

Forest Heath District Council

**PERFORMANCE AND
AUDIT SCRUTINY
COMMITTEE**

28 NOVEMBER 2013

PAS13/018

(This report is not a key decision. This report has been subject to appropriate notice of publication under the Council's Access to Information Rules)

Report of the Cabinet Member for Resources, Governance and Performance

MID-YEAR INTERNAL AUDIT PROGRESS REPORT 2013-2014

1. Summary and reasons for recommendations

- 1.1 This report advises Members of the work of the Internal Audit Section for the first half of 2013-2014 (**Appendix A**) and gives Members a flavour of the variety of projects and corporate activities which are supported through the work of the team.
- 1.2 The report also provides an update of progress made against the 2013-2014 Internal Audit Plan (**Appendix B**) previously approved by this committee, and explains and seeks approval for changes to the Audit Plan attached as (**Annex A**) in order to accommodate additional Internal Audit assistance with various corporate and Finance projects.

2. Recommendations

- 2.1 Members are asked to:
- i. Note the contents of this report, including progress made against the 2013-2014 Internal Audit Plan;
 - ii. Approve amendments required to the Plan to reflect changes in priority and service needs (**Annex A**).

Contact details

Name
Title

Telephone
E-mail

Portfolio Holder

Councillor Stephen Edwards
Resources, Governance and
Performance

01638 660518
[stephen.edwards@forest-
heath.gov.uk](mailto:stephen.edwards@forest-heath.gov.uk)

Lead Officer

Jon Snares
Internal Audit Manager

01638 719771
jon.snares@westsuffolk.gov.uk

3. How will the recommendations help us meet our strategic priorities?

3.1 The recommendations made in this report are intended to support and enhance the Council's ability to deliver its priorities.

4. Key issues

4.1 The Public Sector Internal Audit Standards require the Internal Audit Manager to report periodically to senior management and committee on Internal Audit's performance relative to its Audit Plan. Reporting should also include significant risk exposures and control issues where relevant, including fraud risks and governance issues. The Performance and Audit Scrutiny Committee is the designated committee to receive these periodic reports.

4.2 The purpose of this report is to update Members on progress made against the 2013-2014 Audit Plan (**Appendix B**) (approved by this committee in May 2013), and to seek Members approval for amendments required to the Plan (**Annex A**) to reflect changes in priority and service needs.

5. Other options considered

5.1 N/A

6. Community impact

6.1 **Crime and disorder impact** (*including Section 17 of the Crime and Disorder Act 1998*)

6.1.1 None arising directly from this report.

6.2 **Diversity and equality impact** (*including the findings of the Equality Impact Assessment*)

6.2.1 None arising directly from this report.

6.3 **Sustainability impact** (*including completing a Sustainability Impact Assessment*)

6.3.1 None arising directly from this report.

6.4 **Other impact** (*any other impacts affecting this report*)

6.4.1 None arising directly from this report.

7. **Consultation** (*what consultation has been undertaken, and what were the outcomes?*)

7.1 No external consultation was required or undertaken in producing this report. Internal consultation is carried out with key officers during the audit process and in the production of individual internal audit reports and follow up work.

8. **Financial and resource implications** (*including asset management implications*)

8.1 There are no direct financial implications arising from this report. All internal audit recommendations must be considered in terms of their cost effectiveness

9. Risk/opportunity assessment *(potential hazards or opportunities affecting corporate, service or project objectives)*

Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
Internal controls within the Council may not be efficient and effective and as a result the Council may not be identifying significant weaknesses that could impact on the achievement of the Council's priorities and/or lead to fraud, financial loss or inefficiency.	Medium	Members receive and approve the internal audit plan and receive progress reports throughout the year. The audit plan is based on an assessment of risk for each system or operational area. External Audit reviews the work of the internal audit section and internal control arrangements.	Low

10. Legal and policy implications

10.1 The provision of the Internal Audit Service allows the Council to meet its statutory obligations with regards to the Local Government Act 1972, the Local Government Finance Act 1982 and the Accounts and Audit Regulations 2011.

11. Wards affected

11.1 All

12. Background papers

12.1 N/A

13. Documents attached

13.1 Annex A – Overview of Internal Audit Work April – October 2013

13.2 Appendix A – Summaries of Internal Audit Reports Issued April – October 2013

13.3 Appendix B – Progress against the 2013-2014 Internal Audit Plan