

## **AGENDA NO.**

### **REPORT TO AUDIT COMMITTEE**

**27 JULY 2020**

### **REPORT OF DIRECTOR OF FINANCE & BUSINESS SERVICES**

## **INTERNAL AUDIT ACTIVITY REPORT**

### **SUMMARY**

This report provides members with an update of the assurance work carried out by the Internal Audit Section and the proposed areas of focus for the next period.

### **RECOMMENDATIONS**

It is recommended that:-

1. The current position as identified in the attached update report is noted.

### **DETAIL**

#### **Background**

1. Internal Audit is an independent appraisal function established by the Council to objectively examine, evaluate and report on the adequacy of internal controls. This role ensures that there is proper economic, efficient and effective use of resources. It also ensures that the Council has adequate accounting records and control systems.

#### **Current Position**

2. Members are aware of a revised approach to recording and planning internal audit work, the revised approach strengthens the approach to risk management by reporting results of assurance work against corporate risks. To support this future activity reports will be incorporated into the risk register update report.
3. Progress to date has been good. Despite the restrictions because of COVID the audit team have continued to support departments as necessary with ad-hoc queries and in maintaining effective systems of control. Time has also been spent uploading past results into the new model of reporting. Work has also commenced on reviewing a number of controls.
4. Included in the activity report is a forward plan of areas to be reviewed as well as an assessment of the resources available to undertake the work. At this moment in time there are no resource constraints that would impinge on my ability to provide an annual opinion on the overall effectiveness of the control environment.

## **FINANCIAL AND LEGAL IMPLICATIONS**

None

## **RISK ASSESSMENT**

The results of the work undertaken by Internal Audit can be used by managers to assess their risk exposure, recommendations are made where there is perceived to be unacceptable risk.

## **COMMUNITY STRATEGY IMPLICATIONS**

None

## **CONSULTATION**

N/A

**Name of Contact Officer: Andrew Barber, Audit & Risk Manager**

**Telephone No: 01642 526176**

**Email Address: a.barber@stockton.gov.uk**

Background Papers: Internal Audit Charter

Ward(s) and Ward Councillors: None

Property Implications: None

## Output from Previous Period

Outcome	Very Low			Low			Medium			High			Very High		
	R	A	G	R	A	G	R	A	G	R	A	G	R	A	G
Cohesive and safe communities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
People are supported and protected from harm	0	0	0	0	0	2	0	1	3	0	0	0	0	0	3
People live healthy lives	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
A growing economy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Education and skills development	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Job creation and increased employment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Great places to live and visit	0	0	0	0	1	1	0	0	1	0	0	0	0	0	0
Clean and green spaces	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rich cultural experiences	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Financially sustainable and value for money	0	0	0	0	0	0	0	0	4	0	0	0	0	0	0
Dedicated and resourceful employees	0	0	1	0	0	1	0	0	1	0	0	0	0	0	0
Strong leadership and governance	0	0	1	0	0	2	0	0	1	0	0	0	0	0	2
Total	0	0	2	0	1	6	0	1	10	0	0	0	0	0	6

### Planned Work for Next Period

Outcome	Very Low	Low	Medium	High	Very High
Cohesive and safe communities	0	0	1	0	0
People are supported and protected from harm	0	2	9	6	3
People live healthy lives	0	0	1	1	0
A growing economy	0	0	0	0	0
Education and skills development	1	2	1	0	0
Job creation and increased employment	0	0	0	1	0
Great places to live and visit	0	1	2	2	0
Clean and green spaces	0	1	1	0	0
Rich cultural experiences	0	0	0	0	0
Financially sustainable and value for money	0	2	4	4	2
Dedicated and resourceful employees	0	0	1	0	0
Strong leadership and governance	0	3	7	4	0
	1	11	27	18	5

DBC	3	19	15	13	3
-----	---	----	----	----	---

Minimum Resources Required : 396

Resources Available: 412