

# Audit and Governance Committee Report



**17 March 2014**

Report of Interim Audit Manager

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To: Audit and Governance Committee

DATE: 17 March 2014

## **Internal audit management report quarter four 2013/2014**

### **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 2013/2014 audit plan up to 28 February 2014; and
  - to summarise the priorities for quarter one 2014/2015.
2. The contact officer for this report is Craig Pullen, Interim Audit Manager for South Oxfordshire District Council and Vale of White Horse District Council, telephone (SODC) 01491 823544 and (VWHDC) 01235 547615.

## 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. This Committee approved the annual internal audit plan on 20 March 2013.

## Management issues

6. Interviews for the vacant auditor position were held on 24<sup>th</sup> February 2014 and we have appointed Kathleen Locke. Kathleen will join the team on 1<sup>st</sup> April 2014.

## Progress against the 2013/2014 audit plan

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

	Target	YTD	Q1 13/14	Q2 13/14	Q3 13/14	Q4 13/14
<b>Chargeable</b> (identifiable client and/or specific IA deliverable)	73%	73.5%	74.5%	69.5%	76.0%	73.0%
<b>Non-Chargeable</b> (corporate, not IA deliverable)	8%	7.5%	7.5%	5.5%	7.0%	12.0%
<b>Lost</b> (i.e. leave, study, sickness)	19%	19.0%	18.0%	25.0%	17.0%	15.0%

9. As at 28 February 2014 the status of audit work against the 2013/2014 audit plan is as follows:

### Planned

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

2013/2014	Planned	Complete	Draft	In progress	To commence
<b>PLANNED</b>	<b>30</b>	<b>22</b>	<b>1</b>	<b>7</b>	<b>0</b>
Joint	26	19	1	6	0
SODC	3	3	0	0	0
VWHDC	1	0	0	1	0

### 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).

2013/2014	Requested	Complete	Draft	In progress	To commence
<b>ADHOC</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>
Joint	1	1	0	0	0
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.

2013/2014	Requested	Complete	Draft	In progress	To commence
<b>FOLLOW-UP</b>	<b>38</b>	<b>24</b>	<b>0</b>	<b>10</b>	<b>4</b>
SODC	20	13	0	5	2
VWHDC	18	11	0	5	2

**Priorities for 2014/2015 quarter one (April 2014 – June 2014)**

10. The priorities for quarter one are to:

- Complete 2013/14 planned work and commence 2014/15 planned audit work
- Successfully integrate the new auditor into the team
- Commence the review of outstanding recommendations

11. Remaining 2013/2014 planned audit work can be reviewed in **appendix 2**.

**Financial implications**

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

**Legal implications**

13. None.

**Risk implications**

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

CRAIG PULLEN  
INTERIM AUDIT MANAGER