

TEIGNBRIDGE DISTRICT COUNCIL

AUDIT SCRUTINY COMMITTEE

19TH DECEMBER 2019

PART I

Report Title	Internal Audit Progress Report
Purpose of Report	To advise Members of progress against the Audit Plan and the outcomes of completed audits.
Recommendation(s)	The Committee RESOLVES to: (1) Note the report.
Financial Implications	None – see section 3.1.
Legal Implications	None – see section 3.2.
Risk Assessment	Not applicable – see section 3.3.
Environmental/ Climate Change Implications	Not applicable – see section 3.4.
Report Author	Sue Heath - Audit & Information Governance Manager Email: sue.heath@teignbridge.gov.uk
Portfolio Holder	Councillor Connett - Corporate Services
Appendices / Background Papers	Audit Files Final Report 2019 – 2020 Appendix A

1. INTRODUCTION / BACKGROUND

A Plan of audit work is approved annually by the Audit Scrutiny Committee and progress against the plan is reported at every meeting thereafter.

Internal audits provide an assurance opinion on the effectiveness of the framework of risk management, control and governance of the area under review. They are graded as follows:

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	☆☆	There is a 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 ensure the achievement of 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. AUDIT PLAN 2019 – 2020 PROGRESS

PROJECT	STATUS	OPINION
Governance Review and AGS	Complete	Good
Loans and Grants	DRAFT Report Issued	
DFG Assurance	Complete	Good
LAHS Return	Complete	Good
LADR Return	Complete	Good
MHCLG Allocations Return	Complete	Good
Housing Finance	DRAFT Report Issued	
Ecoflex Scheme	DRAFT Report Issued	
Cemeteries	Complete	Good
Community Infrastructure Levy (CIL)	Complete	Good
Council Tax	In Progress	
Benefits & Council Tax Support	Commencing Jan 2020	

NDR (Business Rates)	In Progress	
Debtors	In Progress	
Main Accounting & Budgetary Control	In Progress	
Payroll	-	
Risk Register	-	
Partnerships and Funding Agreements	-	
Empty Homes	-	

2.2 Members of the team continue to support corporate projects with roles in the One Teignbridge transformation project; Infrastructure Requirements Board; Procurement Group and co-ordinating the National Fraud Initiative.

2.3 Topical Issues

Redmond Review – an independent review of the effectiveness of audit and transparency of financial reporting in local authorities led by Sir Tony Redmond. Consultation closes 20 December 2019. Further information available here:

<https://www.gov.uk/government/news/call-for-views-for-independent-review-into-local-authority-audit>

CIPFA Statement on the Role of the Head of Internal Audit – guidance to help understand the role and responsibilities in public services and how it interacts with the audit committee. <https://www.cipfa.org/policy-and-guidance/reports/the-role-of-the-head-of-internal-audit>

Fraud and Corruption Survey – through its annual survey, CIPFA aims to give a national picture of fraud across public services. For 2018/19, the four main types of fraud (by volume) affecting local authorities continue to be council tax, housing, Blue Badge fraud and business rates.

<https://www.cipfa.org/services/counter-fraud-centre/fraud-and-corruption-tracker>

Teignbridge actively participates in the National Fraud Initiative to help ensure its fraud is minimised.

3. IMPLICATIONS, RISK MANAGEMENT & CLIMATE CHANGE IMPACT

3.1 Financial

There are no financial implications. The service is being delivered within current budget.

3.2 Legal

The Council is meeting its statutory duty to provide an internal audit in accordance with the Accounts and Audit Regulations 2015.

3.3 Risks

Planned work is on target to be delivered within audit year.

3.4 Environmental/Climate Change Impact

None.

4. CONCLUSION

Members are recommended to note the report.