

Wednesday, 5 February 2025

Report of the Interim Audit Manager

Internal Audit Quarterly Progress Report - Q3 2024/25

Exempt Information

None.

Purpose

To provide Audit & Governance Committee with internal audit's progress report for the period to 31 December 2024.

Recommendations

It is recommended that the Committee notes the following report:

- Internal Audit's Quarterly Progress Report (Q3) at **Appendix 1**.

Executive Summary

The Accounts and Audit Regulations 2015 require councils to undertake an effective internal audit to evaluate effectiveness of their risk management, control and governance processes, taking into account the Public Sector Internal Audit Standards and guidance.

Progress during Quarter 3 of 2024/25 is contained and detailed in **Appendix 1** to this report. The profiled audit plan completion was expected to be 81% of the audit plan by 31 December 2024. During Quarter 3 of 2024/25 we have completed 35% of the overall plan

Performance is below target, largely due to staff sickness absence, increased time spent on non-planned audit activity (advice / irregularity). The service has been unable to recruit a permanent replacement for the Audit Manager post (post holder left mid December 2024). Interim support has since been brought in and work is now underway to complete as many of the remaining audits as possible by existing staff and BDO (internal audit's contracted partner). Performance against internal audit's performance measures will also be strengthened during Q4 (section 6). Resources have been reallocated to use BDO as a general audit provider for the remainder of the year and they have now completed the scoping and briefing of their audits with management. Additional work is underway but this may impact on achieving 90% of the audit plan by 31st March 2025.

The Committee passed a resolution at November's Committee that officers responsible for any overdue high priority actions are invited to assist the Committee in understanding issues affecting progress. Overdue high priority actions are detailed within the report at Appendix 1 for the Committee's consideration.

Options Considered

None applicable.

Resource Implications

None applicable.

Legal/Risk Implications Background

Failure to report would lead to non-compliance with the requirements of the Annual Governance Statement and the Public Sector Internal Audit Standards.

Equalities Implications

Equality, Social Inclusion and Health Impact Assessment (ESHIA) completed at **Appendix 2**.

Environment and Sustainability Implications (including climate change)

None.

Background Information

The Accounts and Audit Regulations 2015 require councils to undertake an effective internal audit to evaluate effectiveness of their risk management, control and governance processes, taking into account the Public Sector Internal Audit Standards and guidance. In receiving this quarterly progress report, the Committee is able to support the Council in discharging this requirement.

Report Author

Rebecca Neill – Interim Audit Manager
rebecca.neill@tamworth.gov.uk

List of Background Papers

Appendices

Appendix 1 – Internal Audit Quarter Progress Report Q3 2024/25.
Appendix 2 – EQSHIA