

PERTH AND KINROSS COUNCIL

Audit Sub-Committee – 12 September 2012

INTERNAL AUDIT UPDATE

Report by Chief Internal Auditor

ABSTRACT

This report presents a summary of Internal Audit's work against the 2012/13 annual plan.

1. RECOMMENDATION

- 1.1 The Audit Sub-Committee is asked to note the progress of Internal Audit's work against the plan for 2012/13.

2. BACKGROUND

- 2.1 CIPFA's 'Code of Practice for Internal Audit in Local Government in the United Kingdom' requires that the Chief Internal Auditor presents interim reports on the progress with planned audit work.
- 2.2 Internal Auditors have continued finalising reports for the remaining assignments from 2011/12. In addition, work has continued on assignments from the 2012/13 Internal Audit Plan.
- 2.3 Work has also continued on internal investigations. Any outcomes will be reported to the Audit Sub-Committee in due course. Internal Involvement in one piece of unplanned work has now ceased and, as there are no control issues which have arisen during the process, no report is necessary.
- 2.4 The facilitation of the National Fraud Initiative has continued. Audit Scotland has published its Final Report as a result of the 2010/11 exercise and a report is included in the agenda for the current meeting of the Audit Sub-Committee.
- 2.5 Appendix A shows a summary of the status of Internal Audit's current assignments, detailing those assignments where work is completed and the findings are under discussion with management, and assignments in progress.
- 2.7 Appendix B shows a summary of each audit previously approved as part of the 2012/13 plan, along with the intended Audit Sub-Committee for the report to be considered. The achievement of these scheduled dates is dependent upon the level of unplanned investigation work and engagement with Services.
- 3. PROPOSALS**
- 3.1 It is recommended that the Sub-Committee notes the progress of Internal Audit's work against the plan 2012/13.

4. CONSULTATION

- 4.1 The Depute Director of Housing & Community Care and the Chief Executive have been consulted in the preparation of this report.

5. RESOURCE IMPLICATIONS

- 5.1 There are no resource implications arising from this report.

6. COUNCIL CORPORATE PLAN OBJECTIVES 2009-2012

- 6.1 The Council's Corporate Plan 2009-2012 lays out five Objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:-

- (i) A Safe, Secure and Welcoming Environment
- (ii) Healthy, Caring Communities
- (iii) A Prosperous, Sustainable and Inclusive Economy
- (iv) Educated, Responsible and Informed Citizens
- (v) Confident, Active and Inclusive Communities

- 6.2 The Chief Executive's Service provides a range of functions for internal and front-line customers alike. These functions support the work of the whole Council by assisting them in the delivery of the Council's Corporate Objectives. As a consequence, this report does not specifically relate to one of the objectives, but assists with the delivery of all five.

7. EQUALITIES ASSESSMENT

- 7.1 An equality impact assessment needs to be carried out for functions, policies, procedures or strategies in relation to race, gender and disability and other relevant protected characteristics. This supports the Council's legal requirement to comply with the duty to assess and consult on relevant new and existing policies.

- 7.2 The function, policy, procedure or strategy presented in this report was considered under the Corporate Equalities Impact Assessment process (EqIA) and was assessed as **not relevant** for the purposes of EqIA.

8. STRATEGIC ENVIRONMENTAL ASSESSMENT

- 8.1 Strategic Environmental Assessment (SEA) is a legal requirement under the Environmental Assessment (Scotland) Act 2005 that applies to all qualifying plans, programmes and strategies, including policies (PPS).

- 8.2 However, no action is required as the Act does not apply to the matters presented in this report. This is because the Committee are requested to note the contents of the report only and the Committee are not being requested to approve, adopt or agree to an action or to set the framework for future decisions.

9. CONCLUSION

- 9.1 This report presents a summary of Internal Audit's work for 2012/13 against the annual plan.

J CLARK

Chief Internal Auditor

Note:

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

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August 2012

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INTERNAL AUDIT UPDATE**Section 1 The Following Final Reports Have Been Issued Since the Last Audit Sub-Committee:**

Audit No.	Audit Title	Service
11-06	Members Register of Interests	Chief Executive's Service
11-07	Licensing	Chief Executive's Service
11-13	Council Tax	Housing & Community Care

Section 2 Work On The Following Assignments Is Complete And The Findings Are Under Discussion With Management:

Audit No.	Audit Title	Service
09/023	Bereavement Services	The Environment Service
11-11	Cash & Banking	Housing & Community Care
11-34	Investigation	The Environment Service

Section 3 The Following Assignments Are In Progress:

Audit No.	Audit Title	Service
12-02	Following the Public Pound	Corporate
12-04	Protection of Vulnerable Groups	Chief Executive's Service
12-05	Housing Rents	Housing & Community Care
12-06	Contracts & Tendering Arrangements	Housing & Community Care
12-07	Maximising Attendance	Chief Executive's Service
12-24	Investigation	The Environment Service

INTERNAL AUDIT UPDATE
Schedule Of Planned Audits For 2012/13

Audit Number	Audit Title	Planned Committee Date	Actual (Forecast) Committee Date	Comments
12-02	Following the Public Pound	Nov 2012	(Jan 2013)	Commenced
12-04	Protection of Vulnerable Groups	Sep 2012	(Nov 2012)	Commenced
12-05	Housing Rents	Nov 2012		Commenced
12-06	Contracts & Tendering Arrangements	Sep 2012	(Nov 2012)	Commenced
12-07	Maximising Attendance	Nov 2012		Commenced
12-08	Capital Budgeting / Monitoring	Nov 2012		
12-09	Home Care		(Jan 2013)	
12-10	Comfort Funds		(Jan 2013)	
12-11	Owner Occupier Accommodation Related costs	Nov 2012		
12-12	Payroll		(Jan 2013)	
12-13	Insurance		(Jan 2013)	
12-14	Business Continuity		(Mar 2013)	
12-15	School Funds		(Mar 2013)	
12-16	Mental Health Services		(Mar 2013)	
12-17	Public Performance Reporting		(Mar 2013)	
12-18	Centrally Procured Travel Arrangements		(Mar 2013)	
12-19	Credit Cards		(May 2013)	
12-20	Gifts & Hospitality		(Mar 2013)	
12-21	Financial Management of Primary Schools		(Mar 2013)	
12-22	ECS Change Fund		(Mar 2013)	