



Selby District Council

Internal Audit Progress Report 2020/21

Audit Manager:
Head of Internal Audit:
Date:

Ed Martin
Max Thomas
21 April 2021

Background

- 1 The work of internal audit is governed by the Accounts and Audit Regulations 2015 and the Public Sector Internal Audit Standards (PSIAS). In accordance with the standards, the Head of Internal Audit is required to regularly report progress on the delivery of the internal audit plan to the Audit and Governance Committee and to identify any emerging issues which need to be brought to the attention of the Committee.
- 2 Members approved the 2020/21 Internal Audit Plan at their meeting on 29th July 2020. This was delayed due to Covid-19 and the plan included an allocation of time for work in response to Covid-19. The total number of planned days for delivery of internal audits in 2020/21 was 235 days. There is also an allocation of 25 days for risk management.

Internal Audit Work In Progress 2020/21

- 3 Annex 1 summarises the work in progress for the 2020/21 plan. Fieldwork has recently been completed or is in progress for 9 audits. It is expected that draft reports for these audits will be issued during April 2021 with the intention of finalising the reports ahead of the next report to this committee.
- 4 Priority has been given to the main financial system audits and work is underway or complete in each of these areas.
- 5 All audits are currently being carried out remotely through virtual meetings held with officers. It has continued to be a challenge to deliver audits during this period due to the availability of officers. As a result, two audits (Health & safety and Data quality) previously reported to the committee as in progress have been deferred and will be considered for inclusion in the 2021/22 programme of work.

Follow up of agreed actions

- 6 It is important that agreed actions are formally followed-up to ensure that they have been implemented. However, during the ongoing Covid-19 pandemic, given the additional demands on officers, Veritau has agreed with management to take a pragmatic approach to follow up work. We have therefore concentrated resources on following up higher priority actions. Completion of lower priority actions has continued to be monitored but less active follow up work has been undertaken.
- 7 This report highlights to the committee where priority 1 and priority 2 actions agreed as part of previous audit have implementation dates revised by more than 12 months from those originally agreed (see Annex 2).
- 8 The annual Head of Internal Audit report, which will be brought to the next meeting of this committee, will provide a full summary of outstanding actions and details of actions agreed as part of 2020/21 audit work.

2020/21 Audits

Audit	Status
<u>Corporate Risk Register</u>	
Health and Safety	Deferred to 21/22
<u>Financial Systems</u>	
Council Tax & NNDR	Fieldwork completed
Benefits	Fieldwork in progress
Creditors	Fieldwork in progress
General Ledger	Draft report issued
Debtors	Fieldwork in progress
Payroll	Fieldwork in progress
Housing Rents	Fieldwork in progress
<u>Operational, Technical and Project Audits</u>	
Absence Management	Fieldwork in progress
Data Quality	Deferred to 21/22
Contract Management and Procurement	Fieldwork completed
<u>Other audit work</u>	
Selby 950 Arts Council grant	Completed (grant certification)
Pooling of Housing Capital Receipts Claim	Completed (grant certification)
Covid-19 support	Ongoing throughout year

Annex 2: P2 actions or above with revised dates of more than 12 months

Audit	Agreed Action	Priority rating	Responsible Officer	Due	Notes
Payment Card Industry Data Security Standard (PCI DSS)	New software purchased as old system ceased to be supported. Implementation of new software should resolve PCI DSS issues Management responsibility has been defined. Responsibility for completing annual PCI DSS assessment to be assigned.	1	Head of Business Development & Improvement	Revised date 31 July 2021	The Council procured a new system – CivicaPay - during 2019-20 to enable PCI DSS compliance. Whilst originally it was hoped that this would be implemented by September 2020, delays due to Covid-19 mean this is delayed. The project commenced in December, the application is being built and training and implementation are scheduled to take place in July 2021.
Contract Management and Procurement	An audit found there were no procedures for reporting breaches of the Contract Procedure Rules once they have been identified. CPRs have been updated but due to Covid-19 follow up testing has not been completed to confirm the implementation and effectiveness of the new procedures.	2	Head of Commissioning, Contracts & Procurement	31 March 2020	Action complete.
Performance Management	PDR guidance to be reviewed and updated	2	Head of Business	Revised date 30	A wholesale review of 2020 PDRs was delayed due to

	<p>HR to undertake QA review of sample of PDRs</p> <p>Return rate of PDRs to be monitored & all PDRs reviewed and returned to manager if not complete.</p> <p>Training plan to be completed promptly following PDR process.</p>		<p>Development and Improvement</p>	<p>September 2021</p>	<p>Covid and other priorities. The Council aims to complete this and update guidance by September 2021.</p> <p>Additional training has been introduced, including support to mental health and wellbeing, and the Council is currently implementing a management development programme. The Council is now working on extending the programme for all staff.</p>
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