

Cherwell and South Northamptonshire Councils

Internal Audit
Progress Report 2018/19

July 2018



1. Introduction

The purpose of the report is to update the committee on progress made in delivering the 2018/19 audit plan to the end of June 2018. The agreed joint internal audit plan for the 2018/19 year totals 327 days. Appendix A provides details of the audit assignments included in the 2018/19 year, and an update on progress where assignments have commenced.

2. Summary of reviews completed

A number of 2018/19 audits are either under way or have had scopes of work agreed, but no 2018/19 audits have yet been complete and reported on. This is not unexpected at this stage of the year, particularly given Council officers' focus on preparing 2017/18 accounts, as well as a number of key management posts only recently being filled.

3. Recommendation tracking

All agreed recommendations are now uploaded to our on-line tracking system as soon as reports are finalised. We are now in the process of delivering training on the use of this system to officers who have responsibility for taking action to implement recommendations ('owners').

Once training has been delivered, recommendation owners will be able to update the system with details of progress made in implementing recommendations. In the interim, we have run reports from the tracking system detailing all recommendations due for implementation by the 31st May 2018, which were submitted to the relevant owners for an update to be provided. A good response was received and we have updated the system accordingly with the submissions returned to us. The results, which include recommendations originally raised in 16/17 by the previous internal audit provider, are summarised as follows:

Recommendations due for implementation by 31st May 2018				
Priority*	Number	Implemented or Closed	Ongoing	Pending
1	0	0	0	0
2	22	16	1	5
3	35	18	12	5
4	34	28	4	2
Totals	91	62	17	12

*Level 1 is the highest level of risk we attach to a recommendation.

The majority of the ongoing recommendations relate to payroll, where work is currently being progressed to implement a new payroll system that will address these recommendations. The pending recommendations relate entirely to instances where responses were still awaited from system owners at the time this report was compiled, and it is therefore likely that some of these have actually been implemented, or are in the process of being implemented.

Appendix A - 2018/19 Internal audit plan

Area	Audit Assignment	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Current Status	Assurance Level
Corporate Governance & Systems	Cybersecurity		✓			Scope agreed and audit booked	
	Information Governance - GDPR		✓			Scoping meeting booked	
	Information Technology - IT Disaster Recovery		✓			Scope agreed and audit booked	
	Business Continuity Management		✓			Scope agreed and audit booked	
	Corporate Health & Safety		✓			Scope agreed and audit ongoing	
	Procurement & Contract Management		✓				
	Human Resources - Recruitment		✓			Scope agreed and audit booked	
	Partnership working				✓		
	Project Assurance			✓			
	Legal compliance	✓	✓			Scope agreed and audit ongoing	
Financial Assurance	Medium Term Financial Planning/Financial Resilience			✓			
	Budget management and reporting			✓			
	Capital Programme & Project Management		✓			Scope agreed and audit booked	
	Payroll				✓		
	Finance Systems			✓			
	Revenues & Benefits			✓			
	Homes England Grant Certification*		✓			Scope agreed and audit booked	
Operational Assurance	To be agreed - reviews to provide topical assurance on key operational areas on a risk-assessed basis			✓	✓		

*Funded from contingency days