



# Audit Committee



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<b>Report for:</b>	Audit Committee
<b>Title of report:</b>	Summary Internal Controls Assurance (SICA) report
<b>Date:</b>	24 <sup>th</sup> July 2024
<b>Report on behalf of:</b>	Councillor Michela Capozzi, Portfolio Holder for Corporate and Commercial Services
<b>Part:</b>	I
<b>If Part II, reason:</b>	N/A
<b>Appendices:</b>	Appendix A- SICA Report Appendix B HRA Health and Safety Appendix C Waste Management Appendix D Budgetary Control Appendix E Housing Rents
<b>Background papers:</b>	None
<b>Glossary of acronyms and any other abbreviations used in this report:</b>	SICA- Statement of Internal Controls Assurance. A regular report produced by the Council's internal auditors outlining progress against the Council's approved annual audit programme of work.

## Report Author / Responsible Officer

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<b>Corporate Priorities</b>	Ensuring efficient, effective and modern service delivery
<b>Wards affected</b>	All
<b>Purpose of the report:</b>	1. To provide committee with a progress update against the annual internal audit plan (Appendix A).
<b>Recommendation to the decision maker:</b>	1. Note the final internal audit reports issued for following Council activities:

	<p>2. Note the content of the SICA and progress against the annual internal audit plan.</p> <ul style="list-style-type: none"> <li>• HRA Health and Safety-Reasonable Assurance</li> <li>• Waste Management-Reasonable Assurance</li> <li>• Budgetary Control – Substantial Assurance</li> <li>• Housing Rents- Substantial Assurance</li> </ul>
<b>Period for post policy/project review:</b>	An update on progress against the approved Internal Audit programme is brought to committee on a regular basis.

## 1 Background

Attached at Appendix A is the latest SICA report. The SICA report provides Audit Committee with an update on governance, risk and internal control arrangements for the Council. The report will be presented at Audit Committee by the Council’s internal auditors, TIAA. Officers for the service covered by the internal audit report issued since the last SICA was presented to Audit Committee will also be present to answer queries from Members.

## 2 Internal audits completed since the last SICA

The following audits have been completed since the last SICA was presented to Audit Committee in March 2024:

- HRA Health and Safety-Reasonable Assurance
- Waste Management-Reasonable Assurance
- Budgetary Control – Substantial Assurance
- Housing Rents- Substantial Assurance

The summary report and associated recommendations for the above audit is included in Appendix A.

TIAA use four levels of assurance assessment when undertaking internal audit review:

<b>Substantial Assurance</b>	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
<b>Reasonable Assurance</b>	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
<b>Limited Assurance</b>	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
<b>No Assurance</b>	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Internal audit recommendations are rated from 1, 2 or 3, with 1 being urgently required for implementation. No priority 1 recommendations have been made in respect of the audit review above.

Appendix A also includes details of progress against outstanding priority 1, 2 and 3 recommendations. There are currently no outstanding priority 1 recommendations for the Council.

**3 Financial and value for money implications:**

A robust programme of internal audit activity supports the delivery of value for money by the Council.

**4 Legal Implications**

The Council is required by law to make arrangements to undertake effective internal audit of its activities.

**5 Risk implications:**

The Council's internal audit programme is compiled on a risk- led basis.

**6 Equalities, Community Impact and Human Rights**

None arising directly from the report.

**7 Sustainability implications (including climate change, health and wellbeing, community safety)**

None arising directly from the report.

**8 Council infrastructure (including Health and Safety, HR/OD, assets and other resources)**

None arising directly from the report.

**9 Conclusion**

The SICA presented at Appendix A provides details of all internal audits completed since the March 2024 Audit Committee meeting.

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