

Head of Internal Audit Update

Audit Committee

Date: 24th September 2013

Author: Head of Internal Audit
Wards: None
Locality Affected: None
Parishes Affected: None

1. Purpose and Reasons

- 1.1 To present Members with a summary of the main issues arising from the Internal Audit reports finalised since the Audit Committee meeting in June 2013, to update Members with regard to progress against the annual internal audit plan and other key issues.
- 1.2 The Council's Audit Committee has a strategic role to ensure that the Council's assurance framework is operating effectively. To this end it should seek assurance that key areas that contribute to this framework are operating properly.
- 1.3 The Council's Internal Audit section is a key component of the assurance framework and therefore it is essential that this Committee monitor its performance against the annual plan along with the implementation of agreed recommendations by Client departments.

2. Recommendations

The Committee is recommended to:

- 2.1 It is recommended that the contents of the report be noted.

3. Detail

Reports Issued

- 3.1 Details of Internal Audit reports finalised since the June 2013 Audit Committee are set out in Appendix 1. The appendix sets out the key audit recommendations made along with the overall risk assessment to the Council.

Progress on completion of Internal Audit Plan 2013/14

- 3.2 The progress to date against the 2013/14 audit plan is set out in Appendix 2.
 - 3.3 To date, 48% of the number of audits in the Annual Internal Audit plan, have been completed against a target of 46%.
 - 3.4 The results of our Customer Feedback forms to date shown that 90% of customers rating the audit service as good or excellent with the remaining 10% scoring good – average.
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Further information on the subject of this report can be obtained from Nick Hobbs,
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Public Sector Internal Audit Standards (PSIAS)

- 3.5 The Public Sector Internal Audit Standards have replaced the CIPFA's Code of Practice for Internal Audit in Local Government as the mandatory guidance for internal audit in the public sector.
- 3.6 The Head of Internal Audit is currently carrying out an assessment against these Standards to ensure that the audit section fully complies. As part of that exercise a paper was presented at this Committee meeting setting out a revised Audit Charter.
- 3.7 Further papers and a full self-assessment will be brought to future meetings of this Committee.

Risk Management

- 3.8 The Internal Audit section continues to provide the risk management function whilst the Council's Risk Manager is off on maternity leave. However, this cover is due to come to an end at the end of December 2013.
- 3.9 A report on progress made and the current position regarding risk management will be reported to the November Audit Committee meeting.

4. Alternative Options

- 4.1 Not Applicable

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 There are no direct financial implications arising from this report.

Legal and Human Rights Implications

- 5.2 Internal Audit is a statutory requirement of the Accounts and Audit Regulations 2011. The Internal Audit service also provides assurance to the Director of Finance regarding the requirements of Section 151 of the Local Government Act 1972.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 None

Links to One Swindon, Strategic Objectives, Plans and Policies

- 5.4 Internal Audit's remit is to examine the adequacy of the Council's governance, risk management and internal controls. Effective systems of governance, risk management and internal control within the Council will help to ensure that the

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objectives set out in One Swindon and the Council's Corporate Strategy is achieved.

Diversity Impact Assessment

5.5 None

Risk Management

5.6 Not applicable

6. Consultees

6.1 The Board Director: Resources (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

6.2 All service managers, Directors, Group Directors and Members who have contributed to individual audits during the course of 2012/13.

7. Background Papers

7.1 None

8. Appendices

Appendix 1 – Internal Audit Reports finalised since the June 2013 Audit Committee.

Appendix 2 – Progress against the Internal Audit plan 2013/14