

Cherwell District Council

Accounts Audit and Risk Committee

27 September 2023

Internal Audit Progress Report 2023/24

Report of the Assistant Director of Finance

This report is public

Purpose of report

The report presents the Internal Audit progress report for 2023/24. Two audits have now been completed: Community Development Projects and Climate, both with overall conclusions of Amber. Community Development Projects has been finalised and the executive summary is included within this report. The plan to address the actions required have been agreed with senior management and implementation of those actions are in progress. The audit of Climate is at draft report stage and the action plan is currently being agreed with senior management. The executive summary from the audit will be brought in the next update to the committee. There are three audits currently being undertaken and the remaining three are planned in for later in the year.

The implementation status of previously agreed management actions continues to be positive across the organisation, with good rates of implementation and evidence that other actions are being actively progressed.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the progress with the 2023/24 Internal Audit Plan and the outcome of the completed audits.

2.0 Introduction

- 2.1 This report provides an update on the Internal Audit Service, including resources, completed and planned audits.
- 2.2 Each progress report includes the Executive Summaries from the individual Internal Audit reports finalised since the previous update to the committee and also an update on the implementation of agreed management actions.

3.0 Report Details

Resources

- 3.1 A full update on resources was made to the Accounts, Audit & Risk Committee in July 2023 as part of the Internal Audit Strategy and Plan for 2023/24. One of our Senior Auditors has been successfully appointed to the post of Senior Counter Fraud Officer. This leaves us with two Senior Auditor vacancies which we are working closely with HR on to recruit to.
- 3.2 We continue to support team members to complete professional training. We are supporting a member of staff to complete the Certified Internal Audit Qualification. We also have two current apprenticeship posts within the team, one for Counter Fraud and one for Internal Audit.

2023/24 Plan Progress

- 3.3 The 2023/24 Internal Audit Plan, which was agreed at the July 2023 Accounts, Audit & Risk Committee, is attached as Appendix 1 to this report. This shows current progress with each audit. The plan and plan progress are reviewed quarterly with senior management.
- 3.4 Since the last update to the July 2023 committee, the audit of Community Development Projects has been completed. The executive summary is included within Appendix 3 to this report.

Performance

- 3.5 The following performance indicators are monitored on a monthly basis.

Performance Measure	Target	% Performance Achieved for 23/24 audits (as at 14/08/23)	Comments
Elapsed time between start of the audit (opening meeting) and exit meeting.	Target date agreed for each assignment by the Audit manager, stated on Terms of Reference, but should be no more than 3 X the total audit assignment days (excepting annual leave etc)	100%	Previously reported year-end figures: 88% 2022/23 67% 2021/22 78% 2020/21
Elapsed time for completion of audit work from exit meeting to issue of draft report.	15 days	100%	Previously reported year-end figures: 71% 2022/23 100% 2021/22 100% 2020/21

Elapsed Time between receipt of management responses to draft report and issue of final report.	10 days	100%	Previously reported year-end figures: 100% 2022/23 56% 2021/22 88% 2020/21
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3.6 The other performance indicators are:

- % of 2023/24 planned audit activity completed by 30 April 2024 – reported at year end.
- % of management actions implemented – see paragraphs below.

Implementation of Agreed Management Actions

3.7 Outstanding management actions from 2018/19 and 2019/20 audits were taken over for monitoring from the previous internal audit provider. It should be noted that significant progress has been made by officers to address and implement these with now only 3 actions still open and in progress. These actions now form part of the implementation of the new recruitment and selection module and are planned for completion during quarter 3. These will continue to be reviewed and followed up with senior management.

3.8 All actions for 2020/21 have now been reported as implemented. We agreed a total of 82 actions for the work completed as part of the 2021/22 Internal Audit Plan, 67 of these actions have been implemented and 2 have been superseded. Of the remaining 13 actions, 9 are not yet due for implementation, and 4 have recently become due. We agreed a total of 60 actions for the work completed as part of the 2022/23 internal audit plan, 50 of these actions have been implemented, 9 are not yet due for implementation, and 1 has recently become due. For the work completed so far during 2023/24, a total of 8 actions have been agreed. Of these 8 actions, 8 are not yet due for implementation – these will be followed up throughout 2023 and 2024.

4.0 Conclusion and Reasons for Recommendations

4.1 This report provides a progress update on delivery of the internal audit plan for 2023/24 and provides an update on the implementation of management actions for the committee to consider. The current plan for 2023/24 is on target for delivery by the end of April 2024.

5.0 Consultation

Not applicable.

6.0 Alternative Options and Reasons for Rejection

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: No alternative options have been identified as this report is for information only.

7.0 Implications

Financial and Resource Implications

- 7.1 There are no financial implications arising directly from this report.

Comments checked by:

Michael Furness, Assistant Director of Finance, 01295 221845
michael.furness@cherwell-dc.gov.uk

Legal Implications

- 7.2 There are no legal implications arising directly from this report.

Comments checked by:

Shiraz Sheikh, Monitoring Officer & Assistant Director Law and Governance.
shiraz.sheikeh@cherwell-dc.gov.uk

Risk Implications

- 7.3 There are no risk management issues arising directly from this report.

Comments checked by:

Celia Prado-Teeling, Performance & Insight Team Leader, 01295 221556
Celia.prado-teeling@cherwell-dc.gov.uk

Equalities and Inclusion Implications

- 7.4 There are no equalities and inclusion implications arising directly from this report.

Comments checked by:

Celia Prado-Teeling, Performance & Insight Team Leader, 01295 221556
Celia.prado-teeling@cherwell-dc.gov.uk

Sustainability Implications

- 7.5 There are no sustainability implications arising directly from this report.

Comments checked by:

Jo Miskin, Climate Action Manager, 01295 221748,
jo.miskin@cherwell-dc.gov.uk

8.0 Decision Information

Key Decision (N/A)

Financial Threshold Met: N/A

Community Impact Threshold Met: N/A

Wards Affected

All

Links to Corporate Plan and Policy Framework

All corporate plan themes.

Lead Councillor

Councillor Adam Nell – Portfolio Holder for Finance.

Document Information

Appendix number and title

- Appendix 1 – Internal Audit Plan 2023/24 – Progress Update
- Appendix 2 – Outstanding Management Actions
- Appendix 3 – Executive Summaries of finalised audits

Background papers

None

Report Author and contact details

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