

Joint Audit and Governance Committee



Report of Assurance Manager

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To: Joint Audit and Governance Committee

DATE: 21 March 2016

Internal audit management report quarter four 2015/2016

Recommendation

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 2015/2016 audit plan up to 9 March 2016; and
 - to summarise the priorities for quarter one 2016/2017.

2. The contact officer for this report is Adrianna Partridge, Assurance Manager for South Oxfordshire District Council and Vale of White Horse District Council, telephone 01235 540389.

Strategic objectives

3. Managing our business effectively.

Background

4. The CIPFA Code of Practice for Internal Audit in Local Government in the UK 2006 states that the head of internal audit 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.
5. The CIPFA Code also states that the audit committee should approve the annual internal audit plan and monitor progress against the plan. The SODC committee approved the 2015/2016 annual internal audit plan on 17 March 2015 and the VWHDC committee approved the 2015/2016 annual internal audit plan on 19 March 2015.

Management issues

6. The audit team is focused on completing the audit plan, but it is anticipated that two audits will be in progress at year end – HR management and HR recruitment. In addition to planned audit work, resources are also currently being allocated to two unplanned reviews.
7. The internal advert is currently live for the new risk and insurance officer post, and the interview date has been set for 23 March.

Progress against the 2015/2016 audit plan

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

	Target	YTD	Q1 15/16	Q2 15/16	Q3 15/16	Q4 15/16
Chargeable (identifiable client and/or specific IA deliverable)	74%	73%	63%	71%	65.5%	85%
Non-Chargeable (corporate, not IA deliverable)	8%	7%	11%	5%	7.5%	6%
Planned Lost (i.e. leave)	16%	12%	14%	11.5%	20%	5.5%
Unplanned Lost (i.e. study, sickness)	2%	8%	12%	12.5%	7%	3.5%

10. As at 9 March 2016 the status of audit work against the 2015/2016 audit plan is as follows:

Planned

Strategic, operational and financial assurance work known and approved by the audit and governance committee.

2015/2016	Planned	Complete	Draft	In progress	To commence
PLANNED	26	15	1	6	4
Joint	26	15	1	6	4

Ad hoc

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).

2015/2016	Requested	Complete	Draft	In progress	To commence
ADHOC	3	1	0	2	0
Joint	2	1	0	1	0
SODC	0	0	0	0	0
VWHDC	1	0	0	1	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 unless the area is subject to an annual review.

2015/2016	Requested	Complete	Draft	In progress	To commence
FOLLOW-UP	23	21	0	2	0
SODC	11	10	0	1	0
VWHDC	12	11	0	1	0

Priorities for 2016/2017 quarter one (April 2016 – June 2016)

11. The priorities for quarter one are to:
- Complete the audit plan 2015/2016.
 - Update all internal audit procedures to reflect new working practices.
 - Establish working approach for the new assurance team.
12. Remaining 2015/2016 planned audit work can be reviewed in **appendix 2**.

Financial implications

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

Legal implications

14. None.

Risk implications

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

ADRIANNA PARTRIDGE
ASSURANCE MANAGER