

## **INTERNAL AUDIT PROGRESS REPORT 2024/25**

Relevant Portfolio Holder	Councillor S. Colella
Portfolio Holder Consulted	Yes
Relevant Head of Service	Peter Carpenter, S151 Officer
Report Author	Job Title: Head of Internal Audit Shared Service Worcestershire Internal Audit Shared Service Contact email: <a href="mailto:chris.green@worcester.gov.uk">chris.green@worcester.gov.uk</a> Contact Tel: 07542 667712
Wards Affected	All Wards
Ward Councillor(s) consulted	No
Relevant Strategic Purpose(s)	Good Governance & Risk Management underpins all the Strategic Purposes.
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

### **1. RECOMMENDATION**

- 1.1 **The Audit, Standards and Governance Committee notes the report.**

### **2. BACKGROUND**

- 2.1 The purpose of this report is to provide an update of Internal Audit's progress towards meeting its objectives in the audit plan for 2024/25 as approved by the Audit Standards and Governance Committee on 23<sup>rd</sup> May 2024.
- 2.2 The Council has a legal duty to maintain an adequate and effective Internal Audit service. The primary role of Internal Audit is to provide independent assurance that the Council has put in place appropriately designed internal controls to ensure that:
- The Council's assets and interests are safeguarded;
  - Reliable records are maintained;
  - Council policies, procedures and directives are adhered to; and
  - Services are delivered in an efficient, effective and economic manner

- 2.3 The Internal Audit plan for 2024/25 was approved by the Audit, Standards and Governance Committee on 23rd May 2024. Progress against delivery of that plan is set out at Appendix 1. The plan is on track to be delivered.
- 2.4 Over the coming weeks the draft Internal Audit Plan for 2025/26 will be developed. The intention is to update the approach in line with the recent External Quality Assessment by creating an audit 'universe' of all the areas at the Council which could be audited. Broad risk assessments will be carried out taking into account content on the Council's risk register, the climate in which the Council is operating, Council objectives and service plans, and cumulative audit knowledge and experience (CAKE). This will form the basis for discussions with management and development of the draft plan.
- 2.5 In accordance with Internal Audit Standards members of the Audit, Standards & Governance Committee should be consulted as the Internal Audit plan is developed. Members are welcome to highlight areas for consideration by internal audit either at the meeting or by contacting the Head of Internal Audit by 31<sup>st</sup> March 2025.

### **3. Financial Implications**

- 3.1 There are no direct financial implications arising out of this report.

### **4. Legal Implications**

- 4.1 The Council is required under Regulation 6 of the Accounts and Audit Regulations 2018 to "maintain in accordance with proper practices an adequate and effective system of internal audit of its accounting records and of its system of internal control".

To aid compliance with the regulation, the Institute of Internal Auditors Public Sector Internal Audit Standards (as amended) details that "Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes".

### **5. STRATEGIC PURPOSES - IMPLICATIONS**

#### **Relevant Strategic Purpose**

- 5.1 Good governance along with risk management underpin all the Corporate strategic purposes. This report provides an independent assurance over certain aspects of the Council's operations.

### **Climate Change Implications**

5.2 There are no climate change implications arising from this report.

## **6. OTHER IMPLICATIONS**

### **Equalities and Diversity Implications**

6.1 There are no implications arising out of this report.

### **Operational Implications**

6.2 There are no new operational implications arising from this report.

## **7. RISK MANAGEMENT**

The main risks associated with the details included in this report are to:

- Insufficiently complete the planned programme of audit work within the financial year leading to an inability to produce an annual opinion; and,
- Continuous provision of an internal audit service is not maintained.

## **8. APPENDICES and BACKGROUND PAPERS**

Appendix 1 ~ Internal Audit Progress Report