



AUDIT AND GOVERNANCE COMMITTEE	AGENDA ITEM No:
02 OCTOBER 2020	PUBLIC REPORT

INTERNAL AUDIT: PROGRESS REPORT 2020 / 2021

1.0 PURPOSE

- 1.1 Internal Audit provide assurance to the Audit and Governance Committee that activities undertaken across the Combined Authority are appropriately managed, monitored and delivered in accordance with set governance, controls and risk management frameworks. This report provides details of the progress made in delivering works during 2020 / 2021.

<u>DECISION REQUIRED</u>	
Lead Officer:	Steve Crabtree, Peterborough City Council
The Audit and Governance Committee is recommended that the final progress report from Peterborough Internal Audit service is considered.	

2.0 BACKGROUND

- 2.1 The reports provide an independent and objective opinion on the Combined Authority's effectiveness in managing risk management, governance and the control environment. All reports will also feed into the Internal Audit annual report that will be prepared at the end of the financial year. The Annual Report will provide an overall audit opinion on the adequacy and effectiveness of the governance, risk management and internal control processes, based upon the outcome of the reviews completed during the year.

3.0 PROGRESS

- 3.1 As instructed by the Combined Authority, our focus in year to date has been on completing assessments of the various grant claims which relate to both the (former) Local Enterprise Partnership and the Combined Authority.

3.2 GRANTS

<p>BEIS LEP Project Grant</p>	<p>Certified</p>	<p>There was initial delays in being able to complete the certification as a result of lockdown. The CPCA submitted the grant prior to audit.</p> <p>Following our review of the financial records maintained, supporting documentation and the grant conditions imposed, the grant total was amended due to an error in the overhead rate which had been applied.</p> <p>A revised submission was signed and issued.</p>
<p>EU Exit Grant</p>	<p>-</p>	<p>This was a new grant brought to our attention which was not on our work plan.</p> <p>As this was a grant alongside similar ones we have asked for additional information and documentation so that it can be demonstrated that there is no doubling counting of expenditure. This remains outstanding.</p>
<p>Local Transport Capital Funding 2019 / 2020</p>	<p>Certified</p>	<p>Transport Grants coordinated through the CPCA require a declaration to be sent to the Department for Transport.</p> <p>Submissions have been completed by the Internal Audit teams at Peterborough City Council and Cambridgeshire County Council. They have acknowledged and verified the levels of spend for each category and provided a certificate following reviewing the appropriateness of the spending.</p> <p>As Chief Internal Auditor for the CPCA, I have looked to place reliance on their works.</p> <p>Following sample checks of the claims and completed statements I can confirm to DfT that monies had been spent in line with the determination letters.</p> <p>The grant letter was issued in line with prescribed deadlines to the CPCA and external agencies.</p>

4.0 LEGAL IMPLICATIONS

4.1 The Accounts and Audit Regulations 2015, Regulation 5, requires a relevant organisation to undertake an effective internal audit to evaluate the effectiveness of its risk, control and governance processes, taking into account public sector internal auditing standards or guidance.

SIGNIFICANT IMPLICATIONS

There are no direct wider CPCA implications arising from this report.

<u>Source Documents</u>	<u>Location</u>
List background papers:	