

Teignbridge District Council

Audit Scrutiny

18 January 2023

Part 1

INTERNAL AUDIT PROGRESS REPORT

Purpose of Report

To advise members of the internal audit work completed and in progress.

Recommendation(s)

The Audit Scrutiny Committee is recommended to note the report.

Financial Implications

None. The internal audit service is currently within budget.

Legal Implications

None. The Council is meeting its statutory duty to undertake an internal audit in accordance with the Accounts and Audit Regulations.

Risk Assessment

Risks are taken into account when planning internal audit work.

Environmental / Climate Change Implications

None.

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Executive Member

Councillor Richard Keeling – Executive Member for Resources

1. INTRODUCTION / BACKGROUND

1.1 Internal audit provides an independent opinion on the Council's risk management, control environment, and governance. A plan of audit work is approved by Audit Committee members each financial year, showing areas to 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 PROGRESS 2022-2023

SYSTEM	STATUS	ASSURANCE
<u>Core Financial Systems</u>		
Debtors and Income Reconciliation	In Progress	-
Main Accounting	-	-
Treasury Management	-	-
Business Rates	-	-
Housing Finance	-	-
<u>Other Systems / Projects</u>		
South West Coastal Monitoring Prog	Completed	Good
Climate Change	Completed	Good
Major Projects – Future High Street Fund	Completed	Good
Major Projects – Decarb Works	Completed	Good
Procurement	Completed	Good
Leisure	In Progress	-
Risk Management	In Progress	-
Housing Grants	In Progress	-
Governance and AGS	Completed	N/A
Counter Fraud Policies	Completed	N/A
National Fraud Initiative	In Progress	N/A
ICT - User Admin Permissions Review	Completed	Good
Government Grants and Schemes *	Ongoing	-

2.2 ***Government grants and schemes** are a continuing theme and we have provided support for the following new schemes since the Audit Plan was approved last year. We have also undertaken a significant amount of reconciliation work for the Department for Business, Energy and Industrial Strategy resulting in final sign off for all previous grant schemes.

Grant / Scheme	STATUS	ASSURANCE
Council Tax Energy Rebate	Completed	Good
Ukrainian Support	(Advisory)	-
Green Business Grant Support	In Progress	-
Energy Bills Support Alternative Funding	Pending Jan '23	-

2.3 **Cyber Security Review**

External consultants “Azets” were commissioned by the Head of Communities and Service Improvement and Strata Client Lead, to review cyber security governance and implement required policies. Internal Audit are assisting with this work which is currently ongoing.

2.4 The Assurance Opinion descriptions for the work listed above are as follows:

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.

5. CONCLUSION

Internal Audit work is progressing reasonably well and assurance has generally been positive.