

**INTERNAL AUDIT REPORTS**  
**WDA/16/23**

**Recommendation**

That:

1. Members note the contents of the reports from the Internal Auditor.

THIS PAGE INTENTIONALLY BLANK

## INTERNAL AUDIT REPORTS

WDA/16/23

### Report of the Treasurer

#### 1. Purpose of the Report

1.1 The Authority is required to maintain an effective Internal Audit as a part of its statutory governance arrangements. The Authority's Internal Audit is provided by St Helens Council. The Auditor reviews the arrangements at the Authority and reports to Members on any weaknesses and recommends improvements. This report brings to Members attentions the outcome of the latest reviews.

#### 2. Background

2.1 The agreed audit plan for the year included a review of the Authority's arrangements for managing the approach to Business Continuity and also the approach to managing the Capital Programme.

#### 3. Business Continuity

3.1 The review considered the following:

- to ensure that appropriate and robust plans are in place,
- roles and responsibilities have been suitably defined and assigned,
- review and testing procedures are adequate, and
- staff awareness and training is sufficient

3.2 The Auditor's detailed report is attached at Appendix 1 to this report.

3.3 The Auditor concluded that in their overall opinion **Reasonable Assurance** could be taken from the system and the way it was operated. This means that:

*"There is a generally sound system of governance, risk management and control in place. Some issues, noncompliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited."*

3.4 The auditor has made a small number of recommendations for improvement, one high priority, one medium priority and one of lower priority. The management actions in response to the recommendations are set out in section 4 of the Auditor's report, at appendix 1.

3.5 The high priority recommendation was as follows:

- The full business wide test of the business continuity arrangements, including issues and incident management, should be undertaken in accordance with the requirements of the current Plan.

3.6 It has been agreed that this recommendation will be implemented by the end of November.

#### **4. Capital Programme**

4.1 The review considered the capital strategy and capital programme documentation, governance arrangements, proposed capital schemes, funding of capital schemes, approval process for capital schemes, capital expenditure and monitoring.

4.2 The Auditor's detailed report is attached at Appendix 2 to this report.

4.3 The Auditor concluded that in their overall opinion **Substantial Assurance** could be taken from the system and the way it was operated, this means that:

*"A sound system of governance, risk management control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited."*

4.4 The auditor has made one recommendation for improvement, this has been classified as a medium priority. The management actions in response to the recommendation is set out in section 4 of the Auditor's report at Appendix 2.

#### **5. Risk Implications**

5.1 There are no new risks arising from the auditor's reviews.

#### **6. HR Implications**

6.1 There are no new HR implications.

## **7. Environmental Implications**

7.1 There are no new environmental implications.

## **8. Financial Implications**

8.1 There are no financial implications associated with this report.

## **9. Legal Implications**

9.1 There are no legal implications associated with this report.

## **10. Conclusion**

10.1 Internal Audit reviewed the arrangements for managing the Authority's approach to Business Continuity and to Managing the Capital Programme. Their assessment was that there was reasonable assurance from the Business Continuity system and Substantial Assurance from the approach to the Capital Programme. Recommendations for improvements have been agreed with management.

10.2 There are no Key Issues for Members.

10.3 Members are asked to note the reports.

The contact officer for this report is: Peter Williams  
7th Floor, Number 1 Mann Island, Liverpool, L3 1BP

Email: [peter.williams@merseysidewda.gov.uk](mailto:peter.williams@merseysidewda.gov.uk)

Tel: 0151 255 2542

Fax: 0151 227 1848

The background documents to this report are open to inspection in accordance with Section 100D of The Local Government Act 1972 - Nil.