

Crawley Borough Council

Report to the Audit Committee

15 March 2022

Internal Audit Progress Report

Report of the Head of Corporate Finance – FIN/564

1. Purpose

- 1.1 The Committee has a responsibility to review the Internal Audit Progress report to ensure that action has been taken by relevant managers on risk based issues identified by Internal Audit.

2. Recommendations

- 2.1 The Committee is requested to receive this report and note progress, as at 28 February 2022.

3. Reasons for the Recommendations

- 3.1 The Committee has a responsibility to ensure that action has been taken by relevant Managers on risk based issues identified by Internal Audit.

4. Background

4.1 Resourcing

Since the time of the last progress report in July 2021, the two remaining members of staff within the internal audit section have left the Council. The Audit and Risk Manager left in September and the Senior Auditor left at the beginning of November. Furthermore, the casual employee brought in to support the delivery of the plan for the year also left in early December. The part time contractor previously used remains an available resource.

Prior to the departure of the Audit and Risk Manager, arrangements were made with the Southern Internal Audit Partnership to provide audit management support to the end of the financial year. Operational monitoring and delivery of the internal audit plan is currently being undertaken by the Head of Corporate Finance.

Following ratification by Cabinet in January 2022, the Council is joining the Southern Internal Audit Partnership as a key stakeholder from April 2022. Corporate Management Team have been working with the Southern Internal Audit Partnership since this time to draw up the audit needs for the Council and the annual audit plan for 2022/23 is being presented to this Committee.

4.2 Current Progress of the 2021/22 Audit Plan

Progress against this year's audit plan has been significantly delayed due to the high level of carry forward audits from 2020/21 (due to COVID 19), as well as the loss of an experienced Senior Auditor due to retirement.

The loss of key personnel has resulted in there being insufficient resource to deliver the full plan as proposed at the beginning of the year. Therefore, in conjunction with the Southern Internal Audit Partnership a revised plan was developed taking into account the requirement to provide an annual assurance opinion on the overall framework of risk management, governance and internal control for the financial year 2021/22.

Subsequent to the agreement of the revised plan, the part time contractor commissioned by Crawley Borough Council to support the Southern Internal Audit Partnership has been required to complete additional work with regard rent overpayments and consequently, some of the audits within the revised plan have been cancelled. It is therefore likely that some limitations on the annual audit opinion for 2021/22 may be required.

A revised 2021/22 audit plan, including current progress is shown in Appendix A.

4.2 High Priority Findings in this Period

There were no high priority findings identified through audit work during this period:

4.3 Follow Up Audits

Fleet Management Audit 2020/21

The audit resulted in four medium and one high priority recommendations being made. These related to:

- Updating the Council's Vehicle Policy regarding the use of frameworks to procure new vehicles and also to reflect considerations for ensuring the journey is necessary.
- Driver assessment checks for newly qualified drivers.
- Annual confirmation of continued eligibility for individuals to drive Council vehicles (licenses, etc).
- Vehicles being fitted with tracking devices.

The management update on progress on these recommendations indicate that although the Vehicle Policy has not been specifically updated to reflect framework agreements there are a number of these in place that would cover the procurement of vehicles. Additionally the Policy does not yet reflect any information regarding the necessity for the journey. This will be incorporated in the future as it links directly to the Council's Climate Action Plan.

The Chief Accountant has confirmed that there is an annual process in place for driver eligibility checks. During the Pandemic this checking process did slip but is in the process of being re-instigated. This will be revisited in next year's health and safety audit as will the driver assessment checks as it has been indicated that this is actually down to individual departments to undertake and therefore no action as part of the central fleet management function is proposed on this recommendation.

Vehicles are due to be fitted with trackers in February and a project team is to be established to look at a tracker contract that may include CCTV.

Complaints Audit 2021/22

The audit identified that the documented lessons learned from complaints was not in line with the guidance from the Local Government and Social Care Ombudsman and there had been no monthly reporting to managers on complaints since September 2020.

A report has gone to CMT regarding the complaints process which takes into account the recommendations from the audit.

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