

TEIGNBRIDGE DISTRICT COUNCIL

AUDIT SCRUTINY COMMITTEE

24TH MARCH 2021

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.
Report Author	Sue Heath, Audit Manager Email: sue.heath@teignbridge.gov.uk
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, showing 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 Throughout the year we have been keen to ensure a high standard of control to counter fraud and error is included within the Covid grant schemes administered by the Council. This has included completion of the required Fraud Risk Assessments for the Department for Business, Energy and Industrial Strategy, to assist with their oversight that funds have been allocated as intended.
- 2.2 As the grant schemes have continued to evolve in response to various lockdowns, our auditing of them has continued. To accommodate this, the Creditors, Council Tax and Housing Finance audits have subsequently been postponed to the 2021-2022 plan.

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
Christmas Support Payment	Complete	Good
Local Restrictions Grants (Closed) Addendum and Closed Businesses Lockdown Payment (to 15 Feb)	Complete	Good
Tier 2 Local Restrictions Grants (Closed)	Complete	Good
Tier 2 Local Restrictions Grants (Open)	In Progress	-
Additional Restrictions Grant (Open)	In Progress	-
Additional Restrictions Grant (Top Up)	In Progress	-
Lockdown Grants 16 Feb onwards	In Progress	-
Restart Grants	-	-
Main Accounting	In Progress	-
Creditors	-	-
Payroll	In Progress	-
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.

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 / RECOMMENDATION

That the report be noted.
