

STROUD DISTRICT COUNCIL
AUDIT AND STANDARDS COMMITTEE

AGENDA
ITEM NO
5

26 JANUARY 2021

Report Title	INTERNAL AUDIT ACTIVITY PROGRESS REPORT 2020/21			
Purpose of Report	To inform Members of the Internal Audit activity progress in relation to the approved Revised Internal Audit Plan 2020/21.			
Decision(s)	<p>The Committee RESOLVES to note:</p> <p>a) The progress against the Revised Internal Audit Plan 2020/21, and</p> <p>b) The assurance opinions provided in relation to the effectiveness of the Council's control environment.</p>			
Consultation and Feedback	Internal Audit findings are discussed with Service Heads/Managers. Management responses to recommendations are included in each assignment report.			
Report Author	Stephanie Payne Group Manager, Audit Risk Assurance (Deputy Chief Internal Auditor) Tel: 01452 32 8899 Email: stephanie.payne@gloucestershire.gov.uk			
Options	There are no alternative options that are relevant to this matter.			
Background Papers	None			
Appendices	Appendix A – Internal Audit Activity Progress Report 2020/21			
Implications (details at the end of the report)	Financial	Legal	Equality	Environmental
	No	No	No	No

1. INTRODUCTION/BACKGROUND

- 1.1 Members approved the Internal Audit Plan 2020/21 at the [26th May 2020 Audit and Standards Committee meeting](#).
- 1.2 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 the changing position and to ensure that the Risk Based Internal Audit Plan meets the assurance needs of the Council, the Revised Risk Based Internal Audit Plan 2020/21 was approved by Members at [6th October 2020 Audit and Standards Committee meeting](#).

1.3 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. MAIN POINTS

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

- The progress against the Revised 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 November and December 2020, and
- Special investigations/counter fraud activity.

2.2 The report is the third progress report in relation to the Internal Audit Plan 2020/21. It is also the second progress report to reflect the approved 2020/21 Plan revisions (due to the impact of Covid).

2.3 As reflected within the Internal Audit Progress Report, new activities progressed by Audit Risk Assurance (ARA) since the outcome of the pandemic include (but are not exclusive to):

- The provision of 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;
- Internal Audit review of the Lost Sales, Fees and Charges Grant (Covid 19) claim 1, and
- Review of the financial close information required to support stage 2 of the Council's Ofgem Application: Non-Domestic Renewable Heat Incentive.

3. 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 the 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 27th April 2021 and June/July 2021 (date to be confirmed) meetings.

4. IMPLICATIONS

4.1 Financial Implications

There are no financial implications arising directly from this report.

Lucy Clothier, Accountancy Manager
Email: lucy.clothier@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

Monitoring the implementation of Internal Audit recommendations assists the Council to minimise risk areas and thereby reduce the prospects of legal challenge.

One Legal
Email: patrick.arran@stroud.gov.uk

4.3 Equality Implications

There are no equality implications arising from the recommendations made in this report.

4.4 Environmental Implications

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