

North East Derbyshire District Council

Audit and Corporate Governance Scrutiny Committee

12th January 2022

Summary of Progress on the 2021/22 Internal Audit Plan

Report of the Head of the Internal Audit Consortium

Classification: This report is public

Report By: **Jenny Williams: Head of the Internal Audit Consortium**

Contact Officer: **Jenny.Williams@ne-derbyshire.gov.uk**

PURPOSE / SUMMARY

- To present, for members' information, a progress report in respect of the 2021/22 Internal Audit Plan.
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RECOMMENDATION

1. That the report be noted.
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IMPLICATIONS

Finance and Risk: Yes No

Details:

Internal audit reviews help to ensure that processes and controls are operating effectively thereby contributing to ensuring that value for money is obtained.

On Behalf of the Section 151 Officer

Legal (including Data Protection): Yes No

Details:

The core work of internal audit is derived from the statutory responsibility under the Accounts and Audit Regulations 2015 which requires the Council to "undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking in to account the Public Sector Internal Audit Standards or guidance".

On Behalf of the Solicitor to the Council

Staffing: Yes No

Details:

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input checked="" type="checkbox"/> NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Significantly Affected	None
Consultation: Leader / Deputy Leader <input type="checkbox"/> Cabinet / Executive <input type="checkbox"/> SAMT <input type="checkbox"/> Relevant Service Manager <input checked="" type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Yes Details:

Links to Council Plan priorities or Policy Framework including Climate Change, Equalities, and Economics and Health implications.

Internal audit reviews help to ensure that the Council is delivering high quality, cost effective services.

REPORT DETAILS

1 Background

- 1.1 The Public Sector Internal Audit Standards require that the Head of the Internal Audit Consortium reports periodically to the Audit and Corporate Governance Scrutiny Committee in respect of performance against the audit plan. Significant risk and control issues should also be reported.

2. Details of Proposal or Information

- 2.1 Appendix 1 is a summary of reports issued between the middle of November and the end of December 2021. The Appendix shows for each report the level of assurance given and the number of recommendations made / agreed where a full response has been received. This provides an overall assessment of the system's ability to meet its objectives and manage risk. The definitions of the assurance levels used can be seen at Appendix 2.
- 2.2 In this period 3 reports have been issued one with substantial assurance and two with reasonable assurance.
- 2.3 At its December meeting this Committee requested sight of the Internal Audit Report in relation to Section 106 Agreements so the report is attached at Appendix 3.
- 2.4 Reports are issued as Drafts with five working days being allowed for the submission of any factual changes, after which time the report is designated as a Final Report. Fifteen working days are allowed for the return of the Implementation Plan.
- 2.5 Appendix 4 provides full details of the audits completed and audits in progress in respect of 2021/22. I am currently in the process of planning which audits we will prioritise January – March 2022 and which we will defer. In doing this consideration will be given to the level of risk and the work needed in order to be able to provide an unlimited internal audit opinion at the year end.

3 Reasons for Recommendation

- 3.1 To inform Members of progress on the 2021/22 Internal Audit Plan and to provide details of the Audit Reports issued to date.
- 3.2 To comply with the requirements of the Public Sector Internal Audit Standards.

4 Alternative Options and Reasons for Rejection

- 4.1 Not Applicable

DOCUMENT INFORMATION

Appendix No	Title
Appendix 1	Summary of Internal Audit reports issued in respect of the 2021/22 Internal Audit Plan between the middle of November and the end of December 2021
Appendix 2	Assurance Definitions
Appendix 3	Section 106 Report
Appendix 4	Progress on the 2021/22 Internal Audit Plan
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	