

South Lakeland District Council
Audit Committee
Thursday, 19 September 2019
Internal Audit Progress Report 2019/20

Portfolio:	Not applicable
Report from:	Finance Lead Specialist (Section 151 Officer)
Report Author:	Peter Harrison – Internal Audit Manager (Director, TIAA Ltd)
Wards:	Corporate Issue
Forward Plan:	Not applicable

1.0 Expected Outcome

1.1 This report provides a summary of the progress against the Internal Audit Annual Plan to date in 2019/20. It provides the Committee with assurance through the individual internal audit reports for work carried out to date.

2.0 Recommendation

2.1 Members of the Audit Committee are asked to note:

- The progress achieved in 2019/20 in delivering the Audit Plan and the outcomes of completed audit reviews set out in **Appendix 1**.

- The attached audit reports at **Appendix 2**.

3.0 Background and Proposals

3.1 All local authorities must make proper provision for internal audit in line with the 1972 Local Government Act. The Accounts and Audit Regulations 2015 require that the Council undertakes an effective Internal Audit to evaluate the effectiveness of its risk management, internal control and governance processes, taking into account the Public Sector Internal Auditing Standards (PSIAS).

3.2 Internal Audit is responsible for providing independent assurance to the Council's senior management and to the Audit Committee on the systems of governance, risk management and internal control.

3.3 It is management's responsibility to establish and maintain internal control systems and to ensure that resources are properly applied, risks appropriately managed and that outcomes are achieved. Management is responsible for the system of internal control and should set in place policies and procedures to ensure that controls are operating effectively.

4.0 Progress against the 2019/20 Internal Audit Plan

4.1 The Internal Audit Plan was approved by the Committee in April 2019.

4.2 The progress report at Appendix 1 provides the Committee with a summary of the position as at 3rd September 2019. The executive summaries for each completed review are included at Appendix 2.

5.0 Audit reports completed in the period

5.1 Appendix 2 contains the executive summary of the one audit completed in the period:

- Household Waste Collection.

6.0 Follow up of internal audit recommendations

6.1 We would usually provide the Committee with the latest position relating to the implementation of outstanding recommendations. Unfortunately, due to the continued absence due to sickness of the auditor who was assigned this review means that we cannot provide an update at this meeting. Should Committee wish, we could provide an interim update on progress in October 2019 outside of the meeting cycle with a full update at the meeting in December 2019.

7.0 Alternative Options

7.1 There are no alternative options; the Accounts and Audit Regulations 2015 require that the Council undertakes an effective Internal Audit to evaluate the effectiveness of its risk management, internal control and governance processes, taking into account the Public Sector Internal Auditing Standards (PSIAS).

8.0 Links to Council Priorities

8.1 Internal Audit provides independent assurance on the Council's arrangements for governance, risk management and internal control in support of delivery of the Council's strategic priorities.

9.0 Implications

Financial, Resources and Procurement

9.1 There are no direct financial implications to this report.

Human Resources

9.2 There are no direct staffing implications arising from this report.

Legal

9.3 There are no legal implications arising from this report.

Health, Social, Economic and Environmental

9.4 Have you completed a Health, Social, Economic and Environmental Impact Assessment? No

9.5 If you have not completed an Impact Assessment, please explain your reasons: this report relates to a review of corporate governance and is considered to have no Health, Social, Economic and Environmental impacts.

Equality and Diversity

9.7 Have you completed an Equality Impact Analysis? No

9.8 If you have not completed an Impact Assessment, please explain your reasons: this report relates to a review of corporate governance and is considered to have no Equality and Diversity impacts.

Risk

Risk	Consequence	Controls required
The Council does not comply with legislative requirements as	The Council does not receive adequate	Regular progress reporting to senior management and

Risk	Consequence	Controls required
laid out under the Accounts and Audit Regulations 2015.	assurance over the internal control environment.	Audit Committee each quarter.

Contact Officer

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Appendices Attached to this Report

Appendix No.	Name of Appendix
1	Internal Audit Progress Report
2	Audit Report – Executive Summaries 2a. Household Waste Collection.

Background Documents Available

Name of Background document	Where it is available
Not applicable	Not Applicable

Tracking Information

Signed off by	Date sent
Legal Services	N/A
Section 151 Officer	01/09/2019
Monitoring Officer	N/A
SMT	N/A

Circulated to	Date sent
Finance Lead Specialist	04/09/2019
Human Resources Manager	N/A
Communications Team	N/A
Leader	N/A
Committee Chairman	N/A
Portfolio Holder	N/A
Ward Councillor(s)	N/A
Committee	19/09/2019
Executive (Cabinet)	N/A
Council	N/A