

Barrow Borough Council
Audit and Governance Committee
Thursday, 28 July 2022
Internal Audit Final Reports and Internal Audit Progress
Report

Report from: Head of Internal Audit

Report Author: Head of Internal Audit

Wards: (All Wards);

1.0 Summary and Conclusions

- 1.1 Internal Audit performs audits in accordance with the approved Annual Plan which is based on a risk assessment of the internal control environment.
- 1.2 The final reports completed since the last meeting of the Committee are presented in this report.

2.0 Recommendation

2.1 It is recommended that the Audit and Governance Committee:

1) Note the Internal Audit final reports.

2) Note the Internal Audit progress report.

3.0 Background and Proposals

- 3.1 This report presents the Internal Audit final reports completed since the last meeting of the Committee.
- 3.2 There are seven final reports for presentation. All recommendations have been accepted by management unless otherwise stated.
- 3.3 Housing 2019-23 Staircase Cleaning CR141, **Appendix 1**; restricted assurance. This report contains three major issues and four important issues.

- 3.4 Procurement 21-17, **Appendix 2**; No assurance. This report contains three major issues, three important issues and five previous recommendations.
- 3.5 Treasury Management 21-11, **Appendix 3**; Substantial Assurance. This report contains three important issues and one previous recommendation.
- 3.6 Performance Management 21-09, **Appendix 4**; Restricted Assurance. This report contains five major issues and four important issues.
- 3.7 Insurance CR133, **Appendix 5**; Restricted Assurance. This report contains two major issues and five important issues.
- 3.8 Catering and Cleaning at the Forum and Dock Museum 2021-26 CR136, **Appendix 6**; No Assurance. This report contains six major issues and four important issues.
- 3.9 Cleaning of Barrow Town Hall and Associated Buildings 2021-23 CR120, **Appendix 7**; No Assurance. This report contains seven major issues and five important issues.
- 3.10 The assurance levels are:
- None – control is weak, causing the system to be vulnerable to error and abuse.
 - Restricted – significant weaknesses have been identified in the system of control, which put the system objectives at risk.
 - Substantial – while there is a reasonable system of control, there are weaknesses, which may put the system objectives at risk.
 - Unqualified – there is an adequate system of control designed to achieve the system objectives.
- 3.11 The recommendation levels assigned to issues identified are:
- Priority 1 – major issues that Internal Audit considers need to be brought to the attention of senior management.
 - Priority 2 – important issues which should be addressed by management in their areas of responsibility.
 - Priority 3 – minor issues which provide scope for operational improvement.
 - Previous issues – are issues identified in a previous audit report that have not been entirely implemented at the time of this latest audit.
- 3.12 The Internal Audit progress report for the period 1st April 2022 to 19th July 2022 is attached at Appendix 8.

4.0 Consultation

- 4.1 The Internal Audit annual plan is agreed by the Audit and Governance Committee.

5.0 Alternative Options

5.1 There are no alternative options as the report is presented for noting.

6.0 Contribution to Council Plan Priorities

6.1 In order to be able to deliver Council Plan Priorities the organisation must be sound in terms of internal control and governance and the Audit and Governance Committee is charged with that role.

7.0 Implications

Financial, Resources and Procurement

7.1.1 There are no financial, resource or procurement implications arising from this report.

Legal

7.1.2 There are no legal implications arising from this report.

Equality and Diversity

7.2 This report is for information.

Risk

Risk	Consequence	Controls required
Internal controls are inadequate.	Compliance cannot be demonstrated and assurance cannot be given.	Internal Audit annual plan.

Contact Officers

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Appendices Attached to this Report

Appendix No.	Name of Appendix
1	Housing 2019-23 Staircase Cleaning CR141
2	Procurement 21-17
3	Treasury Management 21-11
4	Performance Management 21-09

5	Insurance CR133
6	Catering and Cleaning at the Forum and Dock Museum 2021-26 CR136
7	Cleaning of Barrow Town Hall and Associated Buildings 2021-23 CR120
8	Internal Audit Progress Report