

	<p>Audit Committee</p> <p>30th January 2017</p>
<p>Title</p>	<p>Internal Audit Exception Recommendations and Progress Report Q3 1st October – 31st December 2016</p>
<p>Report of</p>	<p>Caroline Glitre, Head of Internal Audit</p>
<p>Wards</p>	<p>Not Applicable</p>
<p>Status</p>	<p>Public</p>
<p>Urgent</p>	<p>No</p>
<p>Enclosures</p>	<p>Appendix 1 - Internal Audit progress report Q3 covering the period 1st October – 31st December 2016 Appendix 2 - IT Change Management Follow-Up Phase 2 audit</p>
<p>Key</p>	<p>No</p>
<p>Officer Contact Details</p>	<p>Caroline Glitre, Head of Internal Audit caroline.glitre@barnet.gov.uk 020 8359 3721</p>

<p>Summary</p>
<p>Members are asked to note the progress against The Internal Audit Plan 2016-17 that was approved by the Audit Committee on the 19th April 2016.</p>
<p>The full IT Change Management Follow-Up Phase 2 audit report is included as Appendix 2.</p>

Recommendations

- 1. That the Committee note the work completed to date on the Internal Audit Annual Plan 2016-17 and progress against high priority recommendations.**
- 2. That the Committee note the Internal Audit Follow-up Report - IT Change Management Phase 2.**

1. WHY THIS REPORT IS NEEDED

- 1.1 The Audit Committee's role in receiving this report is to note the progress made to date against the 2016-17 Internal Audit Plan. The report includes details of audit reports with 'limited' or 'no assurance' which are summarised into key messages with some detail along with the progress of implementation of previous high priority recommendations made. In addition, the Audit Committee can inquire of Directors and Assistants Directors (or equivalent grade) as to their progress against recommendations.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The Audit Committee approved the Internal Audit Plan 2016-17 in April 2016 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 2016-17 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 internal audit findings are analysed alongside finance and performance information it can provide management with the ability to assess value for

money.

5.2.2 The Internal Audit Plan 2016-17 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>

6.3 Audit Committee 17 February 2011 (Decision Item 7) – the Committee (i) agreed that a report would be prepared quarterly regarding those internal audit recommendations not implemented (ii) requested that the table of priority 1 recommendations should in future indicate what date recommendations were made to service areas and the implementation date.

<http://barnet.moderngov.co.uk/Data/Audit%20Committee/201102171900/Agenda/Document%204.pdf>

6.4 Audit Committee 19 April 2016 (Decision Item 9) – the Audit committee approved the Internal Audit and Anti-Fraud Strategy and Annual Plan 2016-17

<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=144&MId=8416&Ver=4>

