



## AUDIT & GOVERNANCE COMMITTEE

Monday, 12 December 2022

<b>Subject</b>	<b>INTERNAL AUDIT REPORTS RECENTLY ISSUED</b>
<b>Report by</b>	Councillor Maurice Cook Cabinet Member with responsibility for Resources Councillor Edward Back Assistant Cabinet Member for Resources
<b>Supporting Officer</b>	Siobhan Martin Head of Internal Audit <a href="mailto:siobhan.martin@eastsoffolk.gov.uk">siobhan.martin@eastsoffolk.gov.uk</a> 01394 444254

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is <b>NOT</b> in the public interest to disclose the exempt information.	Not applicable.
<b>Wards Affected:</b>	All Wards

## Purpose and high-level overview

### **Purpose of Report:**

Internal Audit reports are issued to the Audit and Governance Committee to enable the Committee to fulfil its Terms of Reference: 'To consider reports from the Head of Internal Audit...'

### **Options:**

There are no options to be considered in relation to this report.

### **Recommendation:**

That having commented upon the attached Internal Audit reports, the Audit and Governance Committee notes their contents:

- Disabled Facilities Grant Certification 2022/23 (Relating to the 2021/22 financial year)

## Corporate Impact Assessment

### **Governance:**

Each Internal Audit report details any applicable governance implications.

### **ESC policies and strategies that directly apply to the proposal:**

The findings within each Internal Audit report are linked to good governance arrangements and practices at the Council, which underpin the Council's strategic and operational workings including the East Suffolk Strategic Plan.

### **Environmental:**

There are no environmental implications.

### **Equalities and Diversity:**

There are no equalities and diversity implications.

### **Financial:**

Each Internal Audit report details any applicable financial implications.

### **Human Resources:**

There are no human resources implications.

### **ICT:**

There are no ICT implications.

### **Legal:**

The Local Government Act 1972 and the Accounts and Audit Regulations 2015 require a relevant authority to '...undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, considering public sector internal auditing standards or guidance.'

**Risk:**

1. The Internal Audit reports presented to this Committee set out the main risks associated with the scope and objectives of that individual audit. A mechanism exists, including meetings between the Head of Internal Audit and Senior Management Team, to ensure that any remaining uncovered risks are fed back into the Audit risk model to ensure these are covered within the Strategic Audit Plan.
2. Any significant findings within individual reports will clearly state the associated risk that the Council is exposing itself to.
3. A crucial element within the Council's risk environment is the implementation of the recommendations put forward by Internal Audit and agreed by Management.

<b>External Consultees:</b>	No external parties were consulted in the preparation of this report.
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## Strategic Plan Priorities

Select the priorities of the <a href="#">Strategic Plan</a> which are supported by this proposal: <i>(Select only one primary and as many secondary as appropriate)</i>		Primary priority	Secondary priorities
<b>T01</b>	<b>Growing our Economy</b>		
P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P02	Attract and stimulate inward investment	<input type="checkbox"/>	<input type="checkbox"/>
P03	Maximise and grow the unique selling points of East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P04	Business partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P05	Support and deliver infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
<b>T02</b>	<b>Enabling our Communities</b>		
P06	Community Partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P07	Taking positive action on what matters most	<input type="checkbox"/>	<input type="checkbox"/>
P08	Maximising health, well-being, and safety in our District	<input type="checkbox"/>	<input type="checkbox"/>
P09	Community Pride	<input type="checkbox"/>	<input type="checkbox"/>
<b>T03</b>	<b>Maintaining Financial Sustainability</b>		
P10	Organisational design and streamlining services	<input type="checkbox"/>	<input type="checkbox"/>
P11	Making best use of and investing in our assets	<input type="checkbox"/>	<input type="checkbox"/>
P12	Being commercially astute	<input type="checkbox"/>	<input type="checkbox"/>
P13	Optimising our financial investments and grant opportunities	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P14	Review service delivery with partners	<input type="checkbox"/>	<input type="checkbox"/>
<b>T04</b>	<b>Delivering Digital Transformation</b>		
P15	Digital by default	<input type="checkbox"/>	<input type="checkbox"/>
P16	Lean and efficient streamlined services	<input type="checkbox"/>	<input type="checkbox"/>
P17	Effective use of data	<input type="checkbox"/>	<input type="checkbox"/>
P18	Skills and training	<input type="checkbox"/>	<input type="checkbox"/>
P19	District-wide digital infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
<b>T05</b>	<b>Caring for our Environment</b>		
P20	Lead by example	<input type="checkbox"/>	<input type="checkbox"/>
P21	Minimise waste, reuse materials, increase recycling	<input type="checkbox"/>	<input type="checkbox"/>

P22	Renewable energy	<input type="checkbox"/>	<input type="checkbox"/>
P23	Protection, education, and influence	<input type="checkbox"/>	<input type="checkbox"/>
XXX	<b>Governance</b>		
XXX	How ESC governs itself as an authority	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>How does this proposal support the priorities selected?</b>			
<p>1 Internal Audit recommendations and advice support a robust corporate governance framework. The work of Internal Audit Services represents a fundamental function in delivering the Council's Corporate Governance responsibilities.</p> <p>2 The implications and benefits of agreed recommendations produced by Internal Audit affect all areas by improving controls and processes, which contribute towards efficient and effective management of services.</p> <p>3 The primary function of Internal Audit reports is to provide independent and objective assurance, supporting the Council's governance, risk management and control processes. Where Internal Audit reports provide assurance on the achievement of business objectives by service areas and within the agreed scope of audit work, these have been recognised as secondary priorities in the above list.</p>			

## Background and Justification for Recommendation

<b>1 Background facts</b>	
1.1	Internal Audit reports are independent, evidence-based documents that provide assurance on the level of governance in operation and a clear roadmap for improvement if required.
1.2	The Internal Audit reports attached have recently been issued to those listed on the report distribution list.

<b>2 Current position</b>	
2.1	The conclusion and assurance level of each Audit is set out in each individual Internal Audit report.
2.2	Full copies of Internal Audit reports are forwarded to the Chief Executive and relevant senior officers, including the Section 151 Officer where appropriate. Full reports are also sent to the relevant Portfolio Holder and all Members of the Audit and Governance Committee once the reports are finalised.
2.3	All agreed recommendations are recorded on a database maintained by Internal Audit. This database provides the Head of Internal Audit with the mechanism to both track and follow up outstanding recommendations. Overdue recommendations which have poor governance implications are reported regularly to the Audit and Governance Committee.

### 3 How to address current situation

3.1	Recommendations relating to the findings arising from each Internal Audit can be seen on the reports, for the consideration of relevant lead officers.
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### 4 Reasons for recommendation

4.1	To ensure that this report is considered within the overall control environment operated within the Council.
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4.2	To enable the Audit and Governance Committee to assure itself that the coverage by Internal Audit as outlined in the Audit Plan is adequate, and to enable the Committee to comment upon the contents of the attached Internal Audit Report in support of effective corporate governance.
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## Appendices

### Appendices:

<b>Appendix A</b>	Disabled Facilities Grant Certification 2022/23
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### Background reference papers:

Date	Type	Available From
2017	Public Sector Internal Audit Standards	Chartered Institute of Public Finance and Accountancy
March 2022	Internal Audit Charter	Head of Internal Audit <a href="mailto:siobhan.martin@eastsoffolk.gov.uk">siobhan.martin@eastsoffolk.gov.uk</a>