

AUDIT & GOVERNANCE COMMITTEE
1 October 2020

Internal Audit Progress Report – Quarter 1 (01/04/20 – 30/06/20)

SUMMARY AND PURPOSE:

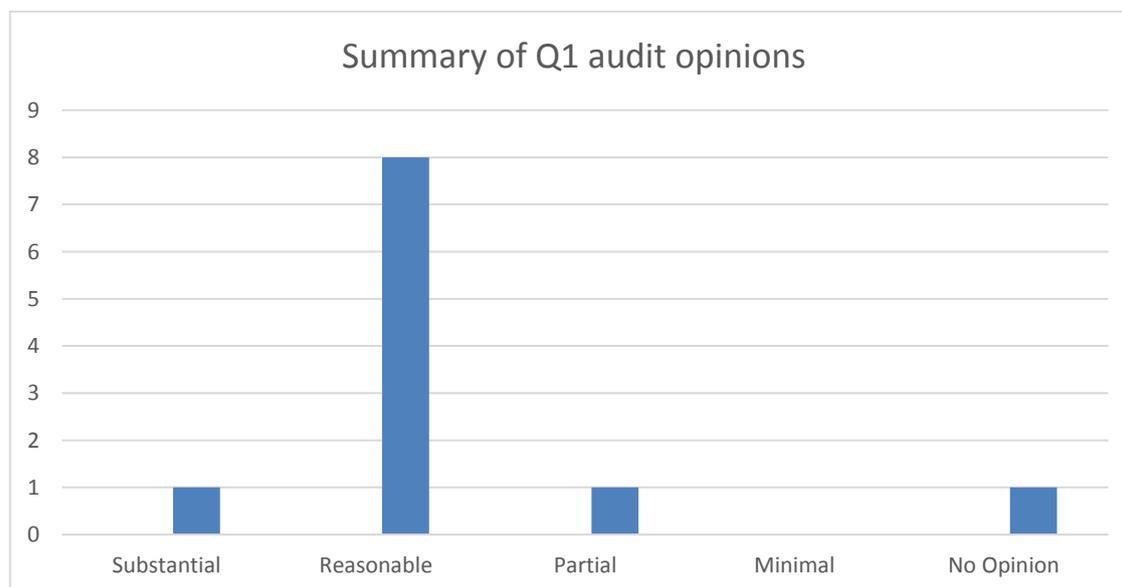
1. The purpose of this progress report is to inform members of the work completed by Internal Audit between 1 April 2020 and 30 June 2020.
2. The current annual plan for Internal Audit is contained within the Internal Audit Strategy and Annual Plan 2019-20, which was approved by Audit and Governance Committee on 22 May 2020.

RECOMMENDATIONS:

3. The Committee is asked to note the report and consider any further action required in their response to issues raised.

BACKGROUND:

4. Key audit findings from final reports issued during Quarter 1 are summarised in Appendix A.
5. Reviews completed in this quarter included a mixture of planned and unplanned audits, grant certification work, and irregularity work. Overall, of the 11 formal audits finalised during the quarter (excluding grant and irregularities), 1 received 'substantial assurance', 8 received 'reasonable assurance', 1 received 'partial assurance' and 1 was a position statement which did not have an opinion given. Non opinion activities tend to relate to advisory type work where Internal Audit provides input and support to development initiatives or projects and programmes as they are progressing.



6. Formal follow up reviews continue to be carried out for all audits where 'minimal assurance' opinions have been given, and for higher risk areas receiving 'partial assurance'. There was one follow-up review completed in quarter one of 2020/21 that looked at Quality Assurance arrangements within Children's Services. We were able to upgrade the opinion from Partial Assurance to Reasonable Assurance following our review.
7. Members will recall that flexibility was built into the audit plan to allow resources to be directed to any new and emerging risks. This has been particularly relevant during the first half of 2020-21 following the impact of the Covid-19 pandemic on the council. This led us to suspend the audit plan for the first two quarters in order to provide alternative support to the council, details of which is provided in Appendix A. We continue to liaise with departments to identify emerging risks as business-as-usual is restored.
8. Appendix A also provides details of counter fraud investigations completed, information on the tracking of high priority actions and progress against our performance targets.

IMPLICATIONS:

9. Financial;
Equalities;
Risk management; and
Value for money
10. There are no direct implications (relating to finance, equalities, risk management or value for money) arising from this report. Any such matters highlighted as part of the audit work referred to in this report, would be progressed through the agreed Internal Audit Reporting and Escalation Policy

WHAT HAPPENS NEXT:

11. See Recommendations above.

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Sources/background papers: Internal Audit Strategy and Annual Audit Plan 2020/21.