

Bolsover District Council

Meeting of the Audit Committee on 22nd January 2025

Summary of Progress on the 2024/25 Internal Audit Plan

Report of the Portfolio Holder for Resources

Classification	This report is public
Contact Officer	Jenny Williams – Head of the Internal Audit Consortium

PURPOSE/SUMMARY OF REPORT

To present for Members' information a progress report in respect of the 2024/25 Internal Audit Plan.

REPORT DETAILS

1. Background

1.1 The Public Sector Internal Audit Standards require that the Head of the Internal Audit Consortium 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 September to December 2024 in respect of the 2024/25 Internal Audit Plan. This includes a summary of the reports issued in respect of Dragonfly Development Ltd.

2.2 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. The assurance levels have also now been linked to definitions of risk within the risk management strategy.

Assurance Level	Internal Audit Definition	Risk Register Link
Substantial Assurance	There is a sound system of controls in place, designed to achieve the system objectives. Controls are being consistently applied and risks well managed.	Minor / negligible impact
Reasonable Assurance	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.	Minor / moderate
Limited Assurance	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.	Moderate / Severe Impact
Inadequate Assurance	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.	Catastrophic Impact

2.3 In this period 4 reports have been issued 2 with Substantial and 2 with reasonable Assurance. In respect of Dragonfly Development Ltd 2 reports have been issued both with substantial assurance.

2.4 No issues arising relating to fraud were identified.

2.5 Appendix 2 provides details of progress on the 2024/25 Internal Audit Plan. Progress against the plan is behind schedule due to the time gap whilst recruiting a new Auditor and also increased training demands as both Auditors are still relatively new. It is still anticipated that sufficient work will be completed to enable an unlimited audit opinion to be given.

3. Reasons for Recommendation

3.1 To inform Members of progress on the 2024/25 Internal Audit Plans 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 N/A

RECOMMENDATION

That the report be noted.

IMPLICATIONS:

<u>Finance and Risk</u> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
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		
<u>Legal (including Data Protection)</u> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
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		
<u>Staffing</u> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
Details: On behalf of the Head of Paid Service		
<u>Equality and Diversity, and Consultation</u> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
Details: N/A		
<u>Environment</u> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
Please identify (if applicable) how this proposal/report will help the Authority meet its carbon neutral target or enhance the environment. Details: N/A		

DECISION INFORMATION

<p><input checked="" type="checkbox"/> Please indicate which threshold applies:</p> <p>Is the decision a Key Decision? A Key Decision is an Executive decision which has a significant impact on two or more wards in the District or which results in income or expenditure to the Council above the following thresholds:</p> <p>Revenue (a) Results in the Council making Revenue Savings of £75,000 or more or (b) Results in the Council incurring Revenue Expenditure of £75,000 or more.</p> <p>Capital (a) Results in the Council making Capital Income of £150,000 or more or (b) Results in the Council incurring Capital Expenditure of £150,000 or more.</p> <p>District Wards Significantly Affected: <i>(to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the District)</i> Please state below which wards are affected or tick All if all wards are affected:</p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>(a) <input type="checkbox"/> (b) <input type="checkbox"/></p> <p>(a) <input type="checkbox"/> (b) <input type="checkbox"/></p> <p>All <input type="checkbox"/></p>
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<p>Is the decision subject to Call-In? <i>(Only Key Decisions are subject to Call-In)</i></p> <p>If No, is the call-in period to be waived in respect of the decision(s) proposed within this report? <i>(decisions may only be classified as exempt from call-in with the agreement of the Monitoring Officer)</i></p> <p>Consultation carried out: <i>(this is any consultation carried out prior to the report being presented for approval)</i></p> <p>Leader <input type="checkbox"/> Deputy Leader <input type="checkbox"/> Executive <input type="checkbox"/> SLT <input type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/></p>	<p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
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<p>Links to Council Ambition: Customers, Economy, Environment, Housing</p>
<p>Internal audit reviews help to ensure that the Council is delivering high quality, cost effective services.</p>

DOCUMENT INFORMATION

Appendix No	Title
1	Summary of Internal Audit reports issued September to December 2024
2	Progress on the 2024/25 Internal Audit Plan

Background Papers
<i>(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 Executive you must provide copies of the background papers).</i>