

Audit and Corporate Governance Committee

Report of Audit Manager

Author: Adrianna Partridge

Telephone: 01491 823544 (SODC); 01235 547615 (VWHDC)

Textphone: 18001 01491 823326 (SODC); 18001 01235 540455 (VWHDC)

E-mail: adrianna.partridge@southandvale.gov.uk

Cabinet member responsible: Councillor David Dodds

Tel: 01844 297714

E-mail: david.dodds@southoxon.gov.uk

To: Audit and Corporate Governance Committee

DATE: 13 July 2011

AGENDA ITEM 9

Internal audit management report quarter one 2011/2012

Recommendation(s)

- (a) That members note the content of the report

Purpose of Report

1. The purpose of this report is:

- to report on management issues within internal audit
- to summarise the progress against the 2011/2012 audit plan up to the 30 June 2011
- to summarise the priorities and planned audit work for quarter two 2011/2012.

2. The contact officer for this report is Adrianna Partridge, Audit Manager for South Oxfordshire District Council and Vale of White Horse District Council, telephone (SODC) 01491 823544 and (VWHDC) 01235 547615.

Background

3. The CIPFA Code of Practice for Internal Audit in Local Government in the UK 2006 states that the head of internal audit (audit manager) should prepare a risk-based

audit plan, which should outline the assignments to be carried out and the broad resources required to deliver the plan.

4. The CIPFA Code also states that the audit committee should approve the annual internal audit plan and monitor progress against the plan. This Committee approved the annual internal audit plan on 22 March 2011.

Management Issues

5. The internal audit team's priority has been to complete the 2010/2011 audit plan and all outstanding follow-up audits. All planned audits for 2011/2012 have been allocated and scheduled for the year, and work has commenced on current year audits.
6. The vacant audit post was filled on 16 May 2011, and Sheeraz Khan has joined the team. The whole team is now predominantly based at SODC, but works across both sites.
7. Requests have already been received from service areas for two consultancy audits which have been scheduled appropriately.

Progress against the 2011/2012 Audit Plan

8. Progress against the approved audit plan has been calculated for the quarter up to 30 June 2011 and year to date and is summarised in **appendix 1** attached.
9. Performance figures are as follows:

	Target	YTD	Q1 11/12	Q2 11/12	Q3 11/12	Q4 11/12
Chargeable (identifiable client and/or specific IA deliverable)	72%	69.5%	69.5%	-	-	-
Non-Chargeable (corporate, not IA deliverable)	7%	8%	8%	-	-	-
Lost (i.e. leave, study, sickness)	21%	22.5%	22.5%	-	-	-

10. As at 30 June the status of audit work against the 2011/2012 audit plan is as follows:

Planned

Strategic, operational and financial assurance work known and approved by the Audit and Governance Committee.

2011/2012	Planned	Complete	Draft	In progress	To commence
PLANNED	34	2	3	3	26
Joint	32	1	3	3	25
SODC	1	1	0	0	0
VWHDC	1	0	0	0	1

Adhoc

Unplanned project work based on agreed terms of reference with the audit manager (i.e. implementation of new systems) and responsive work issued and agreed by the section 151 officer, members or senior management team (i.e. investigations).

2011/2012	Requested	Complete	Draft	In progress	To commence
ADHOC	4	2	0	0	2
Joint	3	1	0	0	2
SODC	0	0	0	0	0
VWHDC	1	1	0	0	0

Follow Up

Work undertaken to ensure that agreed recommendations have been implemented. The number of follow-up audits is a rolling number, all internal audit reports are followed up after six months.

2011/2012	Requested	Complete	Draft	In progress	To commence
FOLLOW-UP	15	6	0	2	7
Joint	8	2	0	2	4
SODC	3	2	0	0	1
VWHDC	4	2	0	0	2

Priorities for 2011/2012 quarter two (July 2011 - September 2011)

11. The priority for quarter two is:

- To review the anti-money laundering policy and scope money laundering access points within both councils.
- To commence drafting the internal audit strategy 2012 – 2015.

12. Planned audit work which is currently ongoing and has been scheduled for quarter two is as follows:

Joint Audits	
Brown Bins	Grounds Maintenance
Building Control	Licensing
Car Parks	NNDR
Cash Office	Ocella/Uniform ICT Procurement
Council Tax	Payroll
Elections Payments	Planning Fees
Establishment Listing	Stationery System
General Ledger	Travel and Subsistence
SODC Audits	VWHDC Audits
None	None

13. Follow-up work which is scheduled for quarter two is as follows:

Joint Audits	SODC Audits	VWHDC Audits
Health and Safety Leisure Centres S106 Commuted Sums		

Financial Implications

14. There are no financial implications attached to this report.

Legal Implications

15. None

Risk Implications

16. Identification of risk is an integral part of all audits.

ADRIANNA PARTRIDGE
AUDIT MANAGER