

Item 6

Audit and Governance Committee

Meeting to be held on 26 January 2015

Electoral Division affected: All

Internal Audit Service Progress Report

(Appendices 'A' and 'B' refer)

Contact for further information

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Executive Summary

In the context of fulfilling its responsibility to consider periodic reports of internal audit activity and outcomes, the committee is asked to consider the progress report and outcomes of the Internal Audit Service's work for the nine months to 31 December 2014 (Appendix A). It should also consider the development of the audit plan for 2014/15 as this has been amended following discussions with the Management Team (Appendix B).

Recommendation

The Audit and Governance Committee is asked to consider the Internal Audit Service progress report for the nine months to 31 December 2014.

Background and advice

The committee may be interested to understand the internal audit work performed, the key issues emerging from it and management's responses to it. It should also understand the responses of the council's senior management teams and the Internal Audit Service to the annual report relating to the previous year and the corresponding changes to the audit plan for 2014/15.

Audit plan 2014/15

The provisional audit plan was presented to the Audit and Governance Committee in June 2014 and formed the basis of audit work for the first half of the year. However the Management Team is keen to rectify the control weaknesses reported in 2013/14, and to ensure that controls over areas of high and moderate risk in particular are adequately designed and effective in operation. One of the Audit Managers has therefore been seconded out of the team to support management in implementing improved controls, and internal audit work for the year is now strongly focussed on following up agreed remedial action and on re-auditing areas of known control weaknesses as these are addressed.

Appendix A to this report summarises the issues emerging from the internal audit work completed during the year to date.

Internal audit assurance

Internal audit assurance is stated in the following terms:

Full assurance: there is a sound system of internal control which is designed to meet the service objectives and controls are being consistently applied.

Substantial assurance: there is a generally sound system of internal control, designed to meet the service objectives, and controls are generally being applied consistently. However some weakness in the design and/ or inconsistent application of controls put the achievement of particular objectives at risk.

Limited assurance: weaknesses in the design and/ or inconsistent application of controls put the achievement of the service objectives at risk.

No assurance: weaknesses in control and/ or consistent non-compliance with controls could result/ have resulted in failure to achieve the service objectives.

Consultations

Not applicable.

Implications

Not applicable.

Risk management

This report supports the Audit and Governance Committee in undertaking its role, which includes providing independent oversight of the adequacy of the council's governance, risk management and internal control framework.

Local Government (Access to Information) Act 1985

List of Background Papers

	Date	Contact
Paper		
Not applicable.		

Reason for inclusion in Part II, if appropriate: Not applicable.