

**Bolsover District Council**

**Audit Committee**

**27th April 2021**

**Internal Audit Consortium Summary of Progress on the 2020/21 Internal Audit Plan**

**Report of the Internal Audit Consortium Manager**

**Classification:** This report is public

**Report By:** Internal Audit Consortium Manager

**Contact Officer:** Jenny.Williams@ne-Derbyshire.gov.uk

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**PURPOSE / SUMMARY**

To present, for members' information, progress made by the Internal Audit Consortium in respect of the 2020/21 Internal Audit Plan.

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**RECOMMENDATIONS**

1. That the report be noted.

Approved by the Portfolio Holder – Councillor Clive Moesby

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**IMPLICATIONS**

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**Finance and Risk:** Yes  No

**Details:**

Internal audit reviews help to ensure that processes and controls are operating effectively thereby contributing to ensuring that value for money is obtained.

On Behalf of the Section 151 Officer

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**Legal (including Data Protection):** Yes  No

**Details:**

The core work of internal audit is derived from the statutory responsibility under the Accounts and Audit Regulations 2015 which requires the Council to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking in to account the Public Sector Internal Audit Standards or guidance”.

On Behalf of the Solicitor to the Council

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**Staffing:** Yes  No

**Details:**

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On behalf of the Head of Paid Service

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## DECISION INFORMATION

Decision Information	
<b>Is the decision a Key Decision?</b> A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds:  <b>BDC:</b> Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input checked="" type="checkbox"/> <b>NEDDC:</b> Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies	No
<b>Is the decision subject to Call-In?</b> (Only Key Decisions are subject to Call-In)	No
<b>District Wards Significantly Affected</b>	None
<b>Consultation:</b> Leader / Deputy Leader <input type="checkbox"/> Cabinet / Executive <input type="checkbox"/> SAMT <input type="checkbox"/> Relevant Service Manager <input checked="" type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Yes  Details: Ward Members

**Links to Council Ambition (BDC)/Council Plan (NED) priorities or Policy Framework including Climate Change, Equalities, and Economics and Health implications.**

Internal audit reviews help to ensure that the Council is delivering high quality, cost effective services.

## REPORT DETAILS

### 1 Background

1.1 The Public Sector Internal Audit Standards require that the Internal Audit Consortium Manager reports periodically to the Audit Committee in respect of

performance against the audit plan. Significant risk and control issues should also be reported.

## 2. Details of Proposal or Information

2.1 Appendix 1 is a summary of reports issued between the 1st January 2021 and the 9th April 2021. The Appendix shows for each report the level of assurance given and the number of recommendations made / agreed where a full response has been received. This provides an overall assessment of the system's ability to meet its objectives and manage risk. The definitions of the assurance levels used can be seen in the table below:-

<b>Assurance Level</b>	<b>Definition</b>
<b>Substantial Assurance</b>	There is a sound system of controls in place, designed to achieve the system objectives. Controls are being consistently applied and risks well managed.
<b>Reasonable Assurance</b>	The majority of controls are in place and operating effectively, although some control improvements are required. The system should achieve its objectives. Risks are generally well managed.
<b>Limited Assurance</b>	Certain important controls are either not in place or not operating effectively. There is a risk that the system may not achieve its objectives. Some key risks were not well managed.
<b>Inadequate Assurance</b>	There are fundamental control weaknesses, leaving the system/service open to material errors or abuse and exposes the Council to significant risk. There is little assurance of achieving the desired objectives.

2.2 In this period 5 reports have been issued 4 with substantial assurance and 1 with reasonable assurance.

2.3 Reports are issued as Drafts with five working days being allowed for the submission of any factual changes, after which time the report is designated as a Final Report. Fifteen working days are allowed for the return of the Implementation Plan.

2.4 In respect of the audits being reported, it is confirmed that no issues arising relating to fraud were identified.

2.5 Appendix 2 shows the 2020/21 internal audit plan and details the audits that have been completed and those in progress. Where audits will not be completed this financial year they have been considered for inclusion in the 2021/22 internal audit plan following a risk assessment exercise and consultation with the Strategic Alliance Management Team.

### **3 Reasons for Recommendation**

- 3.1 To inform Members of progress on the 2020/21 Internal Audit Plan and to provide details of the Audit Reports issued to date.
- 3.2 To comply with the requirements of the Public Sector Internal Audit Standards.

### **4 Alternative Options and Reasons for Rejection**

- 4.1 None

## **DOCUMENT INFORMATION**

<b>Appendix No</b>	<b>Title</b>
Appendix 1	Summary of Internal Audit reports issued in respect of the 2020/21 Internal Audit Plan between the 1st January 2021 and the 9th April 2021
Appendix 2	Progress on the 2020/21 Internal Audit Plan
<b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Click here to enter text.	