

## GOVERNANCE AND AUDIT COMMITTEE

<b>Date of Meeting</b>	Wednesday, 14 <sup>th</sup> June 2023
<b>Report Subject</b>	Internal Audit Progress Report
<b>Report Author</b>	Internal Audit, Performance and Risk Manager
<b>Type of Report</b>	Assurance

### EXECUTIVE SUMMARY

Internal Audit produces a progress report for the Governance and Audit Committee every quarter. This shows the position of the team against the plan, changes to the plan, final reports issued, action tracking, performance indicators and current investigations. This meets the requirements of the Public Sector Internal Audit Standards, and also enables the Committee to fulfil the Terms of Reference with regards to Internal Audit. The current progress report is attached.

### RECOMMENDATIONS

1	To consider and accept the report.
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### REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE INTERNAL AUDIT PROGRESS REPORT</b>
1.01	Internal Audit gives a progress report to the Governance and Audit Committee every quarter as part of the usual reporting process. The report is divided into several parts.
1.02	The level of audit assurance for standard audit reviews is detailed within Appendix A. All reports finalised since the last committee meeting are shown in Appendix B.
1.03	Since the last report on progress to committee in March, there have been two Amber Red / Some Assurance reports. Appendix D details the Amber Red reports. Copies of all final reports are available for members if they wish to see them.

1.04	<p>The automated tracking of actions is completed through the use of the integrated audit software. All actions are tracked automatically and the system allows Managers and Chief Officers to monitor their own teams' outstanding actions and confirm they are being implemented.</p> <p>At the last committee in March, 51 actions were overdue. This has reduced to 42 for this reporting period and represents 36% (45% in previous reporting period) of all live actions, six are High priority actions and 21 Medium priority actions. Overall 115 actions are live, those that are high and medium priority are detailed in Appendix E</p> <p>Appendix F lists seven high and 16 medium actions that are older than six months from the original due date.</p>
1.05	Appendix G shows the status of current investigations into alleged fraud, irregularities or concerns raised. There are three ongoing investigations.
1.06	<p>Appendix H shows the range of performance indicators for the department.</p> <p>Overall performance remains positive within the team. There is one PI off target. This is due to the time services take to return their agreed management actions.</p>
1.07	Appendix I and J show the current position for the 2022/23 and 2023/24 Audit Plans, the plan is a flexible plan and continues to be reviewed on a regular basis and reprioritised to accommodate any new requests for work and/or to respond to emerging issues and available resources.
1.08	<p>Since the last report to the Committee in March there has been one request for additional work. This is detailed in Appendix J and below:</p> <ul style="list-style-type: none"> <li>Statutory Transport Obligations – Cost Dataset. Following the audit of Statutory Transport the service requested support from Internal Audit to develop a cost dataset they could implement and use to address one of their actions due to the limited resources within the service.</li> </ul>
<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	None

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	None required.

<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	The work of Internal Audit provides assurance to the Council that adequate and effective controls are in place to mitigate risks.

<b>5.00</b>	<b>APPENDICES</b>
5.01	<p>Appendix A Levels of Audit Assurance</p> <p>Appendix B Final Reports Issued Since March 2023</p> <p>Appendix C Amber Red Assurance Reports</p> <p>Appendix D Action Tracking – Portfolio Statistics</p> <p>Appendix E High &amp; Medium Overdue Actions (including actions older than 6 months if overdue)</p> <p>Appendix F Actions older than six months from original due date and not overdue</p> <p>Appendix G Investigation Update</p> <p>Appendix H Performance Indicators</p> <p>Appendix I Operational Plan and 2022/23</p> <p>Appendix J Operational Plan and 2023/24</p>

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	<p><b>Contact Officer:</b> Lisa Brownbill, Internal Audit, Performance and Risk Manager</p> <p><b>Telephone:</b> 01352 702231</p> <p><b>E-mail:</b> <a href="mailto:Lisa.brownbill@flintshire.gov.uk">Lisa.brownbill@flintshire.gov.uk</a></p>

<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
7.01	<p><b>Audit Wales:</b> works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.</p> <p><b>Corporate Governance:</b> the system by which local authorities direct and control their functions and relate to their communities. It is founded on the basic principles of openness and inclusivity, integrity and accountability together with the overarching concept of leadership. It is an inter-related system that brings together the underlying set of legislative requirements, governance principles and management processes.</p> <p><b>Operational Plan:</b> the annual plan of work for the Internal Audit team.</p>