GOVERNANCE AND AUDIT COMMITTEE

Date of Meeting	Wednesday, 24th July 2024
Report Subject	Internal Audit Progress Report
Report Author	Internal Audit, Performance and Risk Manager
Type of Report	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.

REPORT DETAILS

1.00	**EXPLAINING THE INTERNAL AUDIT PROGRESS REPORT**
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	Appendix C provides an oversight to Governance & Audit Committee on the cumulative assurance for 2024/25; however, it should be noted this will be fluid. A footnote has been included to list those reports issued with a Red / Amber Red assurance opinion.

1.04	Since the last progress report to committee there has been two Amber Red / Some Assurance reports (Health and Safety Risk Management and Climate Change, Environmental Sustainability and ESG). Appendix D details the Amber Red reports. Copies of all final reports are available for members if they wish to see them.
1.05	Appendix E details the Red / Limited assurance report issue since the last committee meeting. This report relates to Recycling Targets. This appendix provides detailed findings, management actions and an update of the subsequent work undertaken by the service to address the issues. The Chief Officer and Service Manager will also provide a further update at Committee.
1.06	The automated tracking of actions is completed using 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.

Below is a summary of audit actions tracked since April 2023.
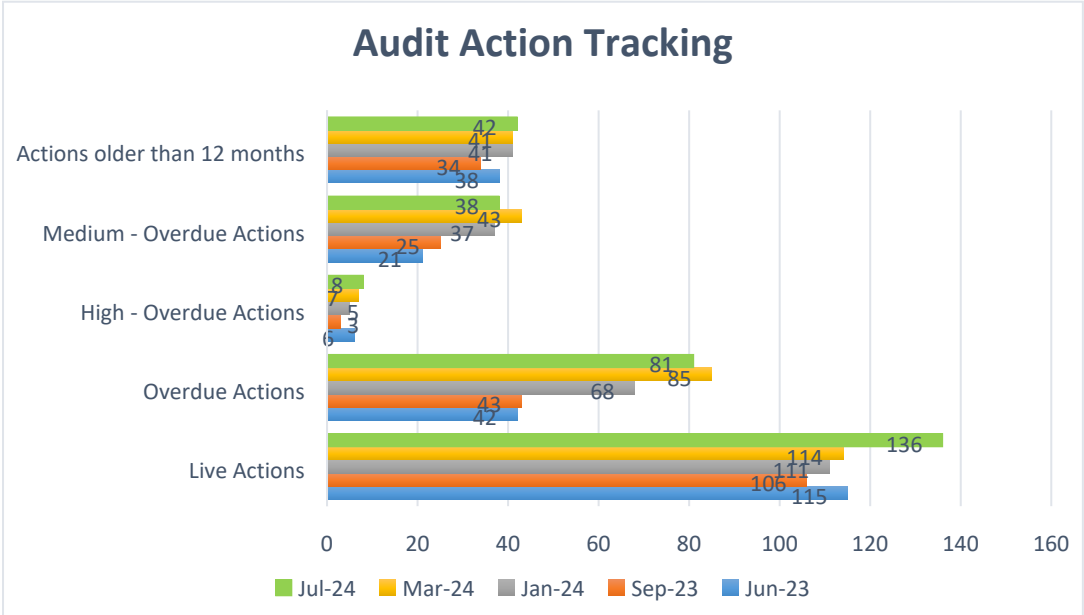
Overall, the number of live actions remains relatively constant, however the number of medium overdue actions has decreased during this reporting period. Further analysis of overdue actions is detailed in Appendix F.

Following discussions at the Governance and Audit Committee Self-Assessment workshop, Appendix G only shows High priority overdue actions and Appendix H lists those High priority actions that are older than six months from the original due date and not overdue. |
| 1.07 | Appendix I shows the status of current investigations into alleged fraud, irregularities or concerns raised. There are no ongoing investigations at the time reporting. |
| 1.08 | Appendix J shows the range of performance indicators for the department. |

	Performance targets have been affected during this reporting period due to additional time required complete audits and the availability of key officers required for closure meetings based on report findings.
1.09	Appendix K and L shows the current position for the 2023/24 and 2024/25 Audit Plans. The annual 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. Since the approval of the 2024/25 annual plan there has been one new audit included. This was an external audit of the All-Wales Chief Auditors End of Year Accounts for 2023/24.
2.00	**RESOURCE IMPLICATIONS**
2.01	Following a successful recruitment campaign the vacancy of Senior Auditor has been filled and pending onboarding clearance the new member of the team will start with Flintshire within a few weeks.

3.00	**CONSULTATIONS REQUIRED / CARRIED OUT**
3.01	None required.

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

5.00	**APPENDICES**
5.01	Appendix A Levels of Audit Assurance Appendix B Final Reports Issued Appendix C Audit Assurance Summary 2024/25 Appendix D Amber Red Assurance Reports Appendix E Red Assurance Report Appendix F Action Tracking – Portfolio Statistics Appendix G High Overdue Actions (including actions older than 6 months if overdue) Appendix H Actions older than six months from original due date and not overdue Appendix I Investigation Update Appendix J Performance Indicators Appendix K Operational Plan and 2023/24 Appendix L Operational Plan and 2024/25

6.00	**LIST OF ACCESSIBLE BACKGROUND DOCUMENTS**
6.01	**Contact Officer:** Lisa Brownbill, Internal Audit, Performance and Risk Manager **Telephone:** 01352 702231 **E-mail:** Lisa.brownbill@flintshire.gov.uk

7.00	**GLOSSARY OF TERMS**
7.01	**Audit Wales:** 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. **Corporate Governance:** 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. **Operational Plan:** the annual plan of work for the Internal Audit team.