

Appendix A



SOUTH YORKSHIRE MAYORAL COMBINED AUTHORITY

Internal Audit Progress Report

17 July 2024

This report is solely for the use of the persons to whom it is addressed.

To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party.

CONTENTS

Key messages..... 3

Appendices

Appendix A: Progress against the internal audit plan 2023/24 5

Appendix B: Progress against the internal audit plan 2024/25 6

Appendix C: Other matters 7

Appendix D: Key performance indicators 2024/25 8

KEY MESSAGES

The internal audit plan for 2024/25 was approved by the Audit, Standards and Risk Committee at the 20 March 2024 meeting. This report provides an update on progress against the plan and summarises the results of our work to date.



- Since the last meeting, two reports have been finalised for the 2023/24 internal audit plan which are; Follow Up (9.23/24) and Governance (10.23/24). All audits have now been completed for the 2023/24 internal audit plan, and therefore our Head of Internal Audit opinion is also being presented to this meeting as a separate agenda item. **[To consider]**
- We have issued one final report for the 2024/25 internal audit, Bus Tendered Services (1.24/25). **[To consider]**
- Fieldwork dates have been agreed with management for the remaining audits for 2024/25 to ensure that all fieldwork will be completed by the end of the year, and our Head of Internal Audit Opinion can be provided at the first meeting of the 2025/26 financial year. Details of the progress made against the internal audit plan are included at Appendix A and B. **[To note]**
- We have met on a monthly basis with the Executive Director of Resources and Investment, Head of Corporate Governance and Assistant Director of Finance to discuss progress with the audit plan and to understand any updates from the MCA. We have also met with the Head of Finance and Commercial at South Yorkshire Supertram. **[To note]**

Appendices

01



APPENDIX A: PROGRESS AGAINST THE INTERNAL AUDIT PLAN 2023/24

Assignment and Executive Lead	Status / Opinion issued	Actions agreed				Target Audit, Standards and Risk Committee (as per IA plan)	Actual Audit, Standards and Risk Committee
		A	L	M	H		
Bus Data Quality	Final Report Issued / Reasonable Assurance	0	6	4	0	September 2023	December 2023
Cyber Security	Final Report Issued / Partial Assurance	0	2	6	5	September 2023	September 2023
Follow Up 1	Final Report Issued / Reasonable Progress	0	3	3	0	September 2023	September 2023
Tram Services Progress Healthcheck and Health and Safety Framework	Final Report Issued / Reasonable Assurance	0	4	1	0	December 2023	December 2023
Purchasing and Creditors	Final Report Issued / Reasonable Assurance	0	8	2	0	December 2023	December 2023
Risk Management	Final Report Issued / Reasonable Assurance	0	5	1	0	December 2023	December 2023
Assurance Framework	Final Report Issued / Substantial Assurance	0	2	0	0	March 2024	March 2024
Adult Education Budget (AEB)	Final Report Issued / Reasonable Assurance	0	1	2	0	March 2024	March 2024
Follow Up 2	Final Report Issued / Reasonable Progress	0	3	5	0	March 2024 ¹	July 2024 ²
Governance	Final Report Issued / Substantial Assurance	0	1	0	0	May 2024	July 2024 ³

¹ The Governance audit was delayed until March 2024 from January 2024 to allow for more time to embed the new governance processes prior to audit.

² The Audit, Standards and Risk Committee was delayed until July 2024.

³ The Audit, Standards and Risk Committee was delayed until July 2024.

APPENDIX B: PROGRESS AGAINST THE INTERNAL AUDIT PLAN 2024/25

Assignment and Executive Lead	Status / Opinion issued	Actions agreed				Target Audit, Standards and Risk Committee (as per IA plan)	Actual Audit, Standards and Risk Committee
		A	L	M	H		
Bus Tendered Services	Final Report Issued / Reasonable Assurance	2	2	4	0	July 2024	July 2024
Fraud in Skills	Fieldwork debriefed 28 June 2024	-	-	-	-	September 2024	-
Follow Up	Fieldwork commenced 1 July 2024	-	-	-	-	September 2024	-
IT Asset Management	Fieldwork commencing 15 July 2024	-	-	-	-	September 2024	-
PCC Integration	Fieldwork commencing 4 September 2024	-	-	-	-	November 2024	-
Tram – Governance	Fieldwork commencing 23 September 2024	-	-	-	-	February 2025	-
HR Management	Fieldwork commencing 4 November 2024	-	-	-	-	February 2025	-
Tram Governance	Fieldwork commencing 6 November 2024	-	-	-	-	February 2025	-
Tram - Key Financial Controls	Fieldwork commencing 18 November 2024	-	-	-	-	February 2025	-
Payroll	Fieldwork commencing 16 January 2025	-	-	-	-	March 2025	-
Tram - Risk Management	Fieldwork commencing 20 January 2025	-	-	-	-	May 2025	-
Health and Safety Compliance and Culture	Fieldwork commencing 27 January 2025	-	-	-	-	May 2025	-
Follow Up	Fieldwork commencing 10 March 2025	-	-	-	-	May 2025	-

APPENDIX C: OTHER MATTERS

Other assurance activity:

Note	Activity	Overview of output
1	Procurement Act Webinar	<p>We issued an invite to the Public Sector Procurement Act Webinar on the 3rd July 2024 to management. Public Procurement as we know it will fundamentally change from October 2024, when the new Procurement Act comes into force. At this webinar, we will be discussing the impact this new legislation will have and how Audit Committees and Trustees should prepare for its implementation.</p> <p>This will be the biggest change to Public Procurement Law in England, Wales and Northern Ireland in a generation. The scale and breadth of change should not be underestimated and will require new governance, information systems and a transformation to ways of working across the whole organisation, not just within the Procurement Function / Legal Department.</p>

Quality assurance and continual improvement

To ensure that RSM remains compliant with the PSIAS framework we have a dedicated internal Quality Assurance Team who undertake a programme of reviews to ensure the quality of our audit assignments. This is applicable to all Heads of Internal Audit, where a sample of their clients will be reviewed. Any findings from these reviews are used to inform the training needs of our audit teams.

As part of the Quality Assessment and Improvement Programme, none of your files were selected for Internal Quality Monitoring programme during 2023/24, or 2024/25. From the results of the reviews undertaken across our client base, there are no areas which we believe warrant flagging to your attention as impacting on the quality of the service we provide to you.

In addition to this, any feedback we receive from our post assignment surveys, client feedback, appraisal processes and training needs assessments is also taken into consideration to continually improve the service we provide and inform any training requirements.

Post assignment surveys

We are committed to delivering an excellent client experience every time we work with you. Your feedback helps us to improve the quality of the service we deliver to you. Currently, following the completion of each product we deliver we attached a brief survey for the client lead to complete.

APPENDIX D: KEY PERFORMANCE INDICATORS 2024/25

	Delivery				Quality		
	Target	Actual	Notes*		Target	Actual	Notes*
Audits commenced in line with original timescales*	Yes	Yes		Conformance with PSIAS	Yes	Yes	
Draft reports issued within 10 days of debrief meeting	10 working days	7 working days		Liaison with external audit to allow, where appropriate and required, the external auditor to place reliance on the work of internal audit	Yes	Yes	
Management responses received within 10 days of draft report	10 working days	5 working days		Response time for all general enquiries for assistance	2 working days	2 working days	
Final report issued within 3 days of management response	3 working days	1 working day		Response for emergencies and potential fraud	1 working day	N/A	

Notes

This takes into account changes agreed by management and Audit Committee during the year. Through employing an agile or a flexible approach to our service delivery we are able to respond to your assurance needs.

FOR FURTHER INFORMATION CONTACT

Rob Barnett, Head of Internal Audit

Email: Robert.Barnett@rsmuk.com

Anna Mullen, Associate Director

Email: Anastasia.Mullen@rsmuk.com

Aaron Macdonald, Manager

Email: Aaron.Macdonald@rsmuk.com

rsmuk.com

The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

Our report is prepared solely for the confidential use of South Yorkshire Mayoral Combined Authority, and solely for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM UK Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

This report is released to you on the basis that it shall not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without our prior written consent.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

RSM UK Risk Assurance Services LLP is a limited liability partnership registered in England and Wales no. OC389499 at 6th floor, 25 Farringdon Street, London EC4A 4AB.