

## **Audit Committee**

**20 March 2025**

### **Internal Audit Update 1 December 2024 to 31 January 2025**

Report from: Phil Watts, Chief Operating Officer, Business Support Directorate  
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#### **Summary**

This report provides Members with an update on the work, outputs, and performance of the Internal Audit Team for the period 1 December 2024 to 31 January 2025.

#### **1. Recommendations**

- 1.1. The Committee is recommended to note the outputs and performance against the Internal Audit Plan for Medway for the period 1 December 2024 to 31 January 2025 as detailed at Appendix 1.

#### **2. Budget and policy framework**

- 2.1. Council delegates responsibility for the oversight and monitoring the effectiveness of the Internal Audit and Counter Fraud Shared Service to the Audit Committee.

#### **3. Background**

- 3.1. The Public Sector Internal Audit Standards (the Standards) require that: *The chief audit executive must report periodically to senior management and the board on the internal audit activity's purpose, authority, responsibility, and performance relative to its plan. Reporting must also include significant risk exposures and control issues, including fraud risks, governance issues and other matters needed or requested by senior management and the board.*

#### **4. Internal Audit Update Report**

- 4.1. The report at Appendix 1 is the third and final update to be produced during 2024-25, ahead of the annual report; detailing the work undertaken by the Internal Audit Team between 1 December 2024 to 31 January 2025 and the progress made against the Q1-Q2 and Q3-Q4 workplans.
- 4.2. Section eight of the update report includes details of actions that were more than six months overdue as of 31 January 2025. Services have provided updates in relation to these actions and the reasons for delayed implementation.

## 5. Risk management

- 5.1. This report, summarising the work of the Internal Audit Team, provides a key source of assurance for the council on the adequacy and effectiveness of its internal control arrangements.

## 6. Climate change implications

- 6.1. There are no climate change implications in this report.

## 7. Financial implications

- 7.1. An adequate and effective internal audit function provides the council with assurance on the proper, economic, efficient and effective use of council resources in delivery of services. The budgeted costs for 2024/25 for the audit element of the shared service is £504,000 with Medway's share of these costs being £323,000. The Round 3 revenue budget monitoring projected an underspend on the shared service as a whole of £58,000.

## 8. Legal implications

- 8.1. The Accounts & Audit Regulations 2015 require local authorities to: undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance. The Section 151 Officer of a local authority is responsible for establishing the internal audit function.

### Lead officer contact

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### Appendices

Appendix 1 – Internal Audit Update Report.

### Background papers

None