

LIVERPOOL CITY REGION COMBINED AUTHORITY

To: The Chair and Members of the Combined Authority
Audit and Governance Committee

Meeting: 28 July 2021

Authority/Authorities Affected: None

EXEMPT/CONFIDENTIAL ITEM: No

REPORT OF THE HEAD OF INTERNAL AUDIT

INTERNAL AUDIT UPDATE

1. PURPOSE OF REPORT

The purpose of this report is to provide the Liverpool City Region Combined Authority (LCRCA) Audit and Governance Committee with an overview of the internal audit work completed in respect of the Combined Authority in the fourth quarter of 2020-21, in accordance with the Internal Audit Plan 2020-21, and the first quarter of 2021-22, in accordance with the Internal Audit Plan 2021-22.

2. RECOMMENDATIONS

The Liverpool City Region Combined Authority Audit and Governance Committee is recommended to:

- (a) Note the outcomes of the audit work undertaken during the period of the report; and
- (b) Note the progress made in the delivery of the approved Internal Audit Plan in respect of the Combined Authority.

3. BACKGROUND

So as to support the Committee in the discharge of its duties according to its Terms of Reference, the report details the work undertaken by the Internal Audit service in respect of LCRCA in the fourth quarter of 2020-21 and first quarter of 2021-22. The report highlights the following key points:

- (a) A summary of Internal Audit Plan delivery for the period;
- (b) Details of work undertaken, and key items of note in respect of corporate systems, LCRCA specific systems and Merseytravel specific systems;

- (c) An update on internal audit performance with reference to the key performance indicators detailed in the Quality Assurance and Improvement Programme (QAIP);
- (d) An update on the counter-fraud work undertaken during the period; and
- (e) An update on the service's compliance with the Public Sector Internal Audit Standards (PSIAS).

4. RESOURCE IMPLICATIONS

4.1 Financial

There are no direct issues arising from this report.

4.2 Human Resources

There are no direct issues arising from this report.

4.3 Physical Assets

There are no direct issues arising from this report.

4.4 Information Technology

There are no direct issues arising from this report.

4.5 Programme Management Office (PMO)

There are no direct issues arising from this report.

5. RISKS AND MITIGATION

It is the responsibility of the LCRCA to establish effective arrangements for the management of risk. Internal Audit reports highlight weaknesses which pose a risk to the achievement of the organisation's objectives and the according recommendations assist in mitigating such risks. Internal audit work is one strand of assurance regarding the effectiveness of the system of internal control and this can be utilised to inform the LCRCA's view of organisational risk and its management.

6. EQUALITY AND DIVERSITY IMPLICATIONS

There are no direct issues arising from this report.

7. PRIVACY IMPLICATIONS

There are no direct issues arising from this report.

8. COMMUNICATION ISSUES

There are no direct issues arising from this report.

9. CONCLUSION

- 9.1 Internal Audit has made positive progress in the period of this report to complete the delivery of the Internal Audit Plan 2020-21 and to deliver the Internal Audit Plan 2021-22.
- 9.2 This report demonstrates how the provision of available Internal Audit resource has been utilised to provide appropriate assurance to the Combined Authority.

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Appendices:

Appendix A – Internal Audit Update

Background Documents:

None