

REPORT TO:		Audit Committee	
DATE:		30 November 2020	
PORTFOLIO:		Cllr Joyce Plummer - Resources	
REPORT AUTHOR:		Mark Beard – Head of Audit & Investigations	
TITLE OF REPORT:		AUDIT REPORTS & KEY ISSUES – PROGRESS REPORT FOR THE PERIOD MARCH 2020 – NOVEMBER 2020	
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	Options	Not applicable	
KEY DECISION:	Options	If yes, date of publication:	n/a

1. Purpose of Report

- 1.1 To inform members of the Audit Reports issued during the period March 2020 – November 2020 and bring to the attention of the Committee what the key issues were.

2. Recommendations

- 2.1 I recommend that Audit Committee:
- note the content of this report for informational purposes.

3. Reasons for Recommendations and Background

- 3.1 This report covers an extended period of March 2020 to November 2020 due to Audit Committee not taking place in July 2020. The audit areas and any key issues detailed at Appendix 1.
- 3.2 Members should be aware that the number of audit reports that are issued between each Committee meeting is subject to variation dependent on the size of the audit and any non-routine audit work, such as investigations, that the Team may be involved in. Therefore, for the purpose of reporting, only the audit reports fully completed, issued and agreed will be included.
- 3.3 Any investigations that may be carried out will not be included as a matter of routine in this report, particularly if they relate to a specific individual or individuals.

3.4 There was a target of 98% of the audit plan to be completed by the end of 2019/20 in terms of audit days completed.

Position as at end of March 2020 = 93.34 % of the plan completed

3.5 The position at the end of March 2020 can be broken down as follows:-

Month	% of the Plan Completed that Month
April 2019	8.24%
May 2019	6.97%
June 2019	6.16%
July 2019	9.01%
August 2019	7.80%
September 2019	8.06%
October 2019	9.60%
November 2019	7.75%
December 2019	4.91%
January 2020	8.44%
February 2020	7.69%
March 2020	8.72%

3.6 There is a target of 98% of the audit plan to be completed by the end of the current financial year in terms of audit days completed. As the audit team complete timesheets which then feed into the audit plan, it is possible to state the progress to date and the projected end of year position if that date is extrapolated out. Therefore:-

Position as at end of October 2020 = 55.55% of the plan completed

Projected out-turn position for 2020/21 = 95.23% of the plan completed

3.7 The position at the end of October 2020 can be broken down as follows:-

Month	% of the Plan Completed that Month
April 2020	6.34%
May 2020	7.07%
June 2020	8.73%
July 2020	9.13%
August 2020	7.66%
September 2020	7.64%
October 2020	8.98%

3.8 The projected out-turn position for the year is based on the 7 month period April 2020 to October 2020 and assumes that the output remains at a constant for the remainder of 2020/21.

4. **Alternative Options considered and Reasons for Rejection**

4.1 Not applicable as the report is for informational purposes only

5. Consultations

- 5.1 No consultations required as this report is based on data and information held by the audit team based on the work completed

6. Implications

Financial implications (including any future financial commitments for the Council)	There are no financial implications arising from this report
Legal and human rights implications	There are legal or human rights implications arising from this report.
Assessment of risk	Risks are taken into consideration during the audit process itself, there is no direct risk implication from this report.
Equality and diversity implications <i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	This report is produced for information awareness of the progress of the Audit Team against the annual Internal Audit Plan. The Audit Planning process has had an equality impact assessment which remains valid and it is not necessary to update this with a Customer First Analysis at this time. The individual audit assignments may, in some cases, feed into the needs of equality and diversity issues within individual service areas of the Council

7. Local Government (Access to Information) Act 1985: List of Background Papers

- 7.1 No background papers were necessary for the preparation of this report.

APPENDIX 1

AUDIT COMMITTEE – 30th November 2020

Summary of the main issues arising from audits carried out March 2020 – November 2020

Christmas Decorations Budget:-

Audit Assurance Opinion Issued:- Substantial assurance

The work undertaken showed there is generally a sound system of internal control designed to meet service objectives, and controls are generally being applied consistently. However, some weaknesses in the design and / or inconsistent application of controls put the achievement of particular objectives at risk.

- It was agreed with Management to consider the alternative approaches to providing the Christmas Decorations & Lights Service prior to commencing the tender process for Christmas 2020.
- The audit agreed with Management that documentation in respect of the Christmas switch on events is completed accurately, signed by the event organiser and retained on file prior to the switch on programme commencing. The insurance cover should be confirmed and recorded on each form.
- The audit also suggested to Management that they should consider which service area is directly responsible for the whole of the Christmas Decorations & Lights service, as currently there are numerous officers involved and this creates risks in the procedures, and this could be particularly relevant should a new contractor be responsible for the 2020 Christmas period.

Debtors Processes:-

Audit Assurance Opinion Issued:- Comprehensive assurance

The work undertaken showed a sound system of internal control which is designed to meet the service objectives, in addition the work carried out showed controls are consistently being applied.

- No issues arising.

Insurance Arrangements:-

Audit Assurance Opinion Issued:- Substantial assurance

The work undertaken showed there is generally a sound system of internal control designed to meet service objectives, and controls are generally being applied consistently. However, some weaknesses in the design and / or inconsistent application of controls put the achievement of particular objectives at risk.

- The audit found that details of market stall holder insurances recorded on the spreadsheet in 7 out of 38 records had expired. Management agreed to update the information with the correct up to date information as a matter of urgency.

Hub – Shopping Vouchers:-

Audit Assurance Opinion Issued:- Substantial assurance

The work undertaken showed there is generally a sound system of internal control designed to meet service objectives, and controls are generally being applied consistently. However, some weaknesses in the design and / or inconsistent application of controls put the achievement of particular objectives at risk.

- There were some minor weaknesses noted in relation to the uploading of proof of shopping costs and the recording of the receipt number produced from Paris during payment processing.
- It was agreed that photographic evidence of the receipt and any balance outstanding would be uploaded by the volunteer onto the Hub system.
- It was agreed that the receipt number generated by the Paris system would be recorded in the main shopping list area of the ticket.
- It was agreed that if the scheme was to continue a formalised reconciliation would be built in between the Asda shopping e-vouchers and the e-Financials system.

Council Tax:-

Audit Assurance Opinion Issued:- Comprehensive assurance

The work undertaken showed a sound system of internal control which is designed to meet the service objectives, in addition the work carried out showed controls are consistently being applied.

- No issues arising.

Rhyddings Park:-

Audit Assurance Opinion Issued:- Comprehensive assurance

The work undertaken showed a sound system of internal control which is designed to meet the service objectives, in addition the work carried out showed controls are consistently being applied.

- No issues arising.