

## AUDIT AND STANDARDS COMMITTEE

6 OCTOBER 2020

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<b>Report Title</b>	<b>INTERNAL AUDIT ACTIVITY PROGRESS REPORT 2020/21</b>			
<b>Purpose of Report</b>	To inform Members of the Internal Audit activity progress in relation to the approved Internal Audit Plan 2020/21.			
<b>Decision(s)</b>	<p>The Committee resolves to note:</p> <ul style="list-style-type: none"> <li>• The progress against the Internal Audit Plan 2020/21; and</li> <li>• The assurance opinions provided in relation to the effectiveness of the Council's control environment.</li> </ul>			
<b>Consultation and Feedback</b>	Internal Audit findings are discussed with Service Heads/Managers. Management responses to recommendations are included in each assignment report.			
<b>Report Author</b>	Theresa Mortimer Head of Audit Risk Assurance Tel: 01453 754111 Email: <a href="mailto:theresa.mortimer@stroud.gov.uk">theresa.mortimer@stroud.gov.uk</a>			
<b>Options</b>	There are no alternative options that are relevant to this matter.			
<b>Background Papers</b>	N/A – links to published background papers are in the body of the report.			
<b>Appendices</b>	Appendix A – Internal Audit Activity Progress Report 2020/21.			
<b>Implications (details at the end of the report)</b>	Financial	Legal	Equality	Environmental
	No	No	No	No

**1.0 INTRODUCTION/BACKGROUND**

- 1.1 Members approved the Internal Audit Plan 2020/21 at the [26<sup>th</sup> May 2020 Audit and Standards Committee meeting](#). In accordance with the [Public Sector Internal Audit Standards \(PSIAS\) 2017](#), this report (through Appendix A) details the outcomes of Internal Audit work carried out in accordance with the approved Plan.

## 2.0 MAIN POINTS

2.1 The Internal Audit Activity Progress Report 2020/21 at Appendix A summarises:

- The progress against the Internal Audit Plan 2020/21, including the assurance opinions on the effectiveness of risk management and control processes;
- The outcomes of the Internal Audit activity during the period July to September 2020; and
- Special investigations/counter fraud activity.

2.2 The report is the first progress report in relation to the Internal Audit Plan 2020/21.

2.3 Covid 19 has placed significant pressures on Council services and has impacted (and continues to impact) the Council's priorities, objectives and risk environment. Due to this changing position and to ensure that the Risk Based Internal Audit Plan meets the assurance needs of the Council, the Internal Audit Plan 2020/21 has been reviewed and refreshed in consultation with Officers (Strategic Leadership Team, Heads of Service and Service Managers). This included consideration of newly identified activities, current activities that should be prioritised within 2020/21 and activity deferrals/cancellations (due to risk).

2.4 The revised Internal Audit Plan 2020/21 will be presented to Audit and Standards Committee for review and approval on 6<sup>th</sup> October 2020. This will include reflection of the new activities completed by ARA since the outcome of the pandemic.

For example and as reflected within the Internal Audit Progress Report, to date within 2020/21 ARA has provided consultancy support (from both our internal audit and counter fraud teams) to the Revenues and Benefits service and Finance regards Business Grants and Supplier Relief.

## 3.0 CONCLUSION

3.1 The purpose of this report is to inform the Committee of the Internal Audit work undertaken to date, and the assurances given on the adequacy and effectiveness of the Council's control environment operating in the areas audited. Completion of Internal Audit Activity Progress Reports ensures compliance with the PSIAS, the [Council Constitution](#) and [the Audit and Standards Committee Terms of Reference](#).

3.2 In accordance with the PSIAS and as reflected within the Audit and Standards Committee work programme, Internal Audit Activity Progress Reports against the approved Internal Audit Plan 2020/21 are scheduled to be presented to the Audit and Standards Committee at the 17<sup>th</sup> November 2020, 26<sup>th</sup> January 2021, 27<sup>th</sup> April 2021 and June/July 2021 (date to be confirmed) meetings.

## **4.0 IMPLICATIONS**

### **4.1 Financial Implications**

There are no financial implications arising directly from this report.

Andrew Cummings, Strategic Director of Resources

Tel: 01453 754115

Email: [andrew.cummings@stroud.gov.uk](mailto:andrew.cummings@stroud.gov.uk)

Risk Assessment:

Failure to deliver effective governance will negatively impact on the achievement of the Council's objectives and priorities.

### **4.2 Legal Implications**

There are no specific legal implications arising from this report.

Patrick Arran, Interim Head of Legal Services and Monitoring Officer

Tel: 01453 754369

Email: [patrick.arran@stroud.gov.uk](mailto:patrick.arran@stroud.gov.uk)

### **4.3 Equality Implications**

The Internal Audit Service is delivered by Audit Risk Assurance which is an internal audit and risk management shared service between Stroud District Council, Gloucester City Council, and Gloucestershire County Council. Equality in service delivery is demonstrated by the team being subject to, and complying with, the Council's equality policies.

There are not any specific changes to service delivery proposed within this decision.

### **4.4 Environmental Implications**

There are no Environmental implications as a result of the recommendations made within this report.