

# Audit & Governance Committee

26 November 2019

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

## Interim Internal Audit & Assurance Report 2019/20

<b>Final Decision-Maker</b>	Audit & Governance Committee
<b>Portfolio Holder</b>	Councillor Tom Dawlings – Portfolio Holder for Finance & Governance
<b>Lead Director</b>	Lee Colyer – Director of Finance, Policy & Development Steve McGinnes – Mid Kent Services Director
<b>Head of Service</b>	Rich Clarke – Head of Audit Partnership
<b>Lead Officer/Author</b>	Rich Clarke – Head of Audit Partnership
<b>Classification</b>	Non-exempt
<b>Wards affected</b>	All

### This report makes the following recommendations to the final decision-maker:

1. The Committee **notes** and comments as appropriate on progress against the internal audit plan and findings so far.

### Explain how this report relates to the Corporate Priorities in the Five Year Plan:

This report is concerned with the internal control and governance of the Council. Successful controls and effective governance are a crucial underpinning for all corporate priorities.

### Timetable

<b>Meeting</b>	<b>Date</b>
Audit & Governance Committee	26 November 2019

# Interim Internal Audit & Assurance Report 2019/20

## 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The report provides to Members an update on progress so far towards completing the 2019/20 Internal Audit & Assurance Plan. It also provides the update information needed by Audit Standards including an assessment of available audit time, results of audit work and commentary on performance of the audit service.
  - 1.2 Our results so far in 2019/20 have yielded positive assurance ratings and there are no matters of broader concern we wish to bring to Members' attention.
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## 2. INTRODUCTION AND BACKGROUND

- 2.1 The report provides an update for Members on progress against the 2019/20 Internal Audit & Assurance plan approved by this Committee earlier this year. The report also meets our duties under Public Sector Internal Audit Standard 2060 to report to Members on:
    - Our audit charter,
    - The independence of internal audit,
    - Audit plan changes and progress against the plan,
    - Resource needs of the audit service,
    - Results of audit work so far,
    - Affirming conformance with the Standards and Code of Ethics, and
    - Details of risks taken by management that, in the Head of Audit Partnership's judgement, may be unacceptable to the authority.
  - 2.2 We have made sound progress through the plan so far. We will continue to adjust our plans according to the Council's risk profile and remain confident of delivering a robust audit opinion by year end.
  - 2.3 So far in 2019/20 we have delivered positive assurance ratings on all reviews completed. Further we report good levels of delivery for officers acting to addressing audit recommendations.
  - 2.4 We also report our continuing conformance with the Standards (including independence) and the Code of Ethics.
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## 3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 3.1 To keep conformance with the Standards we must report progress periodically to Members. This report fulfils that duty and provides the opportunity for

Members to review, comment on and question the progress we have made and the results we have reached.

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#### 4. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 4.1 We discuss results of audit work with responsible officers within the authority before issuing as final. We remain pleased to record to Members continuing strong levels of co-operation from officers who have accepted all recommendations made so far in 2019/20.
- 4.2 The report builds on Committee comments from previous similar reports at equivalent points in earlier years.

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#### 5. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Legal</b> including Human Rights Act	Reporting to Members in his way contributes to fulfilling the Council's duties under the Local Audit & Accountability Act 2014.	Rich Clarke Head of Audit Partnership
<b>Finance</b> and other resources	Continuing the audit and assurance plan is within already approved budgetary headings and so needs no new funding for implementation.  We will seek agreement for any new funding to deal with the matters mentioned in the report through the standard budgetary approach of Maidstone BC (our host authority) in consultation with Tunbridge Wells BC.	14 November 2019
<b>Staffing establishment</b>	We will continue completing the audit and assurance plan with our current staffing.  We will seek agreement for any changes to staffing resulting from the matters mentioned in the report through the standard HR approach of Maidstone BC (our host authority) in consultation with Tunbridge Wells BC.	

<b>Issue</b>	<b>Implications</b>	<b>Sign-off</b>
<b>Risk management</b>	<p>We present this report for information only so it has no direct risk management implications.</p> <p>Audit Standard 2060 demands we report to Members any risks accepted by management that in our view may be unacceptable to the organisation. For example, this might include audit recommendations that management refuse to address.</p> <p>There are no risks we have identified in our work that we believe management have unreasonably accepted.</p>	<p>Rich Clarke</p> <p>Head of Audit Partnership</p> <p>14 November 2019</p>
<b>Data Protection</b>	We handle data acquired in the course of audit and other engagements in line with the Council's applicable policies.	
<b>Environment and sustainability</b>	The report makes no recommendations that impact the environment and sustainability.	
<b>Community safety</b>	The report makes no recommendations that impact community safety.	
<b>Health and Safety</b>	The report makes no recommendations that impact health and safety.	
<b>Health and wellbeing</b>	The report makes no recommendations that impact health and wellbeing.	
<b>Equalities</b>	The report does not propose a change in service therefore will not need an equalities impact assessment	

## 6. REPORT APPENDICES

- Appendix A: Interim Internal Audit & Assurance Report 2019/20

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## 7. BACKGROUND PAPERS

None applicable