



Audit Committee Report

REPORT OF Chief Internal Auditor **DATE**
13/12/12

SUBJECT Chief Internal Auditor's Report – Delivering Internal Audit Activity Report

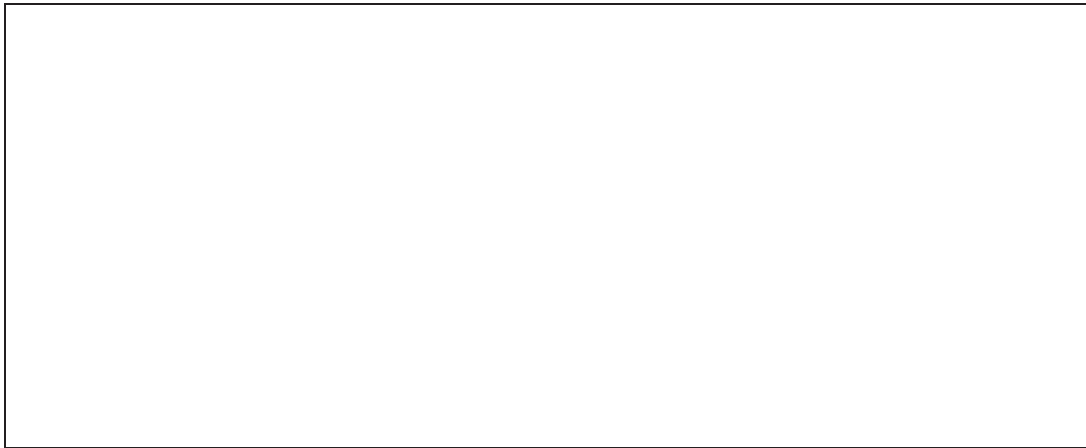
SUMMARY The attached is the progress report on Delivering Internal Audit Activity.

RECOMMENDATIONS To note the contents of the Report

FINANCIAL IMPLICATIONS No **PARAGRAPHS**
CLEARED BY S Gill

BACKGROUND PAPERS

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CATEGORY OF REPORT

Open

Statutory and Council Policy Checklist

Financial implications
YES /NO Cleared by: S Gill
Legal implications
YES /NO
Equality of Opportunity implications
YES /NO
Tackling Health Inequalities implications
YES /NO
Human rights implications
YES /NO
Environmental and Sustainability implications
YES /NO
Economic impact
YES /NO
Community safety implications
YES /NO
Human resources implications
YES /NO
Property implications
YES /NO
Area(s) affected
Relevant Scrutiny Committee if decision called in
Not applicable
Is the item a matter which is reserved for approval by the City Council? YES/NO
Press release
YES /NO

REPORT TO SHEFFIELD CITY COUNCIL AUDIT COMMITTEE

13 December 2012

Chief Internal Auditors Report – Delivering Internal Audit Activity Report.

Purpose of the Report

1. The purpose of this report is to present and communicate to members of the Audit Committee progress made against the 'new' auditable areas introduced for the 2012/13 audit plan.

Introduction

2. In light of the budget reductions the strategy and approach for the 2012/13 audit plan was changed and communicated to members of the Audit Committee at the May 2012 meeting. This report provides a progress update on the audits delivered to date.
3. The strategy for future Internal Audit work was to focus on some specific areas of activity which could provide assurance that risk and internal control issues are being properly managed by Directors in service areas. These areas are detailed in Appendix A.

Progress

4. The new approach initially involved a greater level of management liaison and identification of a 'Corporate Lead'. The audit work has progressed well and 13 audits have been delivered and issued as final reports, and 9 pieces of work are at the fieldwork stage. To date no reports have been issued with a 'high' audit opinion. Please refer to Appendix A for detailed progress analysis.
5. Progress against the audit plan is continuously monitored throughout the year, and appropriate adjustments made to the tactical plan as required. There has only been one adjustment to these planned audits and this was due to a new area being identified for audit coverage (Contract Waivers), which resulted in an originally planned audit being deleted from the audit plan (Highways – Performance Management and Governance Arrangements).
6. The delivery of the audit work is on target, however, for the Risk Management audits management requested 3 audits to be undertaken in Quarter 4. The audit resources have been assigned to enable this delivery and management have provided assurance and commitment that the officers and information will be made available as and when required.

Conclusion

7. There are no issues or concerns to report to the Audit Committee and the audits are progressing well, with management input and co-operation.

FINANCIAL IMPLICATIONS

There are no direct financial implications arising from the report.

EQUAL OPPORTUNITIES IMPLICATIONS

There are no equal opportunities implications arising from the report.

RECOMMENDATION

That the Audit Committee notes the content of the report.

Steve Gill

Chief Internal Auditor

INTERNAL AUDITS 2012/13

PARTNERSHIPS AND CONTRACTS

	Issued	Progress
Overarching Review of Partnership Management	Yes	
Performance Management including Strategic Alliances	Yes	
Risk Performance in Key Partnerships		Q4
Kier KAPS - Performance Management & Governance Arrangements	Yes	
Capita - Performance Management & Governance Arrangements		FW
Veolia - Performance Management & Governance Arrangements		FW
Highways - Performance Management & Governance Arrangements	Delete	
Review of a number of ongoing schemes	Yes	
Contract Waivers	New	FW

PROJECTS AND PROGRAMMES

Project and Programmes - Governance and Overarching Strategy	Yes	
Project and Programmes - Compliance Audit for Project Boards (4)		FW
Project and Programmes - Project Compliance		Q4
Project and Programmes - Post Implementation Reviews		Q4

PERFORMANCE MANAGEMENT FRAMEWORK

Performance Plus

Training on Performance Plus System	Yes	
Follow-up of Performance Monitoring Process Review	Yes	
Performance Plus System Overview	Yes	
Business Planning Process Overview	Yes	

Portfolio Testing

Service Business Planning		Q4
Service Reviews - Services Performing Poorly		Q4
Service Reviews - Services Performing Well		Q4
Quality Assurance Processes		Q4
Reporting and Escalation Processes		FW
Use of Performance Information		FW

ANNUAL GOVERNANCE STATEMENT

Annual Governance Statement (AGS)

AGS Process Overview	Yes
AGS Statement Production	Yes

Portfolio Testing

AGS Completion Process	Q4
Data Quality Checks	Yes
Reporting and Escalation Processes	FW
Use of AGS Information	FW

RISK MANAGEMENT

Corporate Risk Management Review	Q4
Risk Management Process - compliance review - Communities	Yes
Risk Management Process - compliance review - follow up in Place	FW
Risk Management Process - quality of risk mitigation	Q4
Risk Management Process - upward reporting	Q4

KEY

FW - Fieldwork stage

Q4 - Planned for Quarter 4