

INTERNAL AUDIT PROGRESS REPORT

MALDON DISTRICT COUNCIL

DECEMBER 2020

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CONTENTS

	Page
Summary of 2020/21 Work	3
Review of 2020/21 Work	5

SUMMARY OF 2020/21 WORK

This report is intended to inform the Performance, Governance & Audit Committee of progress made against the 2020/21 internal audit plan. It summarises the work we have done, together with our assessment of the systems reviewed and the recommendations we have raised. Our work complies with Public Sector Internal Audit Standards. As part of our audit approach, we have agreed terms of reference for each piece of work with the risk owner, identifying the headline and sub-risks, which have been covered as part of the assignment. This approach is designed to enable us to give assurance on the risk management and internal control processes in place to mitigate the risks identified.

Internal Audit Methodology

Our methodology is based on four assurance levels in respect of our overall conclusion as to the design and operational effectiveness of controls within the system reviewed. The assurance levels are set out in Appendix 1 of this report, and are based on us giving either "substantial", "moderate", "limited" or "no". The four assurance levels are designed to ensure that the opinion given does not gravitate to a "satisfactory" or middle band grading. Under any system we are required to make a judgement when making our overall assessment.

As a result of the impact of Covid-19 there have been some delays to the start of the 20/21 plan. We have been working with officers to minimise these and to agree audits that can be done remotely by our team. We have agreed timings on all remaining audits and our work has recommenced accordingly. The 20/21 Audit Plan will need to be flexible to accommodate new risks resulting from Covid-19; we will agree any proposed changes with the Director of Resources and the Performance, Governance and Audit Committee (PGA).

2020/21 Internal Audit Plan

The following audits have been issued in final:

- Workforce Management
- Information Management

The following audits are in the fieldwork stage:

- IFRS 16- As previously reported, our support to the Council on IFRS16 is impacted by the national delay in implementation for local authorities. We have provided a project plan for officers and invited them to our forthcoming technical seminars. That concludes the work we are able to perform this financial year.

The following audits are scheduled (confirmed with management):

- Financial systems (Payroll)- fieldwork scheduled January 2021
- Knowledge Management- fieldwork scheduled January 2021

Other Reports for this Committee

- Follow Up of Internal Audit Recommendations
- Sector Update

REVIEW OF 2020/21 WORK

Audit Area	Planning	Original Fieldwork	Revised date (due to CV19)	Reporting	Opinion	
					Design	Effectiveness
Financial Systems (Payroll)	✓	Q2	Q3	March 2021		
Customer Service- CRM Post Implementation		Q2	Q4	March 2021		
Communications & Stakeholder Management	✓	Q1	Q4	March 2021		
Information Management	✓	Q1	Q3- w/c 16 th October	Jan 2021	Moderate	Moderate
Workforce Management	✓	Q2	Q2- w/c 22 nd September	January 2021	Substantial	Substantial
Safeguarding	✓	Q1	Q2- 24 th July 2020	November 2021	Moderate	Moderate
Knowledge Management & Transfer	✓	Q4	Q2- w/c 10 th August	February 2021		
Management of Property		Q4	Q4	February 2021		
Housing Needs and Affordable Housing		Q4	Q4	March 2021		
CIPFA FM Code Readiness	✓	N/A	Q3	Nov 2020	Substantial	Substantial
IFRS 16 Readiness	✓	N/A	Q3	Jan 2021		

FOR MORE INFORMATION:

EMMA DONNELLY

+44 (0)7923030487
Emma.Donnelly@bdo.co.uk

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