

## CAMBRIDGE CITY COUNCIL

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REPORT OF: Strategic Director / Head of Finance

TO: Civic Affairs Committee

13 September 2017

WARDS: All

### **INTERNAL AUDIT PLAN 2017 / 2018: PROGRESS REPORT**

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#### **1 INTRODUCTION**

- 1.1 The purpose of this report is to provide members with an update on progress in delivering the annual Internal Audit Plan for 2017 / 2018. The original audit plan was agreed by Civic Affairs Committee on 15 February 2017.

#### **2. RECOMMENDATIONS**

- 2.1 Civic Affairs Committee is requested to note:

- Progress against the original audit plan together with the associated assurance levels established; and
- Any proposed amendments / re-phasing of the audit plan.

#### **3 INTERNAL AUDIT PLAN 2017 / 2018 PROGRESS (Appendix A)**

##### **Work In Progress**

- 3.1 The details within the Appendix are based on audit activities up to and including 31 August 2017.
- 3.2 Work has concluded on a number of audits which had been started in the previous year and these are reporting no adverse comments. Furthermore, a number of audits are in the process of being followed up due to previous weaknesses identified. Work has started on audits from the current plan and these are delivering reasonable results.
- 3.3 Steps have been taken to recruit a permanent Head of Internal Audit for the two authorities. Interviews are scheduled at the end of August 2017 and a verbal update will be provided at the meeting.
- 3.4 It is too early in the year to establish whether there will be a need for re-phasing of works and as a result no audits have been identified for deletion. Nevertheless, the area of highest risk within our audit plan remains the implementation of the financial management system. Considerable audit

resource has been put in to this critical project in the last 12 months and every effort will be made to see this through to a satisfactory conclusion.

- 3.5 Progress on implementation of agreed actions continues to be monitored and ongoing discussions are held with managers to ensure continued compliance.
- 3.6 Once the audit cycle is concluded, the overall results of the work set out in the Internal Audit plan will be reported in the production of the annual opinion by the Head of Internal Audit for this Committee.

#### **4 IMPLICATIONS**

(a) **Financial Implications**

None

(b) **Staffing Implications**

None.

(c) **Legal Implications**

The Council has a legal obligation to maintain an adequate and effective system of internal audit, and the council has delegated this responsibility to the Civic Affairs Committee and s.151 Officer. This report comments on Internal Audit performance relating to period ended 31 August 2017. There are no adverse legal implications relating to the reporting progress.

(d) **Risk Implications**

In terms of risk management, the Internal Audit Plan and its outcomes are a key part of the Council's risk management and assurance framework. The Internal Audit Plan is based on risk assessments that include a review of the Council's risk register.

(e) **Equality and Poverty Implications**

None

(f) **Environmental Implications**

None

(g) **Community Safety**

None

**BACKGROUND PAPERS:** The following are the background papers that were used in the preparation of this report:

Internal Audit Plan 2017 / 2018  
Public Sector Internal Audit Standards, 2017

To inspect these documents contact Steve Crabtree on extension 8181. The author and contact officer for queries on this report is Steve Crabtree.

Report file:

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