

Audit and Governance Committee



Date of meeting:	29 September 2022
Title of Report:	Audit Actions Review
Lead Member:	Cllr Mark Shayer
Lead Strategic Director:	Brendan Arnold, Service Director for Finance
Author:	Paul Looby, Head of Financial Planning & Reporting
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Your Reference:	PL/AC/
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

To provide the Committee with an update on the tracking of Audit recommendations from Grant Thornton and Devon Audit Partnership.

Recommendations and Reasons

Members of the Audit and Governance Committee to note the content of the report.

Reason: To update members on audit recommendations.

Alternative options considered and rejected

None as the Committee agreed to receive an update of all audit recommendations.

Relevance to the Corporate Plan and/or the Plymouth Plan

The implementation of all agreed audit recommendations are fundamentally linked to delivering the priorities within the Council's Corporate Plan and assists with ensuring limited resources are allocated to priorities which will maximise the benefits to the residents of Plymouth.

Implications for the Medium Term Financial Plan and Resource Implications:

Delivery of the audit plan will assist the Council in delivering value for money services.

Carbon Footprint (Environmental) Implications:

No direct carbon/environmental impacts arising from the recommendations.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

Implementation of agreed audit recommendations is an intrinsic element of the Council's overall corporate governance, risk management and internal control framework.

Appendices

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
I	Devon Audit Partnership Audit							

Background papers:

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

Sign off:

Fin	ba.22. 23.220	Leg	EJ/3885 1/20.9.2 2/2	Mon Off	Click here to enter text.	HR	Click here to enter text.	Assets	Click here to enter text.	Strat Proc	Click here to enter text.
Originating Senior Leadership Team member Brendan Arnold, Service Director Finance & S151											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed 16/09/2022											
Cabinet Member approval: Cllr Mark Shayler											
Date approved: 16/09/2022											

Audit Action Review

I. Introduction

- I.1 Audit Committee has agreed to receive regular reports which set track the completion of agreed recommendations to improve controls and minimise exposure to risk. This will provide ongoing assurance to Senior Management and Members (Audit & Governance Committee) that scheduled actions are taking place. As previously reported the Council recognises and responds promptly and effectively to the independent assurance work completed by our external auditors, Grant Thornton (GT) and our internal auditors, Devon Audit Partnership (DAP).
- I.2 There are no outstanding audit recommendations for Grant Thornton. The completion of internal audit recommendations are shown in Appendix one.

Status of Internal Audit Recommendations June '22

The chart to the right provides an overall breakdown of progress made by management in implementing audit recommendations. The pie chart shows the figures in percentage format and the legend details the actual numbers.

Not all recommendations can be quickly and easily implemented with some having other, longer dependencies which have to be addressed, before the recommendation can be actioned.

In addition to the 60 recommendations showing as fully implemented (including those where no further action is to be taken), management responses received indicate that a further 21 recommendations are currently work in progress (partially implemented). See table 1 below for breakdown across audits.

Of the 80 recommendations not yet implemented, it should be noted that 19 (24%) are the result of five audit reviews where management actions have only been agreed in quarter 1 of the current year (22/23). Table 2 below provides a brief summary of all of the recommendations which are now overdue (including those which have been partially implemented), based on the target date provided by management when the draft report was finalised.

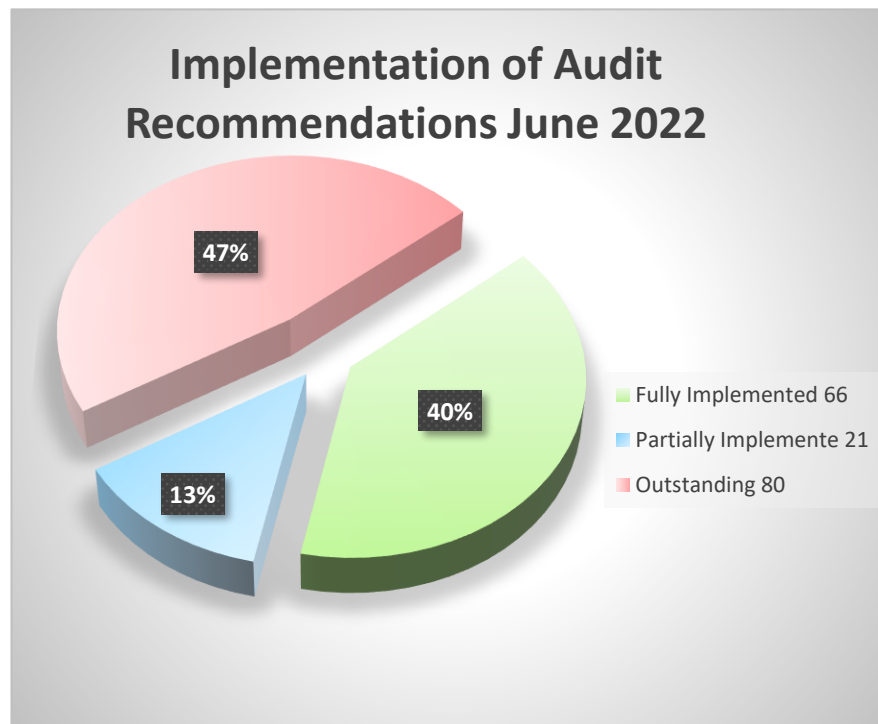


Table I

Audits	Total Number of Recommendations	Fully Implemented	No Further Action	Partially Implemented	Not Yet Implemented
Council Tax	4				4
Creditors	6	4		2	
Sundry Debtors **	7				7
Main Accounting System **	4			1	3
Business Rates **	4				4
Treasury Management **	1				1
Commercial Properties	2	2			
Capital Programme	11	5		1	5
Purchasing Cards	11	8		1	2
Electoral Registration (Follow-Up)	4	3			1
Special Guardianship Orders	36	22		13	1
Street Lighting	14	10		2	2
Risk Management	3				3
CYPF Additional Spend	9				9
Public Burial Administration **	3				3
Disclosure & Barring Service	14				14
		Continued on next page			

IR35 Off-Payroll Working	7				7
SEND Contracts	10	1			9
Commercial Waste	11	3	5*	1	2
Software Licensing	6	2	1		3
TOTAL	167	60	6	21	80

* Commercial Waste – 5 recommendations related to IT systems / tools. Management have discussed our suggestions more broadly but it has been determined that they are not able to make them a priority at this time. Audit understand the pressures faced by the Service and accept this response.

** Reports finalised and agreed in quarter 1.

Table 2

Audits	Overdue Recommendations	Summary Update
Creditors	2	Due to work pressures, implementation has not been as originally planned but it is continuing to progress.
Capital Programme	6	The review of the capital programme governance arrangements is underway following a recruitment process to fill the vacancy, Business Partner for Capital. It should be noted that the recommendations outstanding are all low propriety.
Purchasing Cards	3	Two actions are linked to a broader review of policy and the third has been delayed due to the Finance Restructure.
Electoral Registration	2	Further work is needed to investigate the options and the best means of fulfilling the recommendations.
Special Guardianship Orders	14	Whilst progress has been made, the outstanding actions relate to the implementation of the SG service redesign. A paper due setting out the final proposals due to go before the Departmental Management Team (DMT) in June has had to be updated to incorporate the findings of a recent Judicial Review. The paper will now go to DMT in September 2022.
Street Lighting	4	A range of structure and personnel changes have delayed progress and it is now envisaged that recommendations will be fulfilled October 2022
		Continued on next page

CYPF Additional Spend	4	Eclipse Project Delivery and personnel changes have impacted delivery of recommendations and liaison with Internal Audit respectively.
Commercial Waste	1	The Commercial Waste Strategy is nearing completion. It is a 5-year plan and covers all the ambitions, opportunities and actions for the Commercial Waste Service. It is anticipated that this document will be completed by the end of October 2022.
TOTAL	36	