

Internal Audit Progress Report

To: Audit and Accounts Committee

Meeting Date: 31st October 2024

From: Head of Internal Audit & Risk Management

Electoral division(s): Not applicable

Key decision: No

Forward Plan ref: Not Applicable

Executive Summary: The purpose of the report is to provide an update to the Committee on the main areas of internal audit coverage for the period to 30th September 2024.

Recommendation: The Committee is requested to consider and comment on the contents of this report.

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1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1 The role of Internal Audit is to provide the Audit Committee and management with independent assurance on the effectiveness of the controls in place to ensure that the Council's objectives are achieved. Internal Audit coverage is planned so that the focus is upon those areas and risks which will most impact upon the Council's ability to achieve these objectives. As such, the maintenance of an effective system of internal audit management contributes to the achievement of all seven of the Council's ambitions

2. Background

- 2.1 The annual Audit Plan is split out into two elements: the 'core' plan, comprising key areas of assurance that are reviewed every year and audit support work (e.g. to working parties or panels) which is ongoing throughout the year; and the 'flexible' plan, i.e. the areas of audit coverage that vary from year to year, with planned coverage based on a risk assessment process.

3. Main Issues

Please see the full Internal Audit Progress Report provided at Appendix 1 to this report.

3.1 Internal Audit Plan

- 3.1.1 Section 6 of the report sets out the proposed rolling 12 month flexible Audit Plan for the service and highlights some changes which have been made to the Audit Plan to reflect the updated risk assessment and resourcing for the team.

3.2 Outstanding Audit Actions

- 3.2.1 Annex B details 79 outstanding audit agreed actions as at 30th September 2024, an increase from 75 outstanding actions at our previous report in July. This includes 3 outstanding 'essential' actions; these relate to the Dedicated Schools Grant Safety Valve audit, the Schools Capital Programme audit and the Interims and Agency Staff audit. See Section 7.2 of the report for a summary of these actions.
- 3.2.2 Narrative updates on actions where the current target date is after 30th September have not been followed-up by Internal Audit in this reporting cycle and will be reported in the next Progress Report.
- 3.2.3 As set out at Section 7.3 of the report, an action from the Accounts Payable audit has been closed as unimplemented, and several recommendations from the Management of Consultants review have not been accepted by the service. The s151 officer has confirmed that he is content to accept the risk associated with these actions not being implemented and therefore this is being reported to Corporate Leadership Team (CLT) and Committee for information, in line with Public Sector Internal Audit Standards.
- 3.2.4 See Section 7 of the report for more details.

3.3 Investigations Caseload

- 3.3.1 Section 9 of the Progress Report summarises the open whistleblowing cases currently under review by the Internal Audit Team, as well as a short summary of all cases which have been closed by the Internal Audit team since the previous progress report, as requested by the Audit and Accounts Committee.

4. Significant Implications

- 4.1 This report is an information-only update and there are no significant implications to highlight.

5. Source Documents

- 5.1 None