

Teignbridge District Council

Audit Scrutiny

22 March 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.

Report Author

Sue Heath – Audit & Information Governance Manager

Tel: 01626 215258

Email: sue.heath@teignbridge.gov.uk

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 was approved by Audit Committee members in August 2023, showing areas to be audited. This report shows progress against that plan.

2. AUDIT PLAN PROGRESS 2023-2024

SYSTEM	STATUS	ASSURANCE
<u>Core Financial Systems</u>		
Main Accounting	Commenced	-
Payroll	-	-
Council Tax	Commenced	-
Housing Benefits & Council Tax Support	TOR issued	-
Business Rates	Commenced	-
<u>Other Systems / Projects</u>		
Government Grants and Payment Schemes	Completed	Good
Safeguarding	Completed	Good
Health and Safety (Housing Stock)	Completed	Fair
Health and Safety (Corporate)	In progress	-
Housing Grants (DGF etc.)	In Progress	-
Estates – follow up of previous audit	Completed	-
Car Park Debt – follow up of previous audit	Completed	-
Councillors Community Fund	Completed	Good
Business Continuity Management	-	-
Purchasing Cards (new system)	-	-
Grant Certifications (as required)	-	N/A
Risk Management 2023-2024	-	-
Governance and Annual Gov Statement	Ongoing	-
Fraud Risk Analysis	Ongoing	-
National Fraud Initiative	Ongoing	-
Register of Interests, Gifts and Hospitality	Completed	Good

Software Licensing	-	-
Mobile Billing	Completed	Good

Further detail for audits completed since the last monitoring report in January 2024 can be seen in the appendix below.

2.2 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.

3. CONCLUSION

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

Internal Audit Reports – Overview for Audit Scrutiny Committee 22 March 2024

PROJECT TITLE	SUMMARY
<p>Housing H&S Compliance</p> <p>Audit Opinion: Fair ☆☆</p>	<p>As a landlord of residential housing stock, the Council has responsibilities to manage compliance of statutory health and safety obligations for fire safety, asbestos management, electrical safety, gas safety, water hygiene and lifts (if applicable) to ensure that tenants are safe in their homes. As well as standards set by the Regulator of Social Housing.</p> <p>The permanent social housing is being fully managed by Teign Housing. The temporary accommodation is being managed in house. For the Houses of Multiple Occupation (HMOs) Albany House and Luscombe Terrace, there is full evidence of the latest health and safety checks. This is due to having approved contractors with maintenance contracts who undertake periodic inspections.</p> <p>Recommendations have been included for the strategic asset management (SaM) system to be explored to ascertain if it could be used in centralising all records and conducting effective monitoring. There should be housing compliance policies and procedures to ensure that officers are clear about their roles and responsibilities for managing compliance, and health and safety obligations, including timeframes for inspection certifications. Also, a designated lead officer (nominated responsible person) responsible for the compliance of health and safety requirements for all of the Council owned housing stock.</p> <p>Furthermore, the risk of health and safety compliance should be changed from a service risk to corporate risk and a mechanism should be introduced for monitoring performance against standards to identify any areas of non-compliance.</p>
<p>Follow Up Audits</p> <p>The effectiveness of audits is increased if agreed actions are implemented. The audit cycle allows for a follow up check to be made on any important recommendations at an agreed time after each review. Details of completed follow ups are shown below:</p>	

PROJECT TITLE	SUMMARY
<p>Climate Change</p> <p>Audit Opinion: Good ☆☆☆</p>	<p>Original audit: November 2022</p> <p>Followed up: April 2023 and January 2024</p> <p>7 of the 14 recommendations actioned and implemented. 7 remain on-going.</p>
<p>System Admin Permissions</p> <p>Audit Opinion: Good ☆☆☆</p>	<p>Original audit: December 2022</p> <p>Followed up: April 2023</p> <p>6 of the 6 recommendations actioned and implemented.</p>
<p>Teignbridge 100</p> <p>Audit Opinion: Good ☆☆☆</p>	<p>Original audit: August 2022</p> <p>Followed up: April 2023</p> <p>6 of the 6 recommendations actioned and implemented.</p>
<p>Council Tax Energy Rebate</p> <p>Audit Opinion: Good ☆☆☆</p>	<p>Original audit: November 2022</p> <p>Followed up: May 2023</p> <p>3 of the 4 recommendations actioned and implemented. Since follow up all now complete.</p>
<p>Risk Management</p> <p>Audit Opinion: Good ☆☆☆</p>	<p>Original audit: April 2023</p> <p>Followed up: October 2023</p> <p>9 of the 13 recommendations actioned and implemented. 4 remain on-going.</p>

PROJECT TITLE	SUMMARY
<p>Data Quality</p> <p>Audit Opinion: Good ☆☆☆</p>	<p>Original audit: May 2023</p> <p>Followed up: August 2023</p> <p>7 of the 11 recommendations actioned and implemented. 4 remain on-going.</p>
<p>Green Business Grant</p> <p>Audit Opinion: Good ☆☆☆</p>	<p>Original audit: June 2023</p> <p>Followed up: July 2023</p> <p>2 of the 3 recommendations actioned and implemented. 1 remain on-going.</p>
<p>Utilities</p> <p>Audit Opinion: Fair ☆☆</p>	<p>Original audit: November 2022</p> <p>Followed up: January 2023</p> <p>9 of the 14 recommendations actioned and implemented. 5 remain on-going.</p>
<p>Leisure</p> <p>Audit Opinion: Good ☆☆☆</p>	<p>Original audit: April 2023</p> <p>Followed up: October 2023</p> <p>10 of the 16 recommendations actioned and implemented. 6 remain on-going.</p>