

TEIGNBRIDGE DISTRICT COUNCIL

AUDIT SCRUTINY COMMITTEE

17TH DECEMBER 2020

PART I

Report Title	Internal Audit Update
Purpose of Report	To update members on the internal work completed.
Recommendation(s)	The Committee RESOLVES to note the report.
Financial Implications	See section 3.1.
Legal Implications	See section 3.2.
Risk Assessment	See section 3.3.
Environmental/ Climate Change	See section 3.4.
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Executive Member	Councillor Keeling, Corporate Resources
Appendices / Background Papers	None.

1. INTRODUCTION / BACKGROUND

- 1.1 Internal audit provides an independent opinion on the Council's risk management, control environment, and governance. The requirement for internal audit is set out in the Accounts and Audit Regulations 2015. A plan of audit work is submitted to Audit Committee members each financial year, setting out which areas will be audited with a view to providing the Council with a statutory internal audit opinion at the end of the year. This report shows progress against that plan.

2. Audit Plan 2020-2021

2.1 Since the last report to members in October, our focus on the Council's Covid grants has continued. These are audited in real time to help the service ensure the additional grant schemes the Council is required to manage, are well controlled and secure.

2.2 An overview of progress against planned work is as follows:

SYSTEM	STATUS	ASSURANCE
Governance Review and AGS	Complete	Good
Risk Management	Complete	Good
Small Business Grants	Complete	Good
Discretionary Business Grants	Complete	Good
Coronavirus Hardship Fund	Complete	Excellent
Self Isolation Grants	Complete	Good
Local Restrictions Grants (Closed)	Complete	Good
Local Restrictions Grants (Open)	In Progress	-
Additional Restrictions Grant	In Progress	-
Main Accounting	-	-
Creditors	-	-
Payroll	-	-
Council Tax	-	-
Housing Finance	-	-

2.3

Key to Assurance Opinions:		
Excellent	☆☆☆☆	The areas reviewed were found to be well controlled, internal controls are in place and operating effectively. Risks against achieving objectives are well managed.
Good	☆☆☆	Most of the areas reviewed were found to be adequately controlled. Generally risks are well managed but some areas for improvement have been identified.
Fair	☆☆	Basic control framework in place, but most of the areas reviewed were not found to be adequately controlled. Generally risks are not well managed and require controls to be strengthened to achieve system objectives.
Poor	☆	Controls are seriously lacking or ineffective in their operation. No assurance can be given that the system's objectives will be achieved.

2.3 The Audit team also undertake ad-hoc tasks and provide advice and guidance. We are currently making preparations for this year's National Fraud Initiative. This is a mandatory Cabinet Office exercise which matches electronic data sets across public sector bodies to detect fraud and error. The main data sets have been submitted with matches expected to be returned in the new year for investigation.

3. IMPLICATIONS, RISK MANAGEMENT & CLIMATE CHANGE IMPACT

- 3.1 **Financial** – none - the internal audit service is currently within budget.
- 3.2 **Legal** – the statutory requirement for internal audit is met.
- 3.3 **Risks** – risks are taken into account when planning internal audit work.
- 3.4 **Environmental/Climate Change Impact** - not applicable.

4. CONCLUSION / RECOMMENTIAON

That the report be noted.
