

**FOR PUBLICATION**

**DERBYSHIRE COUNTY COUNCIL**

**AUDIT COMMITTEE**

**16 July 2024**

**Report of the Assistant Director of Finance (Audit)**

**Audit Services Unit – Progress Against Audit Plan 2024-25**

**1. Purpose**

- 1.1 To inform Members of the progress against the approved Audit Services Plan for 2024-25 as at July 2024.

**2. Information and Analysis**

- 2.1 At the meeting of this Committee held on 21 March 2024, Members approved the Audit Services Plan (Q1 & Q2) for 2024-25. The Plan was formulated from a risk assessment drawn from a wide range of sources including the Council Plan, the Council's strategic risk register, Departmental risk registers, service plans and meetings with Executive Directors and Directors.
- 2.2 In accordance with the Audit Committee's Terms of Reference this report updates Members on progress against the Plan up to July 2024 and represents work undertaken during that period, which is detailed in the progress report. An analysis of the progress with the Unit's Performance Indicators (PIs) are also included in the progress report.
- 2.3 In common with previous years, some work forming part of last year's approved Audit Services Plan (2023-24) was completed and reported in the current financial year (2024-25). Audit staff routinely follow up progress against agreed recommendations as part of subsequent work, in the area under review.

## Audit Resources and Activities

- 2.4 The Audit structure will remain at its current level for the immediate future. The impacts of any changes to staffing levels will be continually monitored and any concerns on the ability to provide an opinion on the Council's control, risk and governance frameworks, will be raised directly with the Audit Committee, Senior Management and Director of Finance in his role as the Section 151 Officer. As previously reported to the Audit Committee a number of changes to the way in which Audit Services are operating is looking to maximise the time available to ensure an efficient and effective service is being delivered.
- 2.5 The EQA of Audit Services was completed in mid-December 2023 and the subsequent report provided three recommendations to improve conformance with the standards, which are accepted and have an assigned action to address. The Audit Committee will see the completion of the recommendations through usual reporting to the Committee.

### **3. Consultation**

- 3.1 No consultation is required.

### **4. Alternative Options Considered**

- 4.1 N/A. Article 11 of the Council's Constitution requires the Audit Committee to monitor progress against the Annual Audit Plan.

### **5. Implications**

- 5.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

### **6. Background Papers**

- 6.1 Electronic files and Audit working papers held by Audit Services, Finance & ICT Services, County Hall.

### **7. Appendices**

- 7.1 Appendix 1 – Implications.
- 7.2 Appendix 2 – Audit Services Progress Report up to July 2024.

## **8. Recommendations**

- 8.1 That Audit Committee are asked to note the performance of the Audit Services Unit during this period.

## **9. Reasons for Recommendation(s)**

- 9.1 To note that the Council is complying with the requirements of the Council's Constitution.

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**Appendix 1**

## **Implications**

### **Financial**

- 1.1 None.

### **Legal**

- 2.1 The Council has a duty to maintain an adequate and effective system of internal audit of its accounting records and system of internal control.
- 2.2 Audit Services discharges the Council's statutory responsibilities under Regulation 5 of the Accounts & Audit Regulations 2015 and fulfils significant aspects of the Director of Finance & ICT's statutory duties under Section 151 of the Local Government Act 1972.

### **Human Resources**

- 3.1 None.

### **Information Technology**

- 4.1 None.

### **Equalities Impact**

- 5.1 None.

### **Corporate objectives and priorities for change**

6.1 The work of Audit staff supports the Council Plan Refresh 2023-25 key actions for high performing, value for money and resident focused services, by independently assessing Council services and activities.

**Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)**

7.1 None.