

Internal Audit update Q1 2021/22

Name of Committee	Audit and Scrutiny Committee
Date	23 July 2021
Report Author	Elaine Standen
Job title	Finance Manager
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Purpose of Report	To update the Committee on progress on the internal audit programme for the year.
List of Enclosures	none
Recommendation	a) That the contents of the report be noted.

I.1 Background

TIAA were appointed as the Authority's internal auditors in 2018. 2020/21 was the final year of the original contract, which has been extended for a further year to provide continuity during a period of significant organizational change. Each year an overall assurance report is provided to the Committee reflecting the outcome of audits conducted during the year. This is an important element of the overall assurance and governance framework of the Authority.

I.2 Annual Audit Plan 2021/22: Progress

The Annual Plan is reproduced below. Audits are scheduled for Q2 to Q4. Planning memoranda will shortly be issued to the Responsible Officers who will be the principal points of contact for each audit.

Quarter	Review	Type	Days	Comments
Qtr2	ICT – Data Protection Act 2018	Compliance	3	This audit has been re-scheduled from Q1 to Q2 due to the change in DPO responsibility and the appointment of the new Monitoring Officer and Solicitor. Responsible Officer - Marc Ronan
Qtr 2	Key Financial Controls (Payroll and Expenses and Fixed Assets)	Assurance	3	The audit will be undertaken in August. Responsible Officer – Elaine Standen - Audit Memorandum received

Quarter	Review	Type	Days	Comments
Qtr 3	Planning	Assurance	3	Responsible Officer – Tracy Nettleton
Qtr 3 (Block report)	Buildings Management and Maintenance	Assurance	3	Responsible Officer – Wayne Lewis
Qtr 4	Governance Strategic Control	Assurance	3	Responsible Officer – CEO. This audit has been scheduled at the end of the year to allow time for the new Senior Team to be in place.
Qtr 4	Follow Up	Follow Up	1	Follow up of implementation of agreed priorities 1 and 2 actions from audit reports, ensuring the Authority is implementing recommendations and providing reports to the Audit and Scrutiny Committee.
1	Annual Planning	Management	1	Assessing the Organisation’s annual audit needs – requirement of Internal Audit Standards.
4	Annual Report	Management	1	Reporting on the overall conclusions and summary opinion based on the year’s audits and other information and providing input to the Annual Governance Statement.
1-4	Audit Management	N/A	3	This time includes: meeting client management, overseeing the audit plan, reporting and supporting the Audit and Scrutiny Committee, liaising with External Audit and Client briefings (including fraud alerts, fraud digests and committee briefings). The time also includes management of the client portal. The client portal is a one stop shop for managing internal audit reports, progress and recommendation tracker as well as briefings, fraud alerts, fraud updates and committee briefings.
Total days			21	

I.5 Risk

Internal audits address areas assessed as higher risk for the Authority and will recommend actions which will help to manage and reduce risks. Internal audit is one of the tools which is used by Members and management to gain assurance that internal controls are operating effectively.

I.6 Conclusion

The work of internal audit is an important source of assurance on the governance and management of the Authority and the findings set out in the report and enclosures support the Committee in carrying out their role. The approved Audit Plan builds on the work programme already undertaken by TIAA since 2018 and is responsive to the needs and operating environment of the Authority in an important transitional year.

RECOMMENDATION:

- a) That the contents of the report be noted.**