

Internal Audit Progress Report

REPORT TO AUDIT AND STANDARDS COMMITTEE



DATE	19/09/2018
PORTFOLIO	Resources and Performance Management
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PURPOSE

1. To inform members of the work undertaken by Internal Audit for the period 1st April to 30th June 2018.

RECOMMENDATION

2. The Committee considers the progress report and comments on its contents.

REASONS FOR RECOMMENDATION

3. Members can monitor the performance of the Internal Audit Section.

SUMMARY OF KEY POINTS

Audit Reports

4. From 1st April to 30th June 2018 there have been 4 audit reports produced. Details of Burnley Council audits are given in **Appendix 1**.

Performance Statistics

5. The comparison between actual and planned audits is not available in the normal format. This has been due to the transitional phase of the service in undergoing a recruitment exercise for the vacant post. (see para 7 and 8 for details). An update on the audit plan and performance will be reported at the next committee meeting.
6. Performance indicators for Internal Audit are reported in the Finance balanced scorecard. The service currently reports the number of audit reports produced – 5 against an annual target of 22 (four for the Council and one for Burnley Leisure) and the percentage of high-priority actions from audit action plans implemented which was 100% and has a target of 100%.

Other Activity

7. The Internal Audit section has undergone changes to staffing and to the structure. As part of the restructuring of the Finance and Property Service the post of Senior Auditor and Audit Assistant were replaced on 1st April 2018 with two Auditor posts. The Senior Auditor postholder transferred to the Accountancy Service and Audit Assistant was transferred into one of the two new Auditor posts. A recruitment exercise was started to fill one of the new Auditor posts. Whilst this was underway the existing Auditor left the Council and permission was obtained to recruit two Auditors from the same exercise. The recruitment exercise was successful and two experienced candidates were appointed to the Auditor posts. Both the officers who have left the section had made significant contributions to the Internal Audit service.
8. These staffing changes has meant that the production of the Internal Audit plan for 2018/19 has been delayed until the available resources have been determined. Once complete the Plan for the remaining year will be provided to the Audit and Standards Committee for review. This does not mean that the Council is without a plan for this period. The audits which had not been completed during 2017/18 have been carried over and combined with the regular elements of the 2018/19 plan to ensure that Audit assurance will be enough to provide an opinion for 2018/19.
9. Burnley Internal Audit provided an Annual Audit Opinion on Burnley Leisure, as per the Service Level Agreement. In addition to the Annual Governance Statement, Internal Audit provided additional resources to assist in delivering the 2017-18 Statement of Accounts by the end of May. An Audit of the May 2018 Election was also delivered.
10. The GDPR and Data Protection Act 2018 came into effect in May 2018 and the Internal Audit Manager's role as the Council's Data Protection Officer meant that this was delivered and will continue to be part of the work of the Internal Audit Manager.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

11. The financial implications of the changes to the structure and the recruitment and selection have been incorporated into the services budget.

POLICY IMPLICATIONS

12. None

DETAILS OF CONSULTATION

13. None

BACKGROUND PAPERS

14. None

FURTHER INFORMATION

PLEASE CONTACT:

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ALSO: