



AUDIT & GOVERNANCE COMMITTEE
26 November 2020

Internal Audit Progress Report – Quarter 2 (01/07/20 – 30/09/20)

SUMMARY AND PURPOSE:

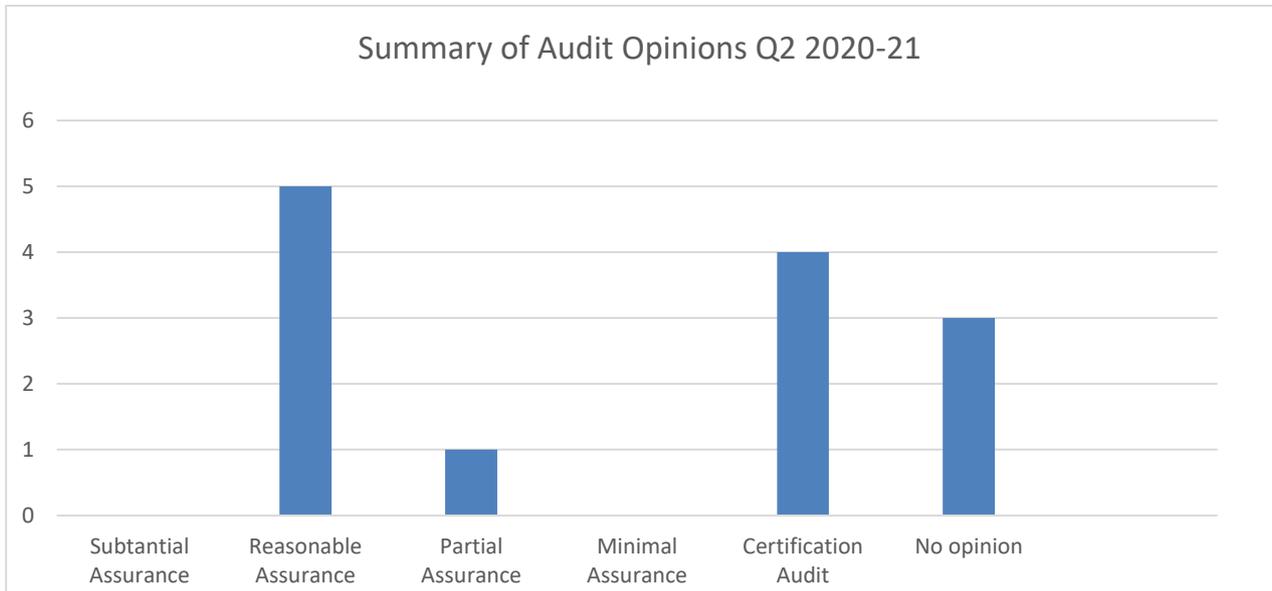
1. The purpose of this progress report is to inform members of the work completed by Internal Audit between 1 July 2020 and 30 September 2020.
2. The original annual plan for Internal Audit was contained within the Internal Audit Strategy and Annual Plan 2020-21, which was approved by this Committee on 22 May 2020. A revised seven-month annual plan, taking into account the suspension of the original plan during the early stages of the COVID-19 pandemic, is on the agenda of the Audit and Governance Committee for 26 November 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 2 are summarised in Appendix A.
5. Reviews completed in this quarter included a mixture of COVID-19 support activities, planned and unplanned audits, grant certification work, and irregularity work. Overall, of the 6 formal audits finalised during the quarter (excluding grant and irregularities), 5 received 'reasonable assurance', and 1 received 'partial assurance'. Three other audits undertaken were position statements or support activity for which an opinion was not given due to the nature of the work completed.



- 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 two of 2020/21 relating to the Safeguarding Team in Schools and Learning. We were able to upgrade the opinion from Minimal 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 to provide alternative support to the council, details of which is provided in Appendix A. We continue to liaise with departments to identify emergings 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.

**REPORT AUTHOR: Russell Banks, Orbis Chief Internal Auditor
David John, Audit Manager (Surrey County Council)**

CONTACT DETAILS: telephone: 07824 362739 e-mail: russell.banks@eastsussex.gov.uk
telephone: 07768 235586 e-mail: david.john@surreycc.gov.uk

Sources/background papers: Internal Audit Strategy and Annual Audit Plan 2020/21
Revised seven-month Internal Audit Plan 2020/21

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