



**COMMITTEE TITLE: AUDIT AND SCRUTINY**

**DATE: 26 September 2023**

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| <b>REPORT TITLE:</b> | Internal Audit Progress Report                                 |
| <b>REPORT OF:</b>    | Tim Willis, Interim Director Resources and Section 151 Officer |

**REPORT SUMMARY**

This report is intended to inform the Audit and Scrutiny Committee of progress made against the internal audit plan.

The following reports have been finalised since the last Committee meeting:

- Partnership with Rochford District Council 2022/23 (Moderate/Substantial)
- Car Parking 2023/24 (Moderate/Moderate)
- Tree Management 2023/24 (Limited/Limited)

**RECOMMENDATIONS**

To note the progress made against the internal audit plan and the findings from the audits completed since the last Committee meeting.

**SUPPORT ING INFORMATION**

**1.0 REASONS FOR RECOMMENDATIONS**

Internal audit is required to report the findings of their work to the Council, through the Audit and Scrutiny Committee.

**2.0 OTHER OPTIONS CONSIDERED**

None.

**3.0 BACKGROUND INFORMATION**

BDO has been the appointed Internal Auditor for the Council since 1 April 2014.

Their work complies with Public Sector Internal Audit Standards. As part of the audit approach, they agreed terms of reference for each piece of work with the risk owner, identifying the headline and sub-risks which were covered as part of each assignment. This approach is designed to enable internal audit to give assurance on the risk management and internal control processes in place in the Council to mitigate the risks identified.

The Audit and Scrutiny Committee approved the 2023/24 annual audit plan in March 2023. The progress against plan is reported at every Audit and Scrutiny Committee meeting.

### **Progress report**

The following final internal audit reports have been issued since the last Committee meeting and internal audit's overall conclusions are set out below. Further details included in Appendix A – Internal Audit Progress Report.

#### **Partnership with Rochford District Council (Moderate/Substantial)**

The One Team Transformation Programme is supported by a sound Section 113 agreement, Programme Delivery Methodology, Service Review Phasing Plan, a Programme Board and a Project Team. In addition, there has been comprehensive and regular communication and engagement with staff regarding the programme.

These governance arrangements are operating effectively, reasonable progress is being made with service reviews and the programme risks are being monitored and managed.

There is, however, scope to improve governance arrangements by developing KPIs to measure the impact and effectiveness of the joint services that are currently being implemented, and by implementing data sharing agreements between the Councils for particular joint services.

We have raised two medium priority recommendations on these issues and a further two low priority recommendations.

Consequently, we provide moderate assurance on the design of controls and substantial assurance on the operating effectiveness of the controls that are in place.

#### **Car Parking (Moderate/Moderate)**

The Parking team have some well-designed and effective controls to ensure parking prices are reviewed and applied correctly across its car parks. An appropriate and approved strategy is also in place, supported by planned actions for the upcoming year.

There are some areas which could be improved, to address the absence of documented procedures for the service and supporting evidence uploaded to the Chipside system to confirm actions taken.

We have raised four medium and two low priority recommendations.

We have therefore concluded a moderate assurance for both the design of the control framework and effectiveness of the controls that are in place.

#### **Tree Management (Limited/Limited)**

Overall, whilst the service is keen to improve, we identified a number of significant concerns with current performance.

Most notably, the Council is accepting a high level of risk regarding the absence of a proactive inspections programme, coupled with ineffective management of reactive inspections.

We have raised four high and three medium priority recommendations.

We have therefore concluded limited assurance over both the design of the control framework and the effectiveness of the controls in place.

### **Follow up report**

A summary of outstanding recommendations from previous audits is included in Appendix B – Internal Audit Follow Up Report.

This is regularly monitored by Senior Officers and will be followed up again ahead of the next Audit and Scrutiny Committee, along with other recommendations due by the Committee date.

## **4.0 FINANCIAL IMPLICATIONS**

**Name & Title: Tim Willis, Director – Resources & Section 151 Officer**  
**Tel & Email: 01277 312500 / [tim.willis@brentwood.rochford.gov.uk](mailto:tim.willis@brentwood.rochford.gov.uk)**

There are no direct financial implications arising from the report.

## **5.0 LEGAL IMPLICATIONS**

**Name & Title: Andrew Hunkin, Director – People & Governance & Monitoring Officer**  
**Tel & Email 01277 312500 / [andrew.hunkin@brentwood.rochford.gov.uk](mailto:andrew.hunkin@brentwood.rochford.gov.uk)**

There are no direct legal implications arising from the report.

## **6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

There are no direct resource implications arising from the report.

## **7.0 RELEVANT RISKS**

There are no direct risks arising from the report. The internal audit programme of work is designed to review risk areas within the Council.

## **8.0 ENGAGEMENT/CONSULTATION**

Not applicable.

## **9.0 EQUALITY IMPLICATIONS**

**Name & Title: Kim Anderson, Corporate Manager - Communities, Leisure and Health**  
**Tel & Email 01277 312500 [kim.anderson@brentwood.gov.uk](mailto:kim.anderson@brentwood.gov.uk)**

There are no direct equality implications arising from the report.

## 10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

**Name & Title: Phil Drane, Director - Place**

**Tel & Email 01277 312500 / phil.drane@brentwood.rochford.gov.uk**

There are no direct environment and climate change implications arising from the report.

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### APPENDICES

Appendix A: Internal Audit Progress Report

Appendix B: Internal Audit Follow Up Report

### BACKGROUND PAPERS

None.

### SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|-----------------|------|
| Not applicable. |      |