

Report to: **Audit Committee**

Date: **24 November 2023**

By: **Chief Operating Officer**

Title of report: **Internal Audit Progress Report – Quarter 2 (01/07/23 – 30/09/23)**

Purpose of report: **To provide Members with an update on all internal audit and counter fraud activity completed during the quarter, including a summary of all key findings. To also provide an update on the performance of the internal audit service during the period.**

RECOMMENDATIONS: Committee Members are recommended to:

Note the report and consider any further action required in response to the issues raised.

1. Background

1.1 This progress report covers work completed between 1 July 2023 and 30 September 2023.

2. Supporting Information

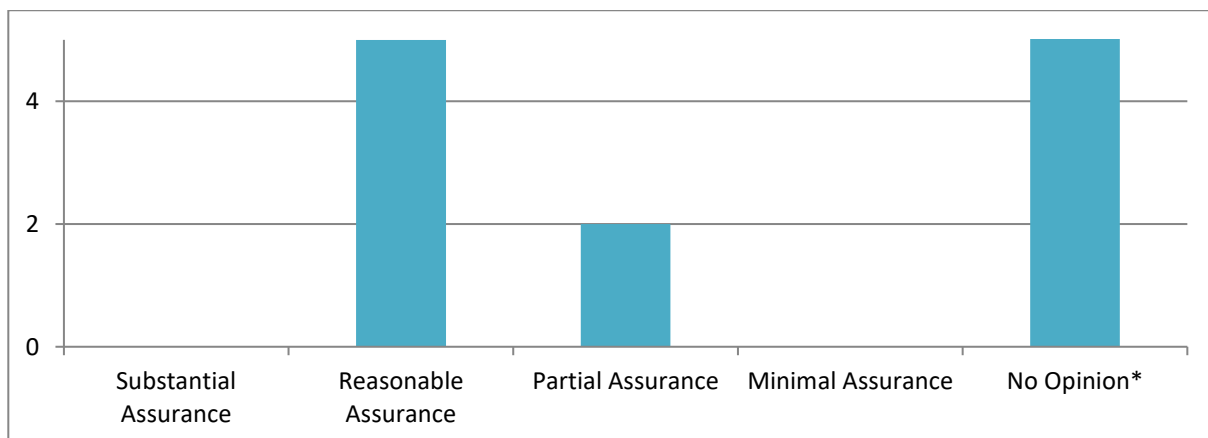
2.1 The current annual plan for internal audit is contained within the Internal Audit Strategy and Annual Plan 2023-24 which was approved by Audit Committee on 31 March 2023.

3. Conclusion and Recommendations

3.1 Key audit findings from final reports issued during Quarter 2 are summarised in Annexe A.

3.2 Overall, of the seven audits finalised during the quarter in which a formal audit opinion was given, five received an opinion of ‘reasonable assurance’ (two of which were schools) and two received opinions of ‘partial assurance’ (relating to audits of Contract Management and Techforge IT Application Controls). There were no ‘substantial’ or ‘minimal opinions’.

Graph to show assurance levels of formal audits completed in Quarter 2



*No opinion – typically, this tends to be proactive advice and support activity where, due to the advisory nature of the audit work, provision of formal assurance-based opinions is not appropriate. It also includes grant certification work.

3.3 Although the same range of internal audit opinions is issued for all audit assignments (where an opinion is relevant), it is necessary to also consider the level of risk associated with

each area under review when drawing an opinion on the Council's overall control environment. **Taking into account these considerations, the Chief Internal Auditor continues to be able to provide assurance that the Council has in place an effective framework of governance, risk management and internal control.**

3.4 The overall conclusion above has, therefore, been drawn based on all audit work completed in the year to date and considers the management response to audit findings and the level of progress in subsequent implementation. As at the end of the quarter, 100% of high priority actions had been implemented.

3.5 Progress against our performance targets (focussing on a range of areas relating to our service) can also be found in Annexe A (section 5). All of these are rated as green and on track.

ROS PARKER
Chief Operating Officer

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BACKGROUND DOCUMENTS:

Internal Audit Strategy and Annual Plan 2023/24