



Open Report on behalf of Andrew Crookham, Executive Director of Resources

Report to:	Audit Committee
Date:	27 September 2021
Subject:	Internal Audit Progress Report

Summary:

The purpose of this report is to:

- Provide details of the audit work completed to 31st July 2021.
- Advise on progress of the audit plan
- Raise any other matters that may be relevant to the Audit Committee role.

Recommendation(s):

That the Committee note the outcomes of Internal Audit's work and identify any necessary actions that need to be taken.

Background

This paper covers the period 01st May 2021 to 31st July 2021 and reports on progress made in our audit plans.

Our progress report is attached in appendix A and shows:

- Reports issued
- Assurance opinions including a summary
- Benchmarking information in performance indicators
- Other matters of interest
- Outstanding audit recommendations via our tracker report
- 2021/22 audit work to date
- Low/limited assurance reports

The outcome of our work shows some governance & risk issues – with 1 of our assurance opinions being limited. This relates to:

- Debtors

We have invited the Operations and Financial Advice Manager to attend the Audit Committee to give an update to members on the limited assurance review for Debtors.

We have issued 5 substantial assurance opinions, with a further 4 audits in progress. Additional grant work is also continuing for which the submissions are due by the end of September.

We have completed 24% of the audit plan for 2021/22. Progress and delivery continues to be made difficult by the on-going impact of Covid-19 on Council teams and staff capacity issues within our team. Earlier in the year we were successful in recruiting two Senior Auditors and over the autumn we will be looking to recruit a number of apprenticeships into the Audit and Counter Fraud teams. All actions designed to build capacity and capability.

To ensure we have sufficient auditor resource to deliver our audit plans we continue to use experienced external resources and engage specialist resources for complex ICT audits.

As part of our regular follow up around implementation of recommendations from previous audits we have used our audit tracker report to monitor progress at 31 July 2021. We found that 61% of the actions have been completed, with 21% not yet due at this date. Management responses established that the remaining 18% have been deferred for a number of reasons.

There is one audit with outstanding actions for which we originally reported a Limited Assurance opinion:

- Cyber Security

There are 2 outstanding actions for this audit, one is not due to be completed until December 2021 and the other is in progress with an anticipated completion date of the end of October.

There are no high priority actions within the 18% deferred.

Appendix A – shows our Internal Audit Progress Report September 2021.

Appendices

These are listed below and attached at the back of the report	
Appendix A	Internal Audit Progress Report

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Lucy Pledge, Head of Internal Audit and Risk Management, who can be contacted on 01522 553692 or lucy.pledge@lincolnshire.gov.uk