

Shared Audit and Investigation Service
Wokingham Borough Council Performance Report
2019/2020 to 30 June 2019
Audit Committee 24 July 2019

2019/20 Quarterly Progress Report (to 30 June 2019)

1. Introduction

1.1 This report summarises the work of Internal Audit and Investigation to 30 June 2019.

2. Internal Audit

Performance against Audit Plan to 30 June 2019

- 2.1 Appendix A (I) presents progress made against the approved 2019/20 Internal Audit and Investigation Plan approved at the meeting of this Committee on 7 February 2019. We are reporting progress as at the 30 June 2019 and are actively managing the Audit Plan to take account of developments regarding the 21st Century Council initiative to ensure that our audit work is focussed on assisting the organisation to achieve its objectives and to add value.
- 2.2 There were 18 audits carried forward from 2018/19, 4 are at final report stage, 4 at draft report stage, 3 are work in progress and 7 have been deferred to 2019/20. For 2019/20 audits, there are 5 that are work in progress.
- 2.3 There was one 2018/19 audit review that received the third category of audit opinion (Range of Risk Mitigation Controls is incomplete and risks are not effectively Mitigated) and no audit reviews receiving the fourth category of audit opinion (There is no effective Risk Management process in place) that has been completed to Final Report stage since the 2018/19 Annual Shared Audit and Investigation Service report submitted to the Audit Committee on 5 June 2019 that relate to the 2018/19 financial year. The audit attracting the third category of opinion (Public Health) had opportunities for improvement identified in the area of governance. Management have been working actively on addressing the issues raised by the audit and are confident a higher level of assurance would be conclude next time this area is reviewed.
- 2.4 Where concerns are classified as being Very High or High that have been tolerated by management, these are highlighted to the Audit Committee. There have been no cases in Quarter 1 of Very High or High concerns being tolerated by management.
- 2.5 Management are given one month between the draft and final reporting stage to address any countermeasures and, where applicable, improve the overall audit opinion. There were no audits during the quarter where the opinion was improved from the draft to final report stage.
- 2.6 Progression of the 2019/20 Audit and Investigation Plan has been affected due to impacts of 21 CC changes and clarification of officer roles and responsibilities in relation to audit areas being reviewed. In addition, a number of audits have highlighted areas where controls need to be addressed from work undertaken areas affected by 21 CC. A list of these issues has been compiled and is being considered by the Assistant Director, Digital and Design as part of the Council's Continuous Improvement Programme.

Deferred Audits / Responses

- 2.7 During the year to date, a number of requests have been made for programmed Q1 audits to be deferred until later in the year, which could impact on the completion of the 2019/20 audit plan. These include:-

Deferred Audits

- Cashiers
- Creditors
- Council Tax and NNDR
- Housing Benefits

Delayed Responses

- 2.8 For one audit (General Ledger), due to uncertainties of who should record the responses to the Management Action Plan, the finalisation of the report has been delayed. In addition, for one audit (Statutory Roles and Responsibilities), information is awaited from management to enable the commencement of the audit fieldwork.
- 2.9 Contingency days to date have been spent on one piece of consultancy work in respect of Fosters Extra Care Scheme which was requested by management and is currently in progress. The outcome of the reviews will be reported in a future quarterly report.

Outstanding responses as at 30/6/19

- 2.10 There is one outstanding response awaited from management in respect of a review of the Council's Corporate Governance arrangements.

3. Corporate Investigations

- 3.1 The first quarter of this year has been focussed on one grievance investigation and one Member Code of Conduct investigation. No further update is available regarding the 2017/18 investigation at a school that was referred to the Police and that the Crown Prosecution Service has accepted for prosecution.

Regulation of Investigatory Powers Act

- 3.2 No new investigations have been undertaken during Q1 2019/20 that have required Regulation of Investigatory Powers Act surveillance approval to be requested.