

**Surrey Heath Borough Council**  
**Audit & Standards Committee**  
**21 November 2022**

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**Internal Audit Recommendations**

**Head of Service:** Gavin Ramtohal, Head of Democratic & Legal Services  
**Report Author:** Alex Middleton, Head of Internal Audit  
**Key Decision:** No  
**Wards Affected:** N/A

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**Summary and purpose**

To provide members with an update on Internal Audit recommendations.

**Recommendation**

The Audit and Standards Committee is asked to note the report.

**1. Background and Supporting Information**

- 1.1 At the previous Audit and Standards Committee, Members requested an update on Internal Audit recommendations. This report provides details of recommendations raised and agreed since April 2021 until Summer 2022.
- 1.2 Detail of all the recommendations is shown in the attached schedule.

**Introduction**

- 1.3 The Council's internal Audit team recommend areas for improvement following audit reviews of Council systems and activities. Audit recommendations are given one of three classifications:
  - **Essential** – Normally require immediate attention to address substantial weakness and ensure council business objectives are met; could result in financial loss; non-compliance with statutory guidance/legislation.
  - **Desirable** – Contribute to maintain an effective control environment and ensure policies and procedures are met; help to ensure Council priorities and milestones are met; short term implementation.

- **Best Practice** – Industry best practice suggestions; help improve overall control and efficiency; assist management to deliver services; medium to long term implementation.

## **Details of Audit Recommendations**

- 1.4 A review of the status of audit recommendations was carried out following a request from Members.
- 1.5 The majority of recommendations have been dully implemented. However, at the time of this report, there were 18 actions still to be implemented in full, broken down as follows:
  - Revenues – 1
  - Capital – 3
  - Information Governance – 4
  - Parking – 3
  - Housing -2
  - Fraud – 2
  - Emergency Planning – 2
  - Theatre – 1
- 1.6 Only one recommendation is an essential recommendation. It relates to compliance with the INSPIRE regulations. An update on the status of this recommendation was discussed with the Council's IG Manager and the ICT Manager and is provided in the attached schedule.
- 1.7 The remainder of the overdue recommendations are Desirable, and the Internal Audit is progressing these with individual services.

Members are asked to note to review and note the status of Audit Recommendations.

## **2. Proposal and Alternative Options**

- 2.1 No alternative options.

## **3. Contribution to the Council's Five Year Strategy**

- 3.1 N/A

## **4. Resource Implications**

- 4.1 No resource implications arising from this report.

## **5. Section 151 Officer Comments**

- 5.1 N/A

## **6. Legal and Governance Issues**

6.1 N/A

**7. Monitor Officers Comments**

7.1 N/A

**8. Other Considerations and Impacts**

8.1 Failure to operate an effective internal audit service could reduce the level of assurance provided to senior management and Members regarding risk management processes, control systems, account records as well as governance arrangements.

**Annexes**

**Annex A - Audit and Standards Recommendations**

**Background Papers**

None