



AUDIT COMMITTEE

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| Date Written | 02 nd March 2020 |
| Report Author | G Evans |
| Exempt/Non Exempt | Non Exempt |
| Committee Date | 09 th March 2020 |

To: Chair, Ladies and Gentlemen

Fleet Management

1.0 SUMMARY OF THE REPORT

1.1 The Fleet Management system was reviewed by Internal Audit during the 2019/2020 financial year. The resulting report was published on the 24th September 2019 concluding that the control environment was unsatisfactory and making 22 recommendations to management.

2.0 RECOMMENDATIONS that

2.1 Audit Committee receive the Fleet Management report.

3.0 INTRODUCTION AND BACKGROUND

3.1 As part of the internal audit plan for 2019/2020 a review of the Fleet Management system was undertaken. The review was carried forward from the 2018/2019 internal audit plan.

3.2 The objective of the audit was to evaluate the system of internal controls with a view to delivering reasonable assurance to the Authority over the adequacy of the internal control environment. The following objectives were examined and evaluated:

- Policies and Procedures
- Acquisitions
- Disposals
- Defect Monitoring and Reporting
- Drivers Hours
- Operating Licence

- Drivers Licence
- Maintenance of Vehicles
- Security of Vehicles

3.3 The audit review entailed documenting and evaluating the existing controls in operation against expected controls and the inherent risks of those controls being absent. Audit testing was also undertaken to form an independent evaluation on the practical application and operation of those controls.

4.0 FINDINGS

4.1 The final report was issued on the 24th September 2019. The overall conclusion of the audit was that the system of internal control applied has been graded unsatisfactory. This means that weaknesses in the system of controls are such as to put the system's objectives at risk. This conclusion was determined as a result of evaluating both the control framework and the application of the controls.

4.2 The report contained 22 recommendations to improve existing arrangements.

4.3 The report and resulting recommendations are included as Appendix 1. This includes a detailed evaluation of each control reviewed during the audit, a summary of each objective and corresponding audit conclusion and the recommendations made including management's response.

4.4 Officers from the relevant Service area have attended Audit Committee to present on their progress to date in implementing the recommendations from the report.

5.0 FINANCIAL IMPLICATION(S)

5.1 There are none specifically identified within this report.

MARK THOMAS
HEAD OF REGIONAL INTERNAL AUDIT
SERVICE

COUNCILLOR ANDREW BARRY
CABINET MEMBER FOR GOVERNANCE
AND CORPORATE SERVICES

| BACKGROUND PAPERS | | |
|--|-------------------------|--------------------------|
| Title of Document(s) | Document(s) Date | Document Location |
| Strategic Procurement | 2019/2020 | Internal Audit office |
| Does the report contain any issue that may impact the Council's Constitution? | | No |