

Director: Angela Taylor, Director,
Resources
Author: Russell Gott



Report to: Governance and Audit Committee

Date: 12 October 2017

Subject: Internal Audit Progress Report

1 Purpose

1.1 To inform the West Yorkshire Combined Authority, WYCA, of the work undertaken by the Internal Audit Section.

2 Information

2.1 In accordance with the Accounts & Audit (England) Regulations 2015, WYCA must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account the 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 July 2017 to 1 September 2017 and provides progress in delivering the 2017/18 audit plan, audit opinions on reviews completed, summaries of any significant issues identified and the status of high priority recommendations which have not been implemented within agreed timescales.

2.3 Information concerning the results of internal audits performed in the period from 1 April 2017 to 30 June 2017 was produced for the August meeting of the Committee. However, the meeting was not quorate for this item and therefore it is presented again in appendix 2 for consideration.

2.4 The Internal Audit Section has undertaken work contained within WYCA's audit plan through the performance and release of the following audit reports;

- Gifts & Hospitality – Well Controlled
- Code of Corporate Governance - Controlled
- Local Transport Plan Programme Management – Controlled
- HR Data Protection

HR Data Protection

2.5 The review of HR Data Protection compliance was not identified in the original audit plan and was conducted in response to a management request. This work has been resourced through the audit plan contingency allowance and was undertaken in collaboration with WYCA's Data Protection Officer and Solicitor. Our overall

conclusion was that this was poorly controlled. The primary recommendations included the restriction of staff access to sensitive and personal information through the reassignment of Carval HR system administrator rights, formalisation of requests and approval for changes of system access user rights, review of access to network system HR files, and the provision of specific Data Protection training with particular reference to the ICO Employment Practices Code.

- 2.6 There were no significant deficiencies identified as a result of the work undertaken in respect of Gifts & Hospitality, Code of Corporate Governance and Local Transport Plan Programme Management.
- 2.7 Information concerning audit reviews performed, opinions provided, indication of the movement in control assessments and a reconciliation of the forecast of the resourcing required to deliver the plan is provided in the dashboard table attached to this report (appendix 1).

Work in Progress

- 2.8 In addition to the completion of scheduled audit reviews provided in section 2.4 of this report, a number of audit reviews are currently in progress and include;
- Resource Efficiency Fund
 - Treasury Management
 - English National Concessions Travel Scheme
 - Metro Travel Centres
 - Smart Card Information Programme
 - Tendered Subsidised Bus Contracts

3 Financial Implications

- 3.1 The costs of the audit team are included in WYCA's approved budget for 2017/18.

4 Legal Implications

- 4.1 The Accounts & Audit Regulations (2015) require the Authority to maintain an adequate and effective internal audit function.

5 Staffing Implications

- 5.1 The performance of some elements of the audit plan require the buying-in of third-party specialist services.

6 External Consultees

- 6.1 None.

7 Recommendations

7.1 That this report is noted.

8 Background Documents

8.1 None.