

AUDIT COMMITTEE: 29 NOVEMBER 2016

INTERNAL AUDIT PROGRESS REPORT

REPORT OF THE HEAD OF FINANCE

AGENDA ITEM: 10.1

Appendix C of the report is not for publication as it contains exempt information of the description in paragraphs 14 and 21 of Schedule 12A of the Local Government Act 1972

Reason for this Report

1. The Audit Committee's Terms of Reference requires that Members consider reports from the Audit Manager on Internal Audit's performance during the year e.g. progress reports.
2. This report has been prepared to provide the Audit Committee Members with an update on the work of Internal Audit up to 30 September 2016, for the current financial year. As agreed with Committee previously, a full update will be provided at 6 monthly intervals.

Background

3. An Annual Audit Strategy/Plan is prepared each year which acts as a yardstick by which the work of Internal Audit can be measured. It is important that this allows for flexibility so that professional judgement can be applied to enable work to be prioritised over the life of the Plan in order to maximise the use of audit resources and add most value to the organisation in targeting changing risks.
4. The Head of Finance prepares quarterly briefings and a half yearly progress report outlining the work undertaken by the audit teams and key performance information.
5. In line with the provisions of the Public Sector Internal Audit Standards (1100), organisational independence is maintained as the Head of Finance reports functionally to the Audit Committee for all audit-related matters. The Head of Finance reports administratively and otherwise professionally to the Corporate Director, Resources.
6. Progress reports are discussed with the Corporate Director Resources, to provide them with a meaningful update of the work of the team and to give them the opportunity to discuss changing priorities. This is then presented to Audit Committee.

Issues

7. The progress report to 30 September 2016 is attached at Annex 1 for information.

Legal Implications

8. There are no legal implications arising from this report.

Financial Implications

9. There are no financial implications arising from this report.

RECOMMENDATIONS

10. That the Committee note the report.

IAN ALLWOOD
HEAD OF FINANCE

The following is attached: **Annex 1**: Internal Audit Progress Report, 2016-17