

	<h2>Audit Committee</h2> <h3>19<sup>th</sup> April 2016</h3>
<p style="text-align: center;"><b>Title</b></p>	<p style="text-align: center;"><b>Internal Audit Exception Recommendations Report and Progress Report up to 31<sup>st</sup> March 2016 - ADDENDUM</b></p>
<p style="text-align: center;"><b>Report of</b></p>	<p>Caroline Glitre – Head of Internal Audit</p>
<p style="text-align: center;"><b>Wards</b></p>	<p>N/A</p>
<p style="text-align: center;"><b>Status</b></p>	<p>Public</p>
<p style="text-align: center;"><b>Enclosures</b></p>	<p>Annex B - Internal Audit progress report (up to 31<sup>st</sup> March 2016)</p>
<p style="text-align: center;"><b>Officer Contact Details</b></p>	<p>Caroline Glitre, Head of Internal Audit  <a href="mailto:caroline.glitre@barnet.gov.uk">caroline.glitre@barnet.gov.uk</a>                  020 8359 3721</p>

## Summary

Members are asked to note the progress against internal audit recommendations and work completed to date on the Internal Audit, Corporate Anti-Fraud Team (CAFT) and Risk Management Plan 2015-16 (the Internal Audit Plan 2015-16) and high priority internal audit recommendations.

Detail has been presented within the report on two additional audits that were given 'Limited' assurance but at the time of publication of the main Audit Committee papers were only at 'Draft report' stage. These audits have now been completed and reports issued as final:

		<b>Assurance rating</b>
1	IT Change Management	Limited
2	Schemes of Delegation	Limited

Full copies of 'No' and 'Limited' Assurance audit reports are available on the Barnet website here:

<http://barnet.moderngov.co.uk/ecCatDisplay.aspx?sch=doc&cat=13619&path=0>

## **Recommendations**

- 1. That the Committee note the work completed to date on the Internal Audit Annual Plan 2015-16.**
- 2. That the Committee approve that these findings are included within the Annual Internal Audit Opinion 2015-16.**

### **1. WHY THIS REPORT IS NEEDED**

- 1.1 The Audit Committee's role in receiving this report is to note the overall progress made against the 2015-16 Internal Audit Plan and the high priority recommendations made. In addition, the Audit Committee can inquire of Directors and Assistants Directors as to their progress against recommendations.

### **2. REASONS FOR RECOMMENDATIONS**

- 2.1 The Audit Committee approved the Internal Audit Plan 2015-16 in April 2015 and this report notes the progress against that plan and progress against high priority recommendations.

### **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 Not relevant.

### **4. POST DECISION IMPLEMENTATION**

- 4.1 The Internal Audit Plan 2015-16 will continue to be delivered as reported to the Audit Committee with recommendations implemented in line with the report.

### **5. IMPLICATIONS OF DECISION**

#### **5.1 Corporate Priorities and Performance**

- 5.1.1 All internal audit and risk management planned activity is aligned with the Council's objectives set out in the Corporate Plan 2015-2020, and thus supports the delivery of those objectives by giving an auditor judgement on the effectiveness of the management of the risks associated with delivery of the service.

#### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 When risk, and assurances that those risks are being well managed, is analysed alongside finance and performance information it can provide management with the ability to measure value for money.

5.2.2 The Internal Audit Plan 2015-16 agreed by the Audit Committee is being achieved from Internal Audit's current budget.

### 5.3 **Legal and Constitutional References**

5.3.1 There are no legal issues in the context of this report.

5.3.2 The Council's Constitution, Responsibilities for Functions - the Audit Committee terms of reference paragraph 2 states that the Committee can consider summaries of specific internal audit reports as requested.

### 5.4 **Risk Management**

5.4.1 All Internal Audit activity is directed toward giving assurance about risk management within the areas examined. By so doing the aim is to help maximise the achievement of the Council's objectives. Internal Audit does this by identifying areas for improvement and agreeing actions to address the weaknesses.

5.4.2 Internal Audit work contributes to increasing awareness and understanding of risk and controls amongst managers and thus leads to improving management processes for securing more effective risk management.

### 5.5 **Equalities and Diversity**

5.5.1 Effective systems of audit, internal control and corporate governance provide assurance on the effective allocation of resources and quality of service provision for the benefit of the entire community. Individual audits assess, as appropriate, the differential aspects on different groups of individuals to ensure compliance with the Council's duties under the 2010 Equality Act.

### 5.6 **Consultation and Engagement**

5.6.1 N/A

## 6. **BACKGROUND PAPERS**

6.1 Audit Committee 11 March 2010 (Decision Item 11) - the Committee accepted that there would be progress reports to all future meetings of the Committee and, that for all "limited" or "no assurance" audits, there should be a brief explanation of the issues identified.

<http://barnet.moderngov.co.uk/Data/Audit%20Committee/201003111900/Agenda/Document%208.pdf>

6.2 Audit Committee 21 September 2010 (Decision Item 7) – the Committee agreed that where an audit had limited assurance that greater detail be provided than previously.

<http://barnet.moderngov.co.uk/Data/Audit%20Committee/201009211900/Agenda/Document%203.pdf>