial year.

## **2.2 Implementation of Recommendations**

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

2.2.2 There are 15 actions which are overdue for completion. There is currently one action rated as 'High' priority which has been overdue for implementation by more than three months – as such, full details of this action are provided in Appendix C.

### **Review of the planned coverage**

2.2.3 The Internal Audit plan must remain subject to ongoing review throughout the year to ensure that it focuses on the Council's key risks and reflects changes in the risk environment. At this point, an amendment to the planned coverage is recommended, based on outcomes of 2022/23 audit work. The audit of Home to School Transport resulted in an opinion of Limited Assurance for control compliance and, as such, a follow up audit in 2023/24 is recommended. This is intended to provide the Committee with assurances over actions taken in light of the audit findings.

2.2.4 The approved 2023/24 Internal Audit plan also includes an audit on Adult Social Care data quality. This audit had been prioritised for the planned coverage due to the implications for the Care Quality Commission (CQC) inspection regime. It is noted, however, that the audit on readiness for the CQC inspection regime in March 2023 provided assurances over work underway in relation to data collation and quality. As such, some assurances can be taken from this work and an audit in 2023/24 may be considered of a lower priority.

2.2.5 It is, therefore, recommended that the audit of adult social care data quality be postponed to 2024/25 and that the 12 audit days be reallocated to a follow up audit of Home to School Transport.

## **3 CONSULTATION**

3.1 No formal consultation required.

## **4 ALTERNATIVE OPTIONS**

4.1 The Committee is asked to note the report. No alternative options are proposed.

## **5 FINANCIAL IMPLICATIONS**

5.1 There are no financial implications directly 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 Audit Plan and satisfying itself that the plan provides assurance over the Council's control framework and key risks. 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 DATA**

7.1 A Data Protection Impact Assessment (DPIA) has not been completed because there are no risks/issues to the rights and freedoms of natural persons.

## **8 EQUALITY IMPACT ASSESSMENT**

8.1 There are no equality implications

## **9 COMMUNITY SAFETY IMPLICATIONS**

9.1 There are no community safety implications

## **10 HEALTH AND WELLBEING IMPLICATIONS**

10.1 There are no health and wellbeing implications.

## **11 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

11.1 The latest update report, provided in Appendix A, includes the 2023/24 Internal Audit plan and progress made to date. The Committee plays an important role in the oversight of Internal Audit work.

## **12 BACKGROUND PAPERS**

12.1 There are no additional background papers to the report.

## **13 APPENDICES**

13.1 Appendix A: Internal Audit Update Report

13.2 Appendix B: Implementation of Audit Recommendations

13.3 Appendix C: 'High' priority recommendations overdue by more than three months

13.4 Appendix D: Limitations and responsibilities

**Large Print or Braille Version of this Report is available upon request – Contact 01572 72257**