Joint Audit and Governance Committee

Report of Interim Internal Audit Manager

Author: Richard Green

Telephone 01235 422430

Textphone: 18001 01235 422430

E-mail: Richard.green@southandvale.gov.uk

SODC cabinet member responsible: Councillor Leigh Rawlins

Tel: 01189 722565

E-mail: leigh.rawlins@southoxon.gov.uk

VWHDC cabinet member responsible: Councillor Andy Crawford

Telephone: 01235 772134

E-mail: andy.crawford@whitehorsedc.gov.uk

To: Joint Audit and Governance Committee

DATE: 26 January 2021

Internal audit management report quarter three 2020/21

Recommendation

That members note the content of the report.

Purpose of report

1. The purpose of this report is:

   - to report on management issues within internal audit;
   - to summarise the progress against the 2020/21 audit plan up to 07 January 2021; and
   - to summarise the priorities for quarter four 2020/21.

2. The contact officer for this report is Richard Green, Interim Internal Audit Manager for South Oxfordshire District Council (SODC) and Vale of White Horse District Council (VWHDC), telephone 07849 574860.

Strategic objectives

3. Delivery of an effective internal audit function will support the councils in meeting their strategic objectives.

Background

4. The Public Sector Internal Audit Standards (PSIAS), effective from 1 April 2017, state that the head of internal audit should prepare a risk-based audit plan, which should outline the assignments to be carried out and the resource requirements to deliver the plan, for audit committee approval. The Joint Audit and Governance Committee approved the 2020/21 annual internal audit plan in July 2020 and a subsequent amended plan in September due to the impact of redeployment as result of Covid 19.

5. The PSIAS also states that the head of internal audit must periodically report on performance relative to the plan.

Management issues

6. From 30 November 2020, the internal audit manager is taking maternity leave for a period of 12 months. An interim internal audit manager, Richard Green was appointed on 23rd November and took up the role on 7th December 2020.

7. The team has continued to be involved in the project of moving the Grounds Maintenance operations in-house and a progress report is included for information.

8. Due to the latest concerns with Covid 19 there is a possibility that the Internal Audit team will again be requested to be redeployed to support council activities which may cause some audits to be delayed or postponed. However, the intention is to keep any such impacts to a minimum and to ensure that there is sufficient audit coverage of the key financial systems.

Progress against the 2020/21 audit plan

9. Progress against the approved audit plan for 2020/21 has been calculated for the quarter and year to date and is summarised in **appendix 1** attached. A summary of the progress against the 2019/20 audit plan is summarised in **appendix 2**.

10. Performance figures to date are as follows:

	Target	YTD	Actuals by Quarter			
			Q1 20/21	Q2 20/21	Q3 20/21	Q4 20/21
Chargeable (identifiable client and/or specific IA deliverable)	76%	42%	0%	23.5%	3.5%	-
Non-Chargeable (corporate, not IA deliverable)	7%	29.5%	83%	41%	41.5%	-
Planned Lost (i.e. leave)	14.5%	14%	12%	24.5%	37%	-
Unplanned Lost (i.e. study, sickness)	2.5%	14%	5%	11%	18%	-

11. As at 07 January 2021 the status of audit work against the 2020/21 audit plan is as follows:

Planned
Strategic, operational and financial assurance work known and approved by the joint audit and governance committee.

2020/21	Planned	Completed	Draft Out	In progress	To commence
Total	**14**	**1**	**0**	**9**	**4**
Joint	14	1	0	9	4
SODC	0	0	0	0	0
VWHDC	0	0	0	0	0

Ad-hoc
Unplanned project work based on agreed terms of reference with the audit manager (i.e. implementation of new systems) and responsive work issued and agreed by the section 151 officer, members or senior management team (i.e. investigations).

2020/21	Requested	Complete	Draft	In progress	To commence
Ad-hoc	**0**	**0**	**0**	**0**	**0**
Joint	0	0	0	0	0
SODC	0	0	0	0	0
VWHDC	0	0	0	0	0

Follow up
Work undertaken to ensure that agreed recommendations have been implemented. The number of follow-up audits is a rolling number, all internal audit reports are followed up after six months unless the area is subject to an annual review.

2020/21	Requested	Complete	Draft	In progress	To commence
Follow up	**0**	**2**	**0**	**1**	**2**
Joint	0	2	0	0	1
SODC	0	0	0	1	0
VWHDC	0	0	0	0	1

Priorities for 2020/21 quarter four (January 2021 to March 2021)

12. The priorities for quarter four are to:

- Continue the planned audit work for 2020/21, in line with the audit plan; and
- Prepare the annual internal audit plan for 2021/22.

13. Remaining 2020/21 planned audit work can be reviewed in **appendix 3**.

Financial implications

14. There are no financial implications attached to this report.

Legal implications

15. None.

Risk implications

16. Identification of risk is an integral part of all audits.

Richard Green
INTERIM INTERNAL AUDIT MANAGER