



Audit & Governance Committee
12 March 2025

Internal Audit Progress Report – Quarter 3 (01/10/24 – 31/12/24)

Purpose of the report:

The purpose of this progress report is to inform Members of the work completed by Internal Audit between 1 October 2024 and 31 December 2024.

The current annual plan for Internal Audit is contained within the Internal Audit Strategy and Annual Plan 2024-25, which was approved by this Committee on 13 March 2024.

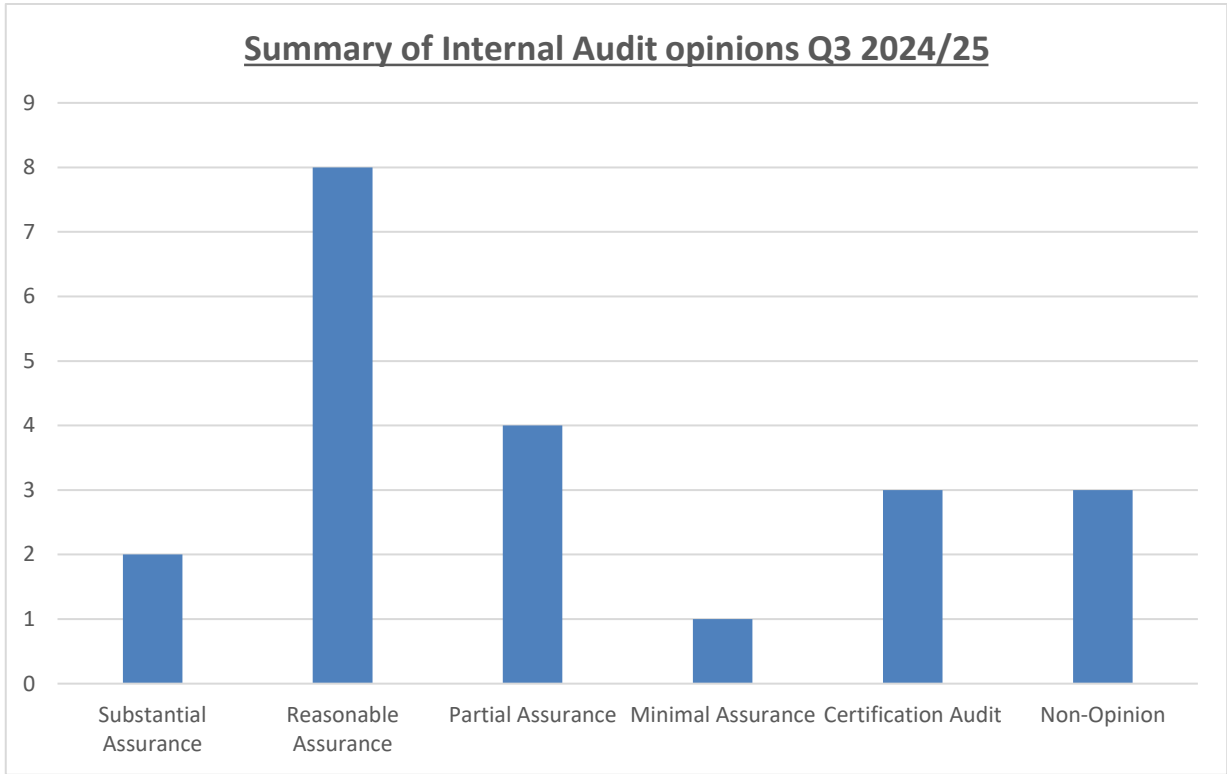
Recommendations:

It is recommended that the Committee:

Notes the report and considers any further action required in their response to issues raised.

Details:

1. Key audit findings from final reports issued during Quarter 3 are summarised in Appendix A.
2. Reviews completed in this quarter included a mixture of planned and unplanned audits, schools audit, grant certification work, and irregularity work. Of the 21 formal assignments finalised during the quarter (excluding Counter Fraud and Investigation Activities), 2 received 'Substantial Assurance', 8 received 'Reasonable Assurance' (including 4 schools), 4 received 'Partial Assurance' (including 1 school), 1 school received 'Minimal Assurance', and 3 were grant certifications. There were also 3 assignments in the period without an opinion. 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.



Wherein our four levels of audit opinion are defined as follows:

Opinion	Definition
Substantial Assurance	Controls are in place and are operating as expected to manage key risks to the achievement of system or service objectives.
Reasonable Assurance	Most controls are in place and are operating as expected to manage key risks to the achievement of system or service objectives.
Partial Assurance	There are weaknesses in the system of control and/or the level of non-compliance is such as to put the achievement of the system or service objectives at risk.
Minimal Assurance	Controls are generally weak or non-existent, leaving the system open to the risk of significant error or fraud. There is a high risk to the ability of the system/service to meet its objectives.

3. Members will recall that flexibility is built into the audit plan to allow resources to be directed to any new and emerging risks.
4. Appendix A to the report also provides details of counter fraud investigations completed, audits added and removed from the plan in the period, information on the tracking of high priority actions, and progress against our performance targets.

Conclusions:

5. The Q3 Internal Audit Progress Report is presented to this Committee for noting and to consider whether any further action is required.

Financial and value for money implications:

6. There are no direct financial and value for money implications of this report.

Equalities and Diversity Implications:

7. There are no direct equalities implications of this report.

Risk Management Implications:

8. There are no direct risk management implications of this report.

Legal Implications – Monitoring Officer:

9. There are no legal implications of this report.

Next steps:

10. See recommendations above.

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Sources/background papers:
Internal Audit Strategy and Annual Audit Plan 2024/25

Annexes/Appendices:

- Appendix A - Internal Audit and Counter Fraud Quarter 3 Progress Report 2024/25

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