

Report to: Governance and Audit Committee

Date: 21 March 2019

Subject: **Internal Audit Progress Report**

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1 Purpose of this report

- 1.1 To inform the Combined Authority of the work undertaken by the Internal Audit section.

2 Information

- 2.1 In accordance with the Accounts & Audit (England) Regulations 2015, the Combined Authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards and guidance.
- 2.2 This report provides details of activities undertaken by the Internal Audit section in the period from 1 April 2018 to 28 February 2019 and provides progress in delivering the 2018/19 audit plan, including the audit opinion on reviews completed, summary of any significant issues identified and the status of any high priority audit recommendations which have not been implemented within the agreed timescales.
- 2.3 A summary of the work undertaken by Internal Audit is provided at **Appendix 1**, whilst details of outstanding audit recommendations are attached at **Appendix 2**.

Internal Audit Plan 2019/20

- 2.4 Work has been undertaken on the identification of assurance activities to be included within the 2019/20 Internal Audit Plan. Members of this Committee are provided with details of the proposed Internal Audit Plan under a separate Agenda item.

External Quality Assessment

- 2.5 An independent external quality review which assessed the Internal Audit function in relation to compliance with Public Sector Internal Auditing Standards has been completed and a draft report produced. The conclusion

of this review is “*that West Yorkshire Combined Authority’s Internal Audit activity Generally Conforms with the Definition of Internal Auditing, the Code of Ethics and the Public Sector Internal Audit Standards*” This is the highest rating which can be provided and is testament to the hard work and professionalism exhibited by the internal audit team.

- 2.6 The final report and any proposed actions arising as a result of any recommendations for further development will be brought to a future meeting of this Committee.

3 Financial Implications

- 3.1 There are no financial implications directly arising from this report.

4 Legal Implications

- 4.1 There are no legal implications directly arising from this report.

5 Staffing Implications

- 5.1 The performance of some elements of the audit plan require the buying-in of audit specialisms.

6 External Consultees

- 6.1 No external consultations have been undertaken.

7 Recommendations

- 7.1 That this report be noted.

8 Background Documents

None.

9 Appendices

Appendix 1 - Internal Audit progress summary

Appendix 2 – Outstanding high priority audit recommendations