



**Brent**

**Audit and Standards Advisory  
Committee  
22 September 2021**

**Report from the Director of Legal  
HR Audit and Investigations**

**Internal Audit Progress Report for the period April – September 2021**

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Non-Key
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>No. of Appendices:</b>	Three Appendix A Completed Audits for the period May to November 2020 Appendix B Audits currently in progress Appendix C Completed audit follow up reviews
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Colin Garland, Internal Audit Manager Tel: 07557 176522 <a href="mailto:Colin.Garland@Brent.gov.uk">Colin.Garland@Brent.gov.uk</a>

**1. Purpose of Report**

- 1.1. This report provides an update on progress against the Internal Audit Plan for the period 1 April 2021 to September 2021.

**2. Recommendations**

- 2.1. The Committee note the content of the report.

**3. Internal Audit Performance**

- 3.1 During this period, Internal Audit have:

- Completed 13 audit reviews;
- Conducted ongoing advisory work on the Oracle Cloud Project;
- Issued a further three draft reports which are awaiting management responses;
- Completed four follow up reviews;

- Carried out three school audits;
- Completed grant claim certifications for the Troubled Families Programme.

The team has also been able to react to urgent management requests when required. Further details are set out below.

- 3.2 A Principal Auditor left the Council in May. In August, the Head of Audit and Investigations departed. His replacement is due to start on 25 October. The team continues to be supplemented by a contracted resource from PWC.

### **Audit Work Undertaken**

- 3.3 The Internal Audit Plan for 2021/22 initially comprised 37 audits excluding school reviews, follow-ups and advisory work.
- 3.4 13 audits have been completed during this period (this included eleven that commenced in 2020/21). A further three draft reports have been issued awaiting a response from management. A further three audits are nearing completion or are in progress and a further two have had terms of reference agreed prior to beginning fieldwork.
- 3.5 Details of the audits and the key findings are set out in Appendix A. Details of the audits currently in progress are set out in Appendix B.
- 3.6 The Council has a programme to migrate from the existing finance, procurement and HR/Payroll system to a single Oracle Cloud solution. Audit are carrying out a real time review to provide assurance on the controls and governance of the programme. In a separate audit work stream auditors provided ongoing advice and guidance in respect of UAT, risk and controls to each of the HR, Procurement and Finance work streams.

### **Follow up Reviews**

- 3.7 As part of the audit process, follow-up reviews are carried out to ensure that agreed management actions in respect of significant risks have been implemented.
- 3.8 During the period, four follow up reviews have been completed. A further eight are currently in progress. Details of the completed follow up reviews are set out in Appendix C.
- 3.9 Of the four completed, two had high-risk actions that had been partially or not implemented. These will be further followed up to ensure they have been satisfactorily implemented and details are included in Appendix C.

46 management actions have been reviewed:

Implemented	Partially Implemented	Not Implemented	No Longer Relevant
27	15	4	0

- 3.10 Revised completion dates have been agreed with management where actions remain partially or not implemented. Audit will revisit to confirm implementation where appropriate.

### **Schools**

- 3.11 The program of school audits focuses on governance, financial processes and accompanying back office resources. 10 school audits are scheduled to be carried out together with one follow up review of an audit completed in 2020/21.
- 3.12 Due to the pandemic we continue to carry out a revised approach; reviewing documentation remotely and carrying out virtual meetings with the school to discuss any issues arising. This may revert later in the year.
- 3.13 Three school audits have been undertaken this period. One draft report has been issued. Completion of the other two audits have been delayed due to difficulties in obtaining documentation from the schools. A further five school audits are planned for quarter three and the remaining two in quarter four.
- 3.14 Internal Audit continue to attend the School Information Exchange meetings to discuss the audit process, key risk areas and any other concerns raised by schools.

### **Customer Satisfaction**

- 3.15 Management are asked to provide feedback on individual audits completed and the feedback is incorporated into the continuous improvement of the service. Questionnaires issued at the end of each audit ask the auditees to provide feedback on areas including usefulness of the audit, quality of the report and usefulness of any recommendations made.
- 3.16 Three questionnaires have been returned during this period. All responses were very positive with 100% of scores either very satisfied or satisfied.

## **4. Financial Implications**

The report is for noting and so there are no direct financial implications

## **5. Legal Implications**

The report is for noting and so there are no direct legal implications

## **6. Equality Implications**

None

## **7. Consultation with Ward Members and Stakeholders**

None

**Report sign off:**

**Debra Norman, Director of Legal HR Audit and Investigations**