

Audit and Governance Committee Report



3 July 2014

Report of **Interim Audit Manager**

Author: **Craig Pullen**

Telephone: **01235 547615**

Telephone: **01491 823544**

E-mail: craig.pullen@southandvale.gov.uk

Cabinet member responsible: **Councillor Matthew Barber**

Telephone: **07816 481452**

E-mail: matthew.barber@whitehorsedc.gov.uk

To: Audit and Governance Committee

DATE: 3 July 2014

Internal audit management report quarter one 2014/15

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 2014/2015 audit plan up to 13th June 2014; and
 - to summarise the priorities for quarter two 2014/2015.
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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 17 March 2014.

Management issues

6. Interviews for the vacant auditor position were held on 1st May 2014 and we appointed Fiona Kaluza. Fiona joined the team on 9th June 2014.
7. Adrianna Partridge will rejoin the Council during July as Audit Manager and Craig Pullen's Interim contract will terminate on 18th July 2014.

Progress against the 2014/2015 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 13/14	Q2 13/14	Q3 13/14	Q4 13/14
Chargeable (identifiable client and/or specific IA deliverable)	74%	75%	75%			
Non-Chargeable (corporate, not IA deliverable)	8%	6%	6%			
Lost (i.e. leave, study, sickness)	18%	19%	19%			

10. As at 23 June 2014 the status of audit work against the 2014/2015 audit plan is as follows:

Planned

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

2014/2015	Planned	Complete	Draft	In progress	To commence
PLANNED	26	1	0	4	21
Joint	26	1	0	4	21
SODC	0	0	0	0	0
VWHDC	0	0	0	0	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).

2014/2015	Requested	Complete	Draft	In progress	To commence
ADHOC	1	0	0	1	0
Joint	0	0	0	0	0
SODC	1	0	0	1	0
VWHDC	0	0	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.

2014/2015	Requested	Complete	Draft	In progress	To commence
FOLLOW-UP	27	12	0	6	9
SODC	13	6	0	3	4
VWHDC	14	6	0	3	5

Priorities for 2014/2015 quarter two (July 2014 – September 2014)

11. The priorities for quarter two are to:

- Successfully integrate the new auditor into the team
- Effective handover to the Audit Manager

12. Remaining 2014/2015 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.

CRAIG PULLEN
INTERIM AUDIT MANAGER