

Report to: Governance and Audit Committee

Date: 12 January 2023

Subject: **Internal Audit Progress Report**

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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

1. Purpose of this report

- 1.1. To ask members to consider the contents of the report and supporting appendix 1 detailing progress against the current plan for 22/23.

2. Information

Audit Delivery for 2022/23

Recruitment

- 2.1 Recruitment is still proving to be problematic, with two vacancies currently unfilled. One vacancy had been filled at senior auditor level, but one of the internal auditors has since left the organisation so two vacancies remain. Some additional support was procured to conduct a specific piece of work on Payment Cards which is part of our ICT audit programme, but a wider procurement is still underway to secure additional co-source support.

Work against the audit plan

- 2.2 As detailed in Appendix 1 work remains underway on the 22/23 plan and while the team have not met the KPI for progress against the plan to date, confidence remains high that the plan will be delivered on time for next year's 22/23 opinion. This is particularly because of the volume of work in progress

and the better balance of skills in the team given the successful recruitment of one FTE senior auditor.

- 2.3 The action that has been taken by the team in relation to the follow up of recommendations is also contained in Appendix 1.

Fraud/Whistleblowing/Money Laundering

- 2.4 One whistleblowing referral has been received to date in 22/23 and is currently being investigated as a possible external fraud case. Three fraud referrals have also been received with one internal and two external, these are all currently at initial investigation stage.

3. Tackling the Climate Emergency Implications

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

4. Inclusive Growth Implications

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

5. Equality and Diversity Implications

- 5.1 There are no equality and diversity implications directly arising from this report.

6. Financial Implications

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

7. Legal Implications

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

8. Staffing Implications

- 8.1 There are no staffing implications directly arising from this report.

9. External Consultees

- 9.1 No external consultations have been undertaken.

10. Recommendations

- 10.1 That the Committee consider and note the progress update.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 – Internal Audit Progress Report