

Report of	Meeting	Date
Head of Audit and Risk	Governance Committee	Wednesday, 23 November 2022

## Internal Audit Interim Report as at 30th September 2022

Is this report confidential?	No
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Is the decision key?	No
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### Purpose of the Report

- The purpose of this report is to advise members of the work undertaken in respect of the Internal Audit Plan from April 2022 to September 2022 and to give an appraisal of the Internal Audit Service's performance to date.

### Recommendations to Governance Committee

- Members are asked to note the position with regard to the Internal Audit Plan.

### Reasons for recommendations

- The production of reports setting out progress against the audit plan is a key requirement of the Public Sector Internal Audit Standards.

### Other options considered and rejected

- Not applicable.

### Corporate priorities

- The report relates to the following corporate priorities:

Involving residents in improving their local area and equality of access for all	A strong local economy
Clean, safe and healthy communities	<b>An ambitious council that does more to meet the needs of residents and the local area</b>

### Background to the report

- The Internal Audit Plan for the six months April to September 2022 was approved by this Committee at its meeting in March 2022 and provides for 135 days of audit work.

## Internal Audit Reports

7. **Appendix A** provides a snapshot of the overall progress made in relation to the six month Internal Audit Plan, indicating which audits have been completed and their assurance rating, those that are in progress and those that have yet to start.
8. The table below highlights the main pieces of work undertaken during the period together with any issues identified where applicable:

Name of Review	Assurance Rating	Comments
Annual Governance Statement (AGS)	Not applicable	Proactive input was provided to inform the AGS Action plan presented to the Governance Committee in June 2022.
National Fraud Initiative	Not applicable	<p>Internal Audit are currently working with data holders to meet the Cabinet Office data requirements for the forthcoming main NFI 2022/23. We need to ensure that the Council can supply all mandatory datasets by the deadline (including payroll, taxi licence, trade creditors, housing waiting list, Council Tax Reduction Scheme).</p> <p>Also, we are working with officers to ensure that any outstanding work from the previous exercises is concluded. This includes, Council Tax SPD.</p>
COVID support work / Business Grants Pre and Post Payment Assurance/ Test and Trace	Not applicable	<p>Internal Audit participated in the BEIS post payment assurance verification process; providing the required evidence to support the payments made are compliant with the grant eligibility criteria.</p> <p>In addition, assurance was provided in relation the Containing Outbreak Management Fund and Test and Trace Support Payment grant determination sign-off.</p>
Safeguarding	Adequate	<p>Our review was undertaken during a period of transition in the Council's safeguarding arrangements as both the Lead Designated Safeguarding Officer (DSO) and the Lead Prevent Officer left the organisation during the course of the review. Interim arrangements are in place, but these have not been widely advertised across the organisation, this should be undertaken urgently to ensure that officers and elected members know who to contact should a concern arise.</p> <p>The council has safeguarding policies and procedures in place which are regularly reviewed and accessible for officers and elected members, and the survey undertaken as part of this review indicates that office-</p>

		<p>based staff have a good awareness of both policies and the process to report a safeguarding concern.</p> <p>A range of actions were agreed to improve the control environment by launching the Volunteer Policy, reviewing and strengthening the membership of the Safeguarding Steering Group and ensuring Job descriptions were reflective of the DBS requirements.</p>
Strawberry Fields	Adequate	<p>In the three years that Strawberry Fields Business Centre has been open, the Digital Office Park Manager (DOPM) has put in place suitable processes and developed a trained flexible team to undertake the day to day operations of the Business Centre. The Business Centre's 37 offices are currently fully occupied under lease or licence, and a waiting list of potential future clients is actively being managed.</p> <p>It was however it was identified that the arrangements relating to leases and licenses and property maintenance could be strengthened to ensure the council has robust records / documentations in place.</p>
Review of VAT	Substantial	<p>Our work has established that the Council has a good level of arrangements and that established controls are operating effectively.</p>

### Assurance Ratings Key

Assurance Rating	Definition
<b>Full</b>	the Authority can place complete reliance on the controls. No control weaknesses exist.
<b>Substantial</b>	the Authority can place sufficient reliance on the controls. Only minor control weaknesses exist.
<b>Adequate</b>	the Authority can place only partial reliance on the controls. Some control issues need to be resolved.
<b>Limited</b>	the Authority cannot place sufficient reliance on the controls. Substantive control weaknesses exist.

9. For all the reviews completed to date, management have accepted all the findings and the agreed actions in these reports will be followed up and reported on at future meetings of this committee.

### Internal Audit Performance

10. **Appendix B** provides information on Internal Audit performance as at 30<sup>th</sup> September 2022. The majority of the indicators are either above target or slightly below as at the end of September with only the percentage of agreed actions implemented by management for CBC and Shared Services being lower than the agreed target. Internal Audit have reviewed the outstanding actions and have concluded that many of these are currently in progress but are not at the stage of being fully implemented.

## **Internal Audit Developments**

11. Internal Audit have recently successfully recruited to an Audit Trainee post. Access to formal qualifications, alongside structured mentoring/in-service training will mean that there is an established plan to develop this individual into a fully-fledged Auditor role who is able to work independently and subsequently add value to both the Service and the organisation.

## **Climate change and air quality**

12. The work noted in this report does not impact on the Councils Carbon emissions and the wider Climate Emergency and sustainability targets of the Council.

## **Equality and diversity**

13. The material discussed and presented in this report has no impact upon equality and diversity.

## **Risk**

14. The primary role of the Audit and Risk Service is to provide assurance or otherwise that the council is effectively managing its risk and to provide support to all Directorates in relation to risk and control.

## **Comments of the Statutory Finance Officer**

15. No comments.

## **Comments of the Monitoring Officer**

16. No comments.

## **There are no background papers to this report**

## **Appendices**

Appendix A – Internal Audit Plan

Appendix B – Internal Audit Performance Indicators as at 30<sup>th</sup> September 2022

Report Author:	Email:	Telephone:	Date:
Dawn Highton (Head of Service Audit and Risk)	dawn.highton@chorley.gov.uk	01772625625	14/11/22