

27TH SEPTEMBER 2023

INTERNAL AUDIT – AUDIT UPDATE

SUMMARY:

This report describes:

- A progress update on the 2023/24 Audit Plan.

RECOMMENDATION:

Members are requested to:

- i. Note the audit work completed.
- ii. Note the update to the deliverables for Quarter 3.

1 Introduction

1.1 This report is to provide Members with:

- An overview of the work completed towards the 2023/24 audit plan;
- A progress update on the 2023/24 Audit Plan; and
- A schedule of work to be delivered in Q3.

2 Audit Work Completed

2.1 Due to the difficulty with recruiting to the Audit and Investigation officer posts and contract auditor availability some of the audits originally proposed to be completed within Q1 & Q2 have been scheduled for later in the year.

2.2 We are currently still advertising for 1.6FTE Audit and Investigation officers. As it stands at the moment there are currently 6 audits which cannot be covered under the current arrangement with Portsmouth City Council. In addition to still advertising for the roles work is underway to source further contract auditors. ELT are fully supportive for resources to be obtained to ensure the delivery of the audit plan.

2.3 If additional resources cannot be obtained, it is believed that an assurance opinion can still be provided and a limitation of scope would not be provided, due to the coverage of audits across the Council, follow ups carried out on recommendations made, involvement with governance and risk management, and some other external assurance. However, a further update on this position will be provided to the Committee in November.

2.4 Work has been carried out to ensure that all elements of the Public Sector Internal Audit Standards (PSIAS) have been complied with prior to the external assessment being carried out by the Head of Audit at Basingstoke Borough

Council. Documentation has been submitted and the results of the assessment will be reported to the Committee in due course.

3 Progress towards the 2023/24 Audit Plan

3.1 Since the Committee approved the 2023/24 audit plan in March 2023, there has been no changes to the audits due to be completed. One audit has been carried forward from the 2022/23 audit plan.

3.2 The table below provides a summary of progress to date (21/08/23):

Audit/ Audit follow up status	Number of reviews	%
Finalised	0	0
Draft report	0	0
In progress	4	25
	4	25%
Audits to be started	12	75
Total	16	100%

NB: The figures within the table include 1 audit carried forward from the 2022/23 audit plan.

4. Expected Deliverables for Q3 2023/24

4.1 The work expected to be delivered in quarter 3 is detailed within the table below. These audits can be subject to change due to the evolving auditing environment. Updates on these will be provide at the next committee meeting:

Service	Audit/ follow up/descriptor
ELT	CREP – C/f from 2022/23
Operations	Serco contract management - A review of the Serco contract to ensure SLAs and additional costs are in line with the contract.
Finance	Procurement cards - Review the process for procurement cards.
Finance	Purchase Ledger - Key financial system reviewed on a 3-year cycle.
CMT (IT/ACE)	Cyber Security within the Supply chain - A review of the internal processes and requirements of suppliers from a cyber security aspect.
Property & Growth	H&S of Council Buildings - Review the process for H&S checks and related maintenance of Council buildings, including commercial assets.
IT	Intune mobile device management - To ensure that the implementation of the Council's new mobile device management is appropriate.

Service	Audit/ follow up/descriptor
Finance	CIPFA financial code - To review the Council's compliance towards the CIPFA financial code.
ELT	Rushmoor Homes Limited - Review the processes in place for RBC involvement with RHL including the process for drawing down funding.

5. Recommendation

- 5.1 Members are requested to note the information provided within the report in relation to the progress of Audit work to date towards the 2023/24 audit plan, and the expected deliverables for Q3.

AUTHOR: Nikki Fleming, Service Manager - Audit
07867 377484

nikki.fleming@rushmoor.gov.uk

HEAD OF SERVICE: Peter Vickers, Executive Head of Financial Services and S151 Officer

References: *Internal Audit – Audit Plan 2023/24*, presented to the Committee on 27 March 2023.

[Agenda for Corporate Governance, Audit and Standards Committee on Monday, 27th March, 2023, 7.00 pm - Rushmoor Borough Council](#)