



Audit & Governance Committee	Agenda Item
07 July 2023	6

Title:	Internal Audit Action Tracker report, June 2023
Report of:	Nathan Bunting, Programme Office, Project Manager
Lead Member:	Chair, John Pye
Public Report:	Yes
Key Decision:	No
Voting Arrangements:	To note

Recommendations:	
A	To note the progress on the Internal Audit Action Tracker, June 2023.
B	To note the procurement and implementation of corporate risk / internal audit software to track internal audit actions

Strategic Objective(s):	
The proposals within this report fit under the following strategic objective(s):	
X	Achieving ambitious skills and employment opportunities
X	Achieving good growth
X	Increased connectivity
X	Enabling resilient communities
X	Achieving Best Value and High Performance

1. Purpose

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| 1.1 | <p>The purpose of this paper is to provide a progress update on the Internal Audit Action Tracker.</p> <p>To note implementation of risk software to enable easier internal audit action reporting and monitoring.</p> |
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2. Proposal

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| 2.1 | <p>The proposal is to inform the committee of progress in implementing internal audit actions from work carried out by RSM.</p> <p>Information regarding internal audit actions is to be included in the roll out of 4Risk software.</p> |
| 2.2 | <p>The internal audit action tracker records all actions undertaken by the CA internal audit RSM.</p> <p>Completion of actions support the overall adequacy and effectiveness of the organisation's risk management, control and governance processes.</p> |

3. Background

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| 3.1 | <p>The action tracker collates the agreed actions from the various RSM audits and provides a status and progress update against each action.</p> <p>Progress on the implementation of actions is also reported at the internal officer working Performance and Risk Committee on a monthly basis.</p> <p>In total, there are 106 actions on the tracker, with 102 completed. The four remaining are overdue and are detailed below:</p> <ul style="list-style-type: none">• Subsidiary Company Guidance.
Audit action - The CPCA will ensure that business plans are in place for each of its current and future subsidiary companies, including key information such as the company's purpose, output, the need which the company serves, financial projections, and the company's management structure
Commentary - The Business Plan completed for Growth co. PropCo1 is complete. For PropCo2 likely to be completed in July 2023.• Data Protection Deep Dive.
Audit action - The Code of Conduct for Business Board Members, Committee or Sub-Committee Members will be updated to cover Data Protection expectations. Following this, the Authority will ensure that the Code of Conduct is signed in a timely manner, with non-compliance being escalated accordingly.
Commentary - Code of Conduct forms have been updated.• Data Protection Deep Dive
Audit action – The Authority will ensure that as part of Member induction, data protection is covered. This will include gaining assurance that the Member has completed data protection training at their respective organisations.• Payroll
Audit action - Payroll Reconciliation Working Papers will be independently reviewed monthly to ensure that the exercise is being appropriately undertaken. |
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	<p>Furthermore, where variances are identified, these will be investigated and cleared within a timely manner.</p> <p>Commentary – Quarterly payroll checks are to be implemented by Sept 2023.</p>
3.2	<p>The following people have been engaged in the production of the proposal made within this report:</p> <p>Chris Bolton, Head of Programme Office Nathan Bunting, Programme Office, Project Manager Rob Emery, AD Resources and Performance</p>
3.3	<p>Historically, the CPCA have used excel based spreadsheets to record internal audit actions and although used with best intentions, can be open to formatting issues and not fully auditable.</p> <p>The current internal audit action tracker is difficult to administer and view in its totality.</p> <p>The implementation of new software will allow greater visibility of internal audit actions across the organisation, be easily accessible to action owners and allow easier reporting.</p>

4. Appendices

4.1	Internal Audit action tracker June 2023
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5. Implications

Financial Implications

5.1	<p>The cost of the 4Risk software is £10,000 p.a. and will be paid from the DLUHC Capacity budget.</p> <p>The contract is for a 3-year period. Internal audit functions will be included in the product.</p>
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Legal Implications

6.1	<p>The CPCA undertakes a large amount of project management and there is a necessity to ensure that there is an ongoing drive to improve standards and to strengthen areas where required. The management of projects should be as efficient as possible. This includes the project management as well as the governance, decision making and assurance. To avoid the CPCA from falling behind on any outstanding actions, the CPCA should ensure there is adequate resourcing for the PMO function and governance function.</p> <p>Whilst there is no statutory duty to report regularly to Members on the CPCA's performance, however, as a best value authority under the Local Government Act 1999, the CA has a statutory duty to secure continuous improvement in the way in which its functions are exercised having regard to a combination of economy, efficiency and effectiveness. Regular reporting of performance can assist the CPCA to demonstrate best value. Such a report can also inform Members of how the CPCA is delivering on its key objectives and hold Officers to account and steer improvement activity where necessary.</p>
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Public Health Implications

7.1	None
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Environmental & Climate Change Implications

8.1	None
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Other Significant Implications

9.1	None
Background Papers	
10.1	None