

# South Yorkshire Passenger Transport Executive and Mayoral Combined Authority

## Internal Audit Progress Report

January 2022

**Emily Mayne**

Head of Internal Audit  
T: 0121 232 5309  
E: [emily.j.mayne@uk.gt.com](mailto:emily.j.mayne@uk.gt.com)

**Lisa MacKenzie**

Internal Audit Manager  
T: 0121 232 5157  
E: [lisa.p.mackenzie@uk.gt.com](mailto:lisa.p.mackenzie@uk.gt.com)





# Introduction & headlines

## Purpose

This report provides an update on progress against the reviews within the 2021/22 internal audit plan. We have delivered 172.5 days of the 263 days within the joint plan. This is equivalent to 66%.

## Reports issued

We have finalised four audit reports since the last meeting of the Audit, Standards and Risk Committee. Copies of the final reports are attached within the agenda papers:

Audit Completed	Overall Assurance Level
Critical IT Controls	<b>Significant assurance with some improvement required</b>
Asset Management	<b>Partial assurance with improvement required</b>
Supplier Resilience	<b>Partial assurance with improvement required</b>
Core Financial Controls	<b>Significant assurance with some improvement required</b>

Our assurance levels are shown at appendix 1.

## Work in progress

Since the last meeting of the Committee, scoping and planning has now commenced in respect of the Risk Management and Governance reviews.

## Resourcing

We confirm that we have sufficient internal audit team members available to deliver the internal audit plan to the timescales set out in our Audit Plan. We will flex the plan where needed for emerging priorities and to accommodate timescales requested by management. Any material changes to the Audit Plan will be communicated to the Audit, Standards and Risk Committee for their agreement.

## Changes to the audit plan since the last meeting

The plan has been formulated during the continued Covid-19 pandemic and is subject to flexibility to reflect the uncertainty of the longer term impact of the virus. We will continue to keep the audit plan under review and will reflect on the scope of each review to include emerging issues. The following changes have been made to the Audit Plan since the last meeting of the Audit, Standards and Risk Committee meeting:

- Following our initial discussions with Executive Officers, due to there being assurance provided by other external and internal structures, it has been proposed to cancel the review of Integration of the MCA & PTE and re-distribute the audit days. Early conversations have taken place in respect of completing a value for money review of Community Transport.
- Following our initial discussions with the Executive Lead, the timing of the AEB review has been moved from Quarter 3 to Quarter 4 to align with the Authority's 6 month review processes.



# Introduction & headlines

---

## Additional work undertaken outside of the audit plan

There has been no additional work carried out outside of the Audit Plan since the last meeting of the Audit, Standards and Risk Committee.

## 2022/23 Internal Audit Plan

Initial planning conversations have commenced with Executive Officers and we are awaiting confirmation of the required arrangements and timescales from Management Board.



# 2021/22 Internal Audit Plan progress

Audit	Planned days	Start date	Planned Audit Committee Date	Status	Assurance Opinion	Days used
<b>Annual reviews for HOIA opinion</b>						
Core Financial Controls	30	Quarter 3	January 2022	Complete	Significant assurance with some improvement required	30
Risk Management	15	Quarter 4	March 2022	Scoping		2
Governance	15	Quarter 3	January 2022	Scoping		0.5
Critical IT Controls	15	Quarter 2	January 2022	Complete	Significant assurance with some improvement required	15
<b>Group audits</b>						
Integration of MCA & PTE	26	Quarter 3/4	March 2022	Cancelled	Audit days to be re-distributed	2
Assessing the Risk of Fraud	10	Quarter 1	October 2021	Complete	Partial assurance with improvement required	10
Asset Management	25	Quarter 1/2	January 2022	Complete	Partial assurance with improvement required	25
Supplier Resilience	20	Quarter 2	January 2022	Complete	Partial assurance with improvement required	20
<b>Sub-total</b>	<b>156</b>					<b>104.5</b>



# 2021/22 Internal Audit Plan progress

Audit	Planned days	Start date	Planned Audit Committee Date	Status	Assurance Opinion	Days used
<b>MCA</b>						
Grant Claims	12	Quarter 1 & 2	N/A	Complete	N/A Grant Certification	12
Procurement	10	Quarter 2	October 2021	Complete	<b>Significant assurance with some improvement required</b>	10
AEB	30	Quarter 4	March 2022	Scoping		1.5
AMP Technology Centre: Follow-up	10	Quarter 1/2	September 2021	Complete	<b>N/A Follow-up.</b> Some actions remain outstanding and revised implementation dates have been agreed.	10
<b>PTE</b>						
Grant Claims	10	Quarter 3	N/A	Complete	N/A Grant Certification	7
<b>Sub-total</b>	<b>72</b>					<b>40.5</b>
Follow up of recommendations	10					7.5
Contract Management:	25					20
<b>Total</b>	<b>263</b>					<b>172.5</b>

# Appendix 1:

## Our assurance levels

The table below shows the levels of assurance we provide and guidelines for how these are arrived at. We always exercise professional judgement in determining assignment assurance levels, reflective of the circumstances of each individual assignment.

Rating	Description
<b>Significant assurance</b>	<p>Overall, we have concluded that, in the areas examined, the risk management activities and controls are suitably designed to achieve the risk management objectives required by management.</p> <p>These activities and controls were operating with sufficient effectiveness to provide significant assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by no weaknesses in design or operation of controls and only IMPROVEMENT recommendations.</p>
<b>Significant assurance with some improvement required</b>	<p>Overall, we have concluded that in the areas examined, there are only minor weaknesses in the risk management activities and controls designed to achieve the risk management objectives required by management.</p> <p>Those activities and controls that we examined were operating with sufficient effectiveness to provide reasonable assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by minor weaknesses in design or operation of controls and only LOW rated recommendations.</p>
<b>Partial assurance with improvement required</b>	<p>Overall, we have concluded that, in the areas examined, there are some moderate weaknesses in the risk management activities and controls designed to achieve the risk management objectives required by management.</p> <p>Those activities and controls that we examined were operating with sufficient effectiveness to provide partial assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by moderate weaknesses in design or operation of controls and one or more MEDIUM or HIGH rated recommendations.</p>
<b>No assurance</b>	<p>Overall, we have concluded that, in the areas examined, the risk management activities and controls are not suitably designed to achieve the risk management objectives required by management.</p> <p>Those activities and controls that we examined were not operating with sufficient effectiveness to provide reasonable assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by significant weaknesses in design or operation of controls and several HIGH rated recommendations.</p>



© 2022 Grant Thornton UK LLP. Confidential and information only.

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.