



AUDIT COMMITTEE

24TH JANUARY 2017

AGENDA ITEM (14)

INTERNAL AUDIT MONITORING REPORT

Accountable Member	Audit Committee
Accountable Officer	Lucy Cater Acting Head of Internal Audit 01285 623340 lucy.cater@cotswold.gov.uk
Purpose of Report	To present the Audit Committee with a summary of the activity undertaken by Internal Audit
Recommendation(s)	That the Audit Committee considers the report and makes comment on its content, as necessary
Reason(s) for Recommendation(s)	This report enables the Audit Committee to monitor the work of the Internal Audit Service and ensure that it remains effective. It also provides the Committee with assurance opinions over areas reviewed within the reporting period.
Ward(s) Affected	Not applicable
Key Decision	No
Recommendation to Council	No
Financial Implications	As detailed within the report
Legal and Human Rights Implications	As detailed within the report
Environmental and Sustainability Implications	Not applicable
Human Resource Implications	As detailed within the report
Key Risks	The weaknesses in the control framework, identified by the audit activity, continues to threaten organisational objectives if recommendations are not implemented
Equalities Analysis	Not required

Related Decisions	None
Background Documents	Audit Reports
Appendices	Appendix 'A' - Audit Plan Appendix 'B' - Executive Summaries Appendix 'C' - Assurance Levels

Performance Management Follow Up	Performance is monitored by the Audit Partnership Board under the Section 101 Agreement effective from 1 st April 2012. Cotswold's S151 Officer represents Cotswold DC interests on this board.
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Background Information

1. Internal Audit Output

1.1 The Internal Audit Service (Audit Cotswolds), operates under a Section 101 Agreement whereby the Service has been delegated from Cheltenham Borough Council and West Oxfordshire District Council to this Council for delivery. Audit Cotswolds also provides services to Cheltenham Borough Homes Ltd., Ubico Ltd., and GO Shared Services (GOSS).

1.2 This report sets out the work undertaken by Audit Cotswolds for the Council since the Committee's last Meeting. It follows the risk-based auditing principles and, therefore, this is an opportunity for the Committee to be aware of emerging issues which have resulted in Audit Cotswolds involvement.

1.3 Progress against the Audit Plan is set out at **Appendix 'A'**.

2. Below is a summary of some of Internal Audit's work in progress to date:-

2.1 Since the last Audit Committee Meeting, we have finalised:-

- Treasury Management and Bank Reconciliation (2016/17);
- Main Accounting and Budgetary Control (2016/17);
- Green Waste (including FoDDC) (2016/17);
- Human Resources - Controlling Starters and Leavers (2016/17);
- Social Media Follow-Up;
- Public Services Network (PSN) (2016/17) - Audit review conducted by South West Audit Partnership;
- Business Continuity Management (2015/16);
- Contract Management - SLM (2015/16);
- Accommodation and Property (2015/16);
- Fleet Management (2016/17).

2.2 The Executive Summaries (including assurance levels) for these audit reviews are attached at **Appendix 'B'**, and the rationale for the audit assurance levels is attached at **Appendix 'C'**.

2.3 Progress on the 2015/16 brought forward and the 2016/17 Audit Plans:-

- Risk Management (2016/17) - Draft Report issued;
- All Core Financial Audits are in progress or finalised;
- Building Control (2016/17) - in progress;
- Food Safety (2016/17) - in progress.

3. Other Internal Audit Involvement

3.1 As Audit Cotswolds has been advised that its bid for providing the Internal Audit service, from 1st April 2017, to the 2020 Partnership and each of the four Partner Councils was unsuccessful, the implementation of the Audit Software Management system has been suspended.

3.2 To date, Audit Cotswolds Officers have had an overview meeting and, subsequently, one-to-one meetings with Gerry Cox and David Hill from South West Audit Partnership (SWAP). We have received an overview of the Audit Management System that SWAP uses (MKInsight) and further training is planned for January 2017. It is also planned that we will undertake some of our Quarter 4 audits on the system so that the team is proficient in using the system in preparation for our transfer and in readiness for the 2017/18 audit year.

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