

Internal Audit Interim Report 2020/21

Final Decision-Maker	Audit, Governance & Standards Committee
Lead Head of Service	Rich Clarke, Head of Audit Partnership
Lead Officer and Report Author	Rich Clarke, Head of Audit Partnership
Classification	Public
Wards affected	All

Executive Summary

A summary for Member information of progress so far towards fulfilling the Audit & Assurance Plan agreed by this Committee in September 2020, and intentions for completing the plan by June 2021.

Purpose of Report

Noting

This report makes the following recommendations to this Committee:

1. Note progress so far on completing the 2020/21 Audit & Assurance Plan.
2. Note the Head of Audit Partnership's view that he currently holds sufficient resource to complete the plan and that he will inform the Committee Chair promptly should that situation change.

Timetable

Meeting	Date
Audit, Governance & Standards Committee	18 January 2021

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1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The recommendations will support the Council's overall achievement of its aims by promoting good governance.	Rich Clarke Head of Audit Partnership 4 January 2021
Cross Cutting Objectives		
Risk Management	No additional implications	
Financial	<p>The plan references agreed additional resources to provide backfill capacity where audit staff are redeployed to support Covid-related service delivery.</p> <p>We have agreed this additional resource with the relevant Director. It will not draw on existing Council resources.</p>	
Staffing	We will continue towards delivering the plan within agreed staffing levels.	Rich Clarke Head of Audit Partnership 4 January 2021
Legal	The progress so far towards fulfilling the Audit & Assurance Plan previously agreed by this Committee will support the Council in meeting its obligations under the Accounts & Audit Regulations 2015.	Gina Clarke Corporate Governance Lawyer
Privacy and Data Protection	<p>The report mentions that, for the first time, some of our audit work will be completed by contractors based overseas. We have discussed and agreed our approach to handling any relevant data protection issues with the Maidstone Data Protection Team.</p> <p>Principally, we will place reliance on the contractual clauses that already exist with our supplier (a major accounting firm).</p>	Rich Clarke Head of Audit Partnership 4 January 2021
Equalities	No implications identified as a result of this update report.	
Public Health	No new implications.	

Issue	Implications	Sign-off
Crime and Disorder	No new implications.	Rich Clarke Head of Audit Partnership 4 January 2021
Procurement	We have procured contract auditor support through a well-established framework arrangement with more than 20 councils as co-signatories. The framework agreement was let in full compliance with relevant procurement rules, as confirmed at the time in discussion with the Council's procurement team.	

2. INTRODUCTION AND BACKGROUND

- 2.1 This Committee approved the original 2020/21 Audit and Assurance Plan in March 2020 at its last face to face meeting before Covid restrictions. In recognition of the vast changes to Council risks and priorities that followed, Members agreed a revised plan in September 2020. This report summarises progress towards delivering the plan up to the beginning of December. It also provides an update on the approach to completing the plan culminating in a Head of Audit Opinion in July 2021.
- 2.2 The report also references new instruction for local government internal audit issued by CIPFA in December 2020. This changes slightly the responsibilities of Chief Audit Executives in situations where they believe they may lack sufficient evidence to support a year end opinion. In particular, it directs early communication with Senior Officers and Members.
- 2.3 The report confirms the current view of the Head of Audit Partnership that the service holds sufficient resource to accumulate enough evidence to support a year end opinion. Noting that view depends on agreed backfill support to allow audit staff to help with Covid-related grant service delivery. The Head of Audit Partnership will update Senior Management and Members promptly should any concerns arise.

3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 3.1 We present the report for Member information and for noting.

4. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 4.1 The format and information presented in the report builds on Committee feedback to previous audit summary reports.
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5. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix 1: Internal Audit Interim Report 2020/21.
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6. BACKGROUND PAPERS

Various referenced background papers and guidance documents are included as hyperlinks within appendix 1.