

STROUD DISTRICT COUNCIL
AUDIT AND STANDARDS COMMITTEE

**AGENDA
ITEM NO**

9 OCTOBER 2018

7

Report Title	INTERNAL AUDIT ACTIVITY PROGRESS REPORT 2018/19
Purpose of Report	To inform Members of the Internal Audit activity progress in relation to the approved Internal Audit Plan 2018/19.
Decision(s)	<p>The Committee RESOLVES to:</p> <ul style="list-style-type: none"> • Accept the progress against the Internal Audit Plan 2018/19; • Accept the assurance opinions provided in relation to the effectiveness of the Council's control environment comprising risk management, control and governance arrangements as a result of the Internal Audit activity completed to date; and • Request senior management attendance at the next meeting of the Committee to provide an update on the actions taken in relation to the recommendations made in the Legacy Software and Multi Services Contract follow-up audit reports.
Consultation and Feedback	Internal Audit findings are discussed with Service Heads/Managers. Management responses to recommendations are included in each assignment report.
Financial Implications and Risk Assessment	<p>There are no financial implications arising directly from this report. Members should review the limited risk and control assurance opinions against the issues highlighted in the Annual Governance Statement Action Plan and KPMG's External Audit Report 2017/18.</p> <p>David Stanley – Accountancy Manager Tel: 01453 754100 Email: david.stanley@stroud.gov.uk</p> <p>Risk Assessment: Failure to deliver an effective Internal Audit service will prevent an independent, objective assurance opinion from being provided to those charged with governance that the key risks associated with the achievement of the Council's objectives are being adequately controlled.</p>

Legal Implications	<p>The legal framework concerning the requirements regarding internal audit are set out in the opening section of the report. The Committee should ensure it is satisfied that the steps proposed are sufficient to alleviate the risks identified; it is open to the Committee to request further information if it is required.</p> <p>Mike Wallbank Solicitor Mike.Wallbank@stroud.gov.uk</p>
Report Author	<p>Theresa Mortimer, Head of Audit Risk Assurance (Chief Internal Auditor) Tel: 01453 754111 Email: theresa.mortimer@stroud.gov.uk</p>
Options	<p>There are no alternative options that are relevant to this matter.</p>
Performance Management Follow Up	<p>In accordance with the Public Sector Internal Audit Standards 2017 (PSIAS) and reflected within the Audit and Standards Committee work programme, Internal Audit reports on progress against the approved Internal Audit Plan 2018/19. These are scheduled to be presented to Audit and Standards Committee at the January, May and July 2019 meetings.</p>
Background Papers/ Appendices	<p>Appendix A – Internal Audit activity progress report 2018/19.</p> <p>Background papers:</p> <ul style="list-style-type: none"> ➤ Internal Audit Plan 2018/19; ➤ PSIAS; and the ➤ CIPFA Local Government Application Note for the UK PSIAS.

1.0 Background

- 1.1 Members approved the Internal Audit Plan 2018/19 at 10th April 2018 Audit and Standards Committee meeting. In accordance with the PSIAS, this report (through **Appendix A**) details the outcomes of Internal Audit work carried out in accordance with the approved Plan.
- 1.2 The Internal Audit activity progress report 2018/19 at **Appendix A** summarises:
- The progress against the 2018/19 Internal Audit Plan, including the assurance opinions on the effectiveness of risk management and control processes;
 - The outcomes of the Internal Audit activity during the period July 2018 to September 2018;
 - Special investigations/counter fraud activity;

- The Multi Service Contract follow-up review outcomes; and
 - The Workforce Plan – Programme Management position statement.
- 1.3 The report is the first progress report in relation to the Internal Audit Plan 2018/19. Please note that the outcomes of the Bankers' Automated Clearing System (BACS) internal audit 2018/19 were reported to the July 2018 Audit and Standards Committee.