

# Internal Audit Progress Report as at 2 December 2019 Audit and Risk Committee – 13 January 2020



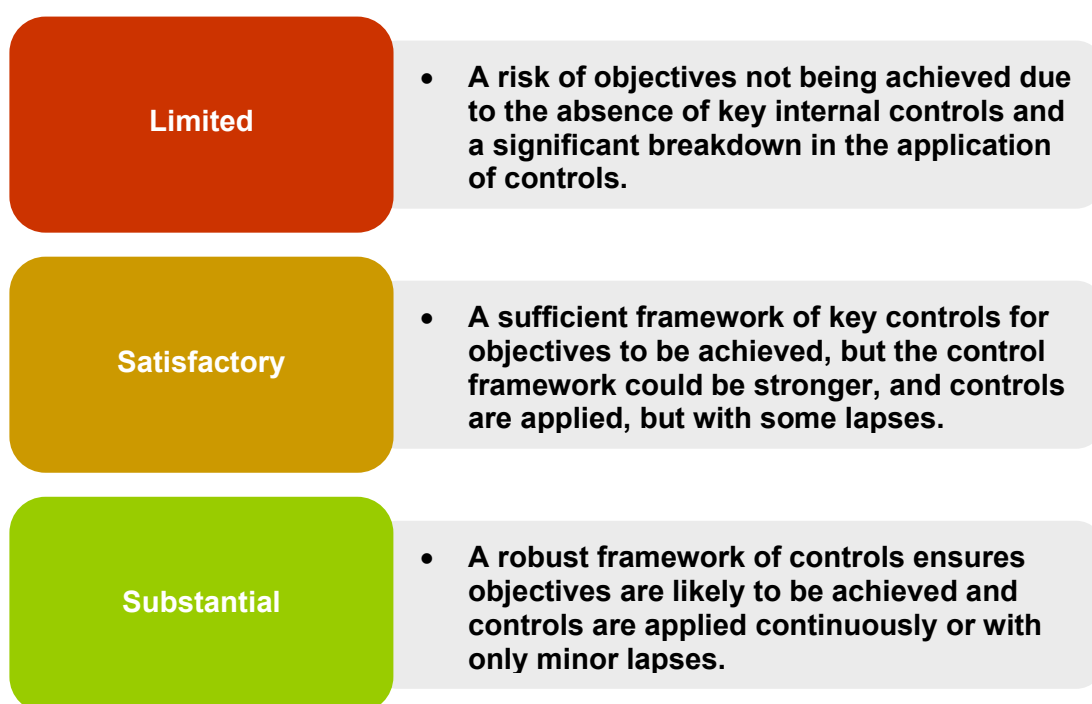
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# 1 Introduction

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 2019/20 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		
<b>Fundamental</b> action is imperative to ensure that the objectives for the area under review are met.	<b>Significant</b> requires action to avoid exposure to significant risks in achieving the objectives for the area under review.	<b>Merits attention</b> action is advised to enhance risk mitigation, or control and operational efficiency.

## 2 Summary of work completed and in progress as at 2 December 2019

Auditable Area	ANA Rating	Suggested/Agreed Actions					Level of Assurance
		Fundamental	Significant	Merits attention	Total	Number accepted	
<b>Completed and reported previously:</b>							
Governance	High	0	0	1	1	1	Substantial
Freedom of Information	Medium	0	1	2	3	draft	Substantial
Risk Management	High	0	0	1	1	1	Substantial
Partnerships	Medium	0	0	0	0	0	Substantial
<b>Completed:</b>							
Accounts Payable	KFS	0	0	0	0	0	Substantial
<b>In progress:</b>							
Accounts Receivable	KFS						
Payroll	KFS						

Key: KFS = Key Financial System  
ANA = Audit Needs Assessment

[IL0: UNCLASSIFIED]

### 3 Issues arising

#### **Accounts Payable**

A review of the accounts payable system was undertaken to ensure that adequate key controls were in place. Our review focused on the controls designed to prevent, overpayments, fraud and incorrect accounting. 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.

#### **Ad hoc Training**

We provided training to the committee on the role of Internal Audit and the responsibilities of the Audit and Risk Committee in monitoring this function. In addition, we provided training on "Fraud Awareness". Both took place at the November 2019 meeting.

#### **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 2019 meeting of the committee.

#### **Internal Audit Plan 2019/20**

We submitted the Internal Audit annual plan for 2019/20 to the committee for approval at the March 2019 meeting.

#### **Internal Audit Annual Report 2018/19**

We presented the Internal Audit annual report for 2018/19 to the committee for comment and approval at the June 2019 meeting.

#### **Internal Audit Charter**

We submitted the Internal Audit Charter to the committee for annual review at the January 2020 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 (SQQ) feedback

	Average Score
Overall Satisfaction with Audit Services	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**.