



Internal Audit

Annual Report & Opinion 2021/22



Introduction

Purpose of the report

This report summarises the work carried out by Internal Audit during the year ended 31st March 2022. The work of Internal Audit and the resultant overall opinion on the Council's control environment, which is derived from the work performed, provides those charged with governance a source of assurance that is necessary to support the Council's Annual Governance Statement (AGS) which accompanies the Annual Accounts.

The Internal Audit Manager is required to provide an 'independent' opinion on the adequacy and effectiveness of the system of internal controls operating within the Council. This will provide the signatories to the AGS (the Leader of the Council and the Chief Executive) with a degree of assurance on this matter. In reaching the opinion, consideration has been given to the Council's governance arrangements and to the internal control environment in the light of the work of Internal Audit carried out through the year.

Consideration has also been given to the findings of the Council's external auditors, who gave an unqualified opinion to the Council's Annual Accounts for 2020/21, which were approved by the Audit & Governance Committee in February 2022.

In accordance with the requirements of the Code of Practice on Local Authority Accounting, this report outlines the level of assurance that Internal Audit is able to provide, based upon the work undertaken during the year. In reaching an overall opinion, consideration is given to:-

- the effectiveness of the system of internal controls in meeting the Council's objectives
- common or significant weaknesses arising
- major findings where action has not been taken within a reasonable time.

However, it should be noted that this assurance can never be absolute. Internal Audit can only provide a reasonable assurance that there are no major weaknesses in the systems of internal control from the work that they perform and their knowledge of the organisation as a whole.

In light of the global Covid-19 crisis in 2020-22, CIPFA has advised that consideration should be given to a scope limitation when providing this annual audit opinion where the amount of audit assurance work has been reduced with staff resources redirected to priority Covid-related work.

Background

Internal Audit is an assurance function that provides an independent and objective opinion to the Council on governance, internal control and risk management, by evaluating their effectiveness in achieving the Council's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.

CIPFA's Public Sector Internal Audit Standards (PSIAS) and the supporting Local Government Application Note (LGAN) replaced the Code of Practice from 1st April 2013 and compliance with the PSIAS is mandatory. These standards are based upon the mandatory elements of the Institute of Internal Auditors' (IIA) International Professional Practices Framework (IPPF), which were already included in the processes of the service.

The standard definition of internal auditing (adopted by both the Chartered Institute of Internal Auditors and CIPFA) is that:-

“Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.”

The provision of Internal Audit is a statutory requirement, which was updated in the Accounts & Audit Regulations 2015 (as referenced in the Local Audit & Accountability Act 2014) which now state that *“a relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.”*

Role of Internal Audit

In 2021/22, the Council's internal audit work was provided by the Internal Audit section which forms part of the Corporate Support Group.

An updated Internal Audit Charter, incorporating the requirements of the PSIAS, was agreed by the Audit Committee and approved by Full Council in 2013. This establishes and defines the role, authority, scope of work, organisational independence, resource requirements and reporting lines of Internal Audit. (Subsequent minor changes to the PSIAS have been incorporated into the Charter and approved by the Committee).

Internal Audit continually seeks to adapt and enhance its approach, in order to take account of the Council's risk profile and emerging issues, to ensure that audit work remains focused on the areas of highest risk and provides added value to service areas and to the Council as a whole.

Managing the risk of fraud and corruption within the Council is the responsibility of the Chief Executive, supported by the Corporate Management Team and service area management. Internal Audit will be alert in all their work to risks and exposure that could allow fraud or corruption to occur and has a specific responsibility for ensuring that all potential frauds and irregularities are investigated in an appropriate manner. Arrangements are in place to ensure that Internal Audit is notified of all suspected or detected fraud, corruption or impropriety, which enables the most appropriate course of action to be determined. However, the role of Internal Audit excludes:-

- benefits fraud – which had its own specialist team of investigators, until they transferred to the DWP Single Fraud Investigation Service (SFIS) in December 2015. Any suspicious housing benefit cases identified by the Council would now be referred to the SFIS for review, although consideration of any Council Tax Reduction Scheme issues would still be handled by the Council's Revenues area

- housing tenancy fraud – the Council has a dedicated housing fraud investigator in place
- electoral fraud – handled by the Returning Officer, in liaison with the Police.

Under the Comptroller and Auditor General's Code of Audit Practice (which applies for 2015-16 audits and beyond) and the requirements of the International Standards on Auditing, external audit may use the work of Internal Audit where appropriate, to support its conclusions. Regular liaison takes place between the Interim Group Head of Corporate Support, Internal Audit and the external auditors to ensure that resources are best utilised and that duplication of effort is avoided.

The Council has opted-in to the sector-led approach for the appointment of its external auditors by Public Sector Audit Appointments Ltd (PSAA), who are incorporated by the Local Government Association. As a result of this process, Ernst & Young LLP have been contracted for the 5-year period from 2018/19 as the Council's appointed external auditors for the annual accounts work. (The Council has also now opted-in to the sector-led approach for the procurement of external audit services for the next 5-year period from 2023/24).

Internal Audit Coverage and Outcomes

Overview of Audit Work Carried Out

The Audit Plan is agreed annually by the Audit & Governance Committee. The Plan is designed to be flexible and responsive to change, emerging risks and issues identified throughout the year. We have therefore liaised with senior management to ensure that this is achieved and the work performed has been amended accordingly to ensure it represents the best use of our resources.

As at 25 February 2021, the Audit & Governance Committee approved the Annual Internal Audit Plan, based upon the 2.0 FTE available (representing 372 'chargeable' days for the year). As noted in the previous years, it was anticipated that the section would continue with the current resources to contribute to the Council's cost savings initiatives, although the resourcing situation would be kept under review. Resource is therefore directed to 'chargeable' work wherever possible (i.e. working days, excluding annual leave, sickness, training, management and administration).

This Plan was again prepared at a high level and aimed to ensure that mandatory and key financial controls work was completed, that there was appropriate involvement in the progress of significant projects / initiatives (e.g. Digital Strategy, planned move to a committee system of governance) and, where practical, to progress work on the highest risk areas identified.

However, due to an internal promotion the resource of the section dropped to 1 FTE from April 2021 and a revised plan of 180 'chargeable days' was presented to the Committee at its meeting of 29 July 2021, pending progress on the future resourcing of the section (see later in this document).

The Plan presented had been prepared to reflect the management / operational structures in place and agreed corporate priorities. However, progress against the Plan was again significantly affected by the effects of the global Covid-19 crisis on the Council from March 2020:-

- through 2020-2021 and into 2022 with the agreement of the Interim Group Head of Corporate Support and reported to A&GC meetings, Internal Audit staff have also been involved in assisting other areas of the Council on priority Covid-related tasks e.g. assurance checking to meet BEIS requirements in respect of c.£50M of grant funding distributed to businesses on behalf of the Government, etc.

The Internal Audit section also performed work of an ad hoc or ongoing nature. Such work formed part of the approved Plan and included:-

- checking of annual Council Tax precept calculations
- investigation and reporting on the data matches provided by the Cabinet Office, as part of the National Fraud Initiative and liaison with service areas in respect of queries
- regular checking of payroll joiners and leavers
- special investigations (as required)
- review and update (where required) of Internal Audit and corporate (where there are security, etc. risks involved) policies and documents including:-
 - Anti-Fraud, Corruption & Bribery Policy
 - Regulation of Investigatory Powers Act (RIPA) 2000 / Investigatory Powers Act 2016 – Corporate Policy and Procedures
 - Whistleblowing Policy
 - Audit & Governance Committee workplan and terms of reference
 - Internal Audit Charter
 - Assessment of the Effectiveness of the Audit Committee
 - Assessment of the Effectiveness of Internal Audit
- chairing meetings of the Council's Information Security Group
- review of the Council's Strategic Risk Register for approval by CMT and the Audit & Governance Committee
- attendance at meetings of the Governance & Risk Group and other appropriate officer groups.

On a periodic basis, Internal Audit provides the Audit & Governance Committee with reports showing progress in the year against the agreed Audit Plan.

Review of Governance Arrangements

To assist the Council in assessing and developing its governance arrangements, Internal Audit considers on an annual basis the effectiveness of the main systems of internal control and corporate governance, in order to provide assurance to support the preparation of the Council's Annual Governance Statement. In undertaking this work, Internal Audit utilises a number of approaches:-

- the results of audit work previously undertaken within the Council
- annual review / update of the Council's local Code of Corporate Governance

- annual assessment of compliance with the local Code, including discussion of governance issues with appropriate Service area management
- consideration of the reliance that can be placed upon work undertaken within the Council by any other internal and external sources of assurance
- via liaison with officers to ensure that Service areas prepare / maintain Operational Risk Registers and confirm that appropriate risk management processes are in place to contribute to the overall governance of the Council
- receipt of 'assurance letters' from Corporate Management Team members to confirm that risks are being appropriately managed within their Directorates
- assessment of other relevant sources of information that provide assurance (e.g. fraud reporting, feeding into ISA 240 responses in respect of the identification of, and controls to prevent, fraud required by the external auditors)
- consideration of comments and findings of the Council's external auditors and other relevant review agencies / inspectorates.

Overall Internal Audit Opinion

The level of assurance that can be provided is based upon the Internal Audit work carried out during the year and takes into account:-

- the quality and performance of Internal Audit work (both formal, reported reviews and ad hoc liaison with service areas / management)
- follow-up action taken on previous recommendations
- individual audit opinions given in published audit reports
- any significant recommendations not accepted by management and the risks involved
- the extent to which resource constraints may limit Internal Audit's review of the overall control environment
- impact of significant changes to the Council's risk profile and the internal control environment
- any significant issues (errors, control breaches, fraud, etc.) identified by / drawn to the attention of Internal Audit through the period
- the quality and performance of the service and extent of compliance with the Public Sector Internal Audit Standards.

As noted earlier, in light of the Covid-19 crisis and its impact CIPFA issued a paper 'Head of Internal Audit Annual Opinions: Addressing the Risk of a Limitation of Scope'. CIPFA recognises that the HIA's annual opinion is one source of assurance used for the Annual Governance Statement and the paper required consideration as to whether the amount of audit / assurance work performed in 2021/22 allows the HIA to issue a full annual opinion or whether a limitation of scope is required. In light of this (and as with the 2020/21 opinion), the following statement has been included (as recommended by CIPFA) and referred to in the Annual Governance Statement.

In considering the HIA's opinion for the independent assurance that the framework of governance, risk management and control is adequate and effective it has been felt appropriate to provide a limitation of scope in the opinion in line with the guidance. A

full opinion cannot be provided for 2021/22, as the HIA has obtained insufficient assurance across one of the three aspects of the opinion. The limitation of scope is limited to that aspect only and applies to the control environment:-

- **Governance** - overall governance has continued through the period, although there have been changes allowed by the Constitution e.g. the change to the committee system of governance from May 2021
- **Risk Management** - high-level risk management has also continued. The Council’s Strategic Risk Register has been updated and presented to the November 2021 meeting of the A&GC
- **Control** - beyond key controls work on financial systems being undertaken there has been little true audit assurance work performed due to the resource limitations. However, a ‘watching brief’ has been maintained with the ability to react should any significant control issues be raised / identified. None have been identified or raised by management, but additional questions were also included in the Assurance Statement completed by CMT members as there will no doubt have been variations in controls operated necessitated by the requirement for staff to work remotely.

No assurance can ever be absolute. However, based upon the work undertaken and the lack of any significant issues identified, my overall opinion is that in line with CIPFA guidance a limited level of assurance can still be provided that an effective system of internal control has been in place and operating effectively at Arun District Council for the year ended 31st March 2022. (The Definitions of Assurance Level are contained in Appendix 1 of this report).

Internal Audit Performance

Performance Indicators

The revised 2021/22 Annual Audit Plan included 180 ‘chargeable’ days (i.e. excluding leave, sickness, administration / management, training), with the actual achieved figure in the year being 190 days. However, it should be noted that through the Covid crisis time recording has been more basic than would normally be the case and has been impacted by e.g. a reduction in meetings / overheads that would normally have taken place.

Service areas of the Council are required to establish appropriate internal performance indicators to allow the measurement and review of performance / effectiveness. A number of performance measures have previously been agreed by the Committee which would contribute to their opinion on the effectiveness of Internal Audit.

The target values for the agreed internal indicators for 2021/22 reflect the revised Plan:-

| | Target 21/22 | Actual 21/22 | Historic 20/21 | Notes |
|--|-----------------|-----------------|-------------------|-------|
| | | | | |

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|--|-----------------|---------------------|-----------------|--|
| Annual Audit Plan - Actual audit days achieved against profiled Audit days | 100% | 106% ⁽¹⁾ | 113% | This relates to the % of 'chargeable' days recorded against those in the Plan |
| Operating costs of internal audit per chargeable day | £362 | £367 ⁽²⁾ | £263 | Target is based on initial budget figures (2.4FTE) and chargeable days |
| Utilisation of resource rate per annual audit plan | 87% | 90% ⁽¹⁾ | 92% | |
| Annual Audit Plan - Audit assignment days against overall chargeable days | 57% | 58% ⁽³⁾ | 85% | This relates to the % of formal planned audits, as opposed to other chargeable time (e.g. liaison, investigations, etc.) |
| External audit 'reliance' on the work of Internal Audit is satisfactory | Nothing adverse | Nothing adverse | Nothing adverse | No relevant adverse comments are raised in external auditor's Annual Results Report / Annual Audit Letter |

(1) - over-performed – see comment re Covid-19 operation above

(2) - actual is higher than last year as the 1.0FTE remaining for the revised plan was the Manager, with no staff on lower salaries which top-loads the costs

(3) - 21/22 figures represent the revised plan and is lower than last year as the range of management / admin tasks remained despite there only being 1.0FTE

It should be noted that, under the Council's revised performance management processes, the above indicators are no longer included as part of the Service Delivery Plan but continue to be maintained operationally and reported to the Audit & Governance Committee. Going forwards, the Southern Internal Audit Partnership (see later in this document) will have their own performance indicators and will provide appropriate reports to the A&GC.

Review of Internal Audit

The Accounts & Audit (England) Regulations 2011 required that “*A larger relevant body must, at least once in each year, conduct a review of the effectiveness of its internal audit.*” This was primarily against the CIPFA Code of Practice for Internal Audit in Local Government / the PSIAS from 1st April 2013). However, as noted above, the wording has changed in the 2015 Regulations which now require an effective internal audit “*taking into account public sector internal auditing standards or guidance*”.

The PSIAS (standard 1311) requires “*periodic self-assessments or assessments by other persons within the organization with sufficient knowledge of internal audit practices*”. This has been formalised into a Self-Assessment Checklist Measuring the Effectiveness of Internal Audit. The self-assessment was presented to the Audit & Governance Committee for their input and review on 29th July 2021.

In addition, in accordance with CIPFA best practice, a Self-Assessment Checklist Measuring the Audit Committee's Effectiveness was also presented to and reviewed by the Audit & Governance Committee.

Standards / Compliance

The service operates to a published Internal Audit Charter, which is approved by the Audit & Governance Committee, and reflects standards of best professional practice applicable to internal audit. Until 2012/13, these were primarily the Institute of Internal Auditors' International Professional Practices Framework (IPPF) and the CIPFA Code of Practice for Internal Audit in Local Government.

From 1st April 2013, the CIPFA Code was replaced by the Public Sector Internal Audit Standards (PSIAS) which are based upon the mandatory elements of the IPPF. The requirements of the PSIAS were considered and the degree of compliance assessed, in preparation for their introduction, and a number of minor changes to working practices and the Internal Audit Charter have been made to reflect them.

The PSIAS requires that *“the results of the quality and assurance programme and progress against any improvement plans must be reported in the annual report.”* A Quality Assurance & Improvement Programme (QAIP) review is updated annually. While this indicated no significant issues with the operation of the service, the following items of potential 'non-compliance' were identified and an explanatory note or details of actions to be taken provided:-

| Standard | Requirement | Explanation / Actions |
|-----------------|---|--|
| 1100 | Independence and Objectivity | |
| 1110 | <p>Organisational Independence</p> <p>The chief audit executive should report functionally to the board</p> <p>For most purposes in the PSIAS, the term 'board' will relate to the Audit & Governance Committee (A&GC)</p> | <p>Senior Council management will be responsible for the following, rather than the 'board':-</p> <ul style="list-style-type: none"> • Approving the internal audit budget and resource plan • Approving decisions regarding the appointment and removal of the chief audit executive • Approving the remuneration of the chief audit executive. <p><i>While the A&GC is not directly responsible for the above, any issues would be raised with them for consideration. Changes for the future provision of internal audit services were approved by the Corporate Support Committee at the recommendation of the A&GC</i></p> |
| 1110 | <p>Organisational Independence</p> <p>While the requirements would not generally involve the board approving the CAE's remuneration specifically, it should be ensured that the remuneration or performance assessment is not inappropriately influenced by those subject to audit</p> | <p>The guidance recommends that the chief executive (or equivalent) undertakes, countersigns, contributes feedback to or reviews the performance appraisal of the CAE and that feedback is also sought from the chair of the audit committee.</p> <p><i>Input has previously been provided by the Chief Executive and also the Chair of the A&GC</i></p> <p><i>Feedback on internal audit performance is also obtained from the A&GC when reviewing the Internal Audit Annual Report & Opinion, the Self-Assessment Checklist Measuring the Effectiveness of Internal Audit and periodic progress reports</i></p> |

| | | |
|------|--|--|
| 1310 | Requirements of the Quality Assurance and Improvement Programme | |
| 1312 | <p>External Assessments</p> <p>External assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organization.</p> <p>The scope of the assessment and qualifications / independence of the external assessor must be agreed with the board</p> | <p>Requirements for such a review were drawn to the attention of the A&GC and a cost-effective collaborative approach across Sussex agreed by members of the Sussex audit Group.</p> <p><i>Arun's external quality assessment (EQA) was delayed by staffing changes at other Councils involved but was completed by the Head of Business Services from Wealden DC in August 2019 and the results reported to the Committee at its November 2019 meeting</i></p> |
| 1320 | Reporting on the Quality Assurance and Improvement Programme | |
| 1321 | <p>Use of "Conforms with the International Standards for the Professional Practice of Internal Auditing"</p> <p>The CAE may state that internal audit activity "conforms" only if the results of the QAIP support this statement</p> | <p>The results of the 2019 EQA assessed that the Internal Audit section 'generally conforms' with the requirements of the Standards. Based upon the report, an action plan to address the issues raised was presented to the Committee, although progress against this has been delayed due to the Covid crisis.</p> <p><i>The current statement made in the Internal Audit Charter is that "The service operates with reference to standards of best professional practice applicable to internal audit."</i></p> |

Going forwards, the Southern Internal Audit Partnership will present their Charter to the committee in July 2022. As part of the presentation to the Committee at its February 2022 meeting SIAP advised that their most recent external quality assessment had been undertaken in September 2020 by the Institute of Internal Auditors who concluded that SIAP were fully conformant.

Service Risks

The following current risks to the Internal Audit service have been identified:-

Resourcing

- As reported to the Committee in previous years, the resource of the section reduced from 2.4 FTE to 2.0 FTE from the end of August 2017. In view of the requirements for costs savings, it was anticipated that the section would continue with this level of resource in the short-term, pending consideration of the longer-term resourcing of the section.

(NB – it should be noted that this is only a slightly lower level of resource than had been proposed for a possible shared service in 2016, which had been based upon 2.1 FTE and 400 chargeable days).

- However, as noted above the resource of the section reduced to 1.0 FTE from April 2021. While this has continued to be manageable on a short-term basis, there is a strain on resource particularly where urgent priority tasks arise through the year (particularly with the Covid situation in 2020-22) and this has impacted upon the number of formal, reported audits achieved, with shorter pieces of liaison / consultancy work undertaken and reported to the Audit & Governance Committee via the periodic progress report

Joining The Southern Internal Audit Partnership (SIAP)

- The future resourcing and operation of the section has been considered by the Interim Group Head of Corporate Support and CMT. The current Internal Audit Manager is to retire in 2022 and after investigating options for recruitment to maintain a fully internal service or entering into an external arrangement, the A&GC supported a proposal for the Council to join SIAP from 1 April 2022 and their recommendation was approved by the Corporate Support Committee in March 2022. This arrangement will provide appropriate resource to progress the agreed audit plan, together with resilience in staffing levels and access to specialist audit staff (e.g. for IT) in the future. The Head of SIAP made a presentation to the A&GC in February 2022 and a rolling audit plan for the next 2 years is to be presented to the Committee in July 2022
- However, under this arrangement a number of tasks historically performed by the Council's Internal Audit area have been identified as not being within the remit of the SIAP arrangement. These have been referred to the Corporate Management Team in order to agree a hand-off to other areas of the Council

Changes To The Governance Arrangements Of The Council

- The new strategic priority agreed by the Council in 2019 to change from the Leader & Cabinet system of governance to a Committee system was implemented from May 2021. The arrangements and Constitution changes agreed for this mean that there will still be a standalone Audit & Governance Committee and its terms of reference are largely unchanged. (However, as at April 2022 consideration is being given to the number of service committees and frequency of committee and Full Council meetings for the future, which may impact on the future workload of the A&GC)

2020-22 Covid-19 Crisis

- Since mid-March 2020, the Council has been working under agreed 'lockdown' arrangements in response to the global Covid-19 crisis, although this has now been relaxed in early 2022. This has involved most Council staff working remotely, with no face-to-face meetings being held, with the urgent provision by the Council's ICT area of robust homeworking solutions and systems for e.g. remote meetings. As noted earlier in the report, this has impacted on both the work of the section and the Council as a whole. However, it is unlikely that staff will be working as before and consideration is being given by the Council to its future ways of working (which will most likely include a continuation of homeworking for some service areas)
- In 2021 (and into 2022) there has still been an overhead in respect of assurance / counter-fraud work on business support grants to meet BEIS requirements, which was been included in the Audit Plan for 2021/22. It is anticipated that ongoing work on this, together with similar new work in

respect of the distribution by the Council of the Council Tax Energy Rebate from April 2022 will be undertaken by the current Internal Audit Manager prior to his retirement and that this will not form part of the SIAP audit plan for 2022/23.

Conclusion and Acknowledgment

The Internal Audit overall opinion has been provided on the basis of work undertaken during 2021/22 and any carry-over of work that has been carried out to date in the current year. Any significant issues that arise from further Internal Audit work carried out up until the draft Annual Governance Statement is provided to the committee on 28th July 2022 will be reported to the Audit & Governance Committee at that time.

Internal Audit is a support service that assists the Chief Executive and Interim Group Head of Corporate Support in satisfying the Council's statutory obligations under Section 151 of the Local Government Act 1972. In addition, it aids management by helping to ensure that adequate systems of internal control are in place and are complied with. Fulfilling this role depends very much upon the co-operation of Members and Officers and we would like to thank all colleagues for the continued assistance given to Internal Audit staff throughout the year.

Appendix 1

Definitions of Assurance Level

| Level of Assurance | Description |
|--------------------|---|
| Substantial | There is a sound system of control in place which minimises risk to the Council Control objectives are consistently achieved, with few errors or weaknesses |
| Satisfactory | There is an adequate system of control in place, but there are some weaknesses which may place the Council at risk Control objectives are generally achieved, but there is a lack of compliance with some controls |
| Limited | There are weaknesses in the system of control which places the Council at risk Key controls may be absent and/or there is often a lack of compliance with controls |
| No | The system of control is generally weak leaving the system open to significant error or abuse There is a significant level of non-compliance with basic control processes |

These definitions have been altered slightly in 2018 to bring them more into line with the definitions in use by other Sussex Audit Group members and will be included in the next update to the Internal Audit Charter

Implementation of Internal Audit Recommendations

As part of the audit process, the results of work undertaken are discussed with management and recommendations for improvement and actions to be taken to address the issues raised agreed, prior to being included in a formal report. It is the responsibility of Service area management to address the issues identified within the agreed timescales.

There is still some scope for improving the speed with which remedial action is taken by management where weaknesses in controls have been identified. Internal Audit will work with Service Heads to strengthen progress reporting and the processes that enable the status of all recommendations to be tracked and responsible managers held to account for implementation of agreed actions within allocated timescales.

Major Recommendations Not Implemented Within A Reasonable Timescale

When an audit finding is raised and agreed by management, a target resolution date is also agreed. In general, the timescales should be realistic and Internal Audit will liaise with management / follow-up the issues to ensure that the agreed actions are completed.

However, in some cases other factors will impact the successful implementation of the agreed actions and these may be outside of the direct control of the Service area. Internal Audit may agree a revision to the target date and continue to monitor progress.

A list of outstanding audit findings is periodically presented to the Council's Corporate Management Team and where the lack of resolution may cause 'governance' issues reference is also included in the Annual Governance Statement.