

Internal Audit Progress Report @ 30 September 2018 Audit and Risk Committee – 12 November 2018



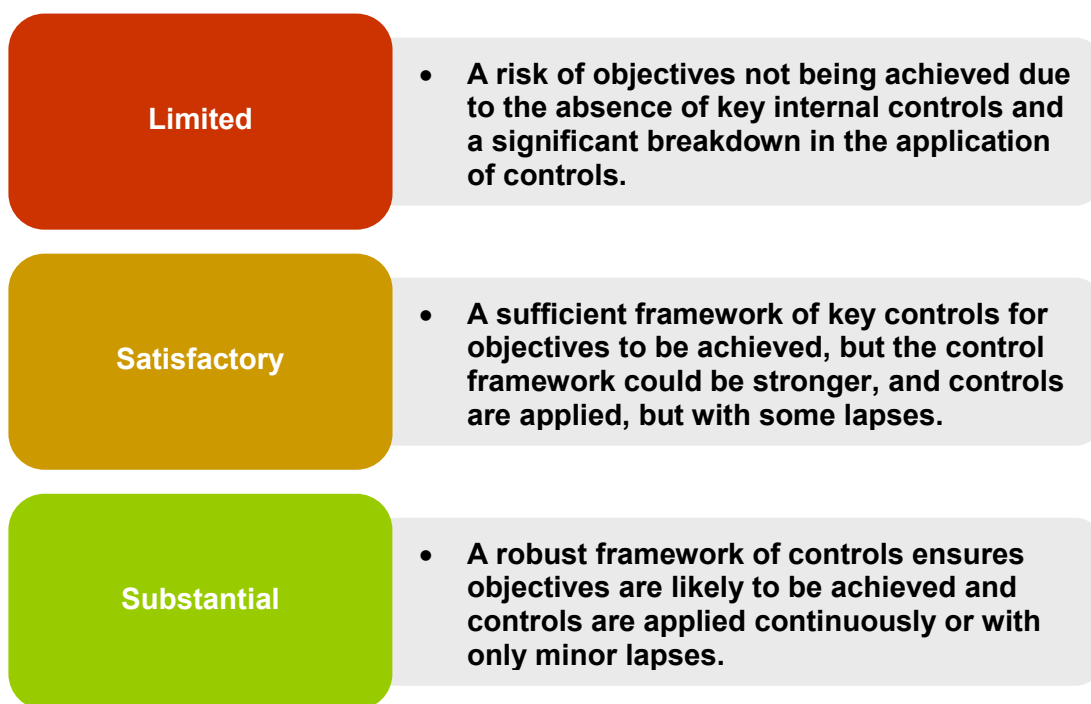
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1 Introduction

The purpose of this report is to bring the Audit and Risk Committee up to date with the progress made against the delivery of the 2018/19 Internal Audit plan.

The information included in this progress report will feed into and inform our overall opinion in our Internal Audit annual report issued at the year end.

Where appropriate each report we issue during the year is given an overall opinion based on the following criteria:



This is based upon the number and type of recommendations we make in each report. Each recommendation is categorised in line with the following:

| Priority rating for issues identified | | |
|---|---|---|
| <p>Fundamental action is imperative to ensure that the objectives for the area under review are met.</p> | <p>Significant requires action to avoid exposure to significant risks in achieving the objectives for the area under review.</p> | <p>Merits attention action is advised to enhance risk mitigation, or control and operational efficiency.</p> |

2 Summary of work completed and in progress @ 30 September 2018

| Auditable Area | ANA Rating | Suggested/Agreed Actions | | | | | Level of Assurance |
|------------------------|------------|--------------------------|-------------|------------------|-------|-----------------|--------------------|
| | | Fundamental | Significant | Merits attention | Total | Number accepted | |
| Completed: | | | | | | | |
| Procurement | Medium | - | - | - | - | - | Substantial |
| Performance Management | Medium | - | - | - | - | - | Substantial |
| | | | | | | | |
| In progress: | | | | | | | |
| Accounts Receivable | KFS | | | | | | |
| Accounts Payable | KFS | | | | | | |
| | | | | | | | |

Key: KFS = Key Financial System

3 Issues arising

Procurement

A review of the procurement process was undertaken to provide assurance over the control of non-contract spend within the authority. No issues of significance were identified.

Performance Management

A review was undertaken to provide assurance on the adequacy and application of the performance management system within the authority, by ensuring that appropriate targets were being set, appropriately reported upon, monitored and challenged. No issues of significance were identified.

4 Other activities

Advice and Guidance

We provide on-going advice and guidance to the authority to assist with the continuous improvement of the overall control environment.

CIPFA – Audit Committee Updates

We continue to present the regular CIPFA Audit Committee Updates to the Audit and Risk Committee.

Audit and Risk Committee – Terms of Reference

We submitted the Audit and Risk Committee Terms of Reference for annual review at the March 2018 meeting of the committee.

Internal Audit Plan 2017/18

We submitted the Internal Audit annual plan for 2018/19 to the committee for approval at the March 2018 meeting.

Internal Audit Annual Report 2017/18

We presented the Internal Audit annual report for 2017/18 to the committee for comment and approval at the June 2018 meeting.

Audit and Risk Committee Annual Report

Assistance was provided in the preparation of the Annual Report of the Chair, on the work of the Audit and Risk Committee.

Counter Fraud

We continue to lead on the Cabinet Office's National Fraud Initiative and their other associated fraud related activity (such as the Annual Fraud Survey), on behalf of the authority and to provide the main point of contact for any investigations into potential fraudulent activity.

5 Service quality questionnaire feedback

| | |
|---|--------------------------|
| Overall Satisfaction with Audit Services | Average Score |
| | No SQQs received to date |

Scores range between 1 = Poor and 5 = very good. We have a target of achieving an average score of **4 = good**.