

Report To: Corporate Governance Committee

Date of Meeting: 3 July 2013

Report Author: Head of Internal Audit Services

Title: Internal Audit Progress Report

1. What is the report about?

This report updates the Committee on Internal Audit's latest progress in terms of its service delivery, assurance provision, reviews completed, performance and effectiveness in driving improvement.

2. What is the reason for making this report?

To bring the Committee up to date regarding:

- delivery of our Assurance Plan for 2013/14
- recent Internal Audit reports issued
- management's response to issues we have raised
- Internal Audit's performance

3. What are the Recommendations?

- Committee considers and comments on Internal Audit's progress and performance to date in 2013/14
- Committee considers and comments on recent Internal Audit reports issued
- Committee considers the responses to our follow up work

4. Internal Audit Progress

Delivery of the Internal Audit Assurance Plan 2013/14

4.1. Appendix 1 provides a breakdown of our work during 2013/14, compared to the Internal Audit Strategy. It includes assurance scores and number of issues raised for the completed reviews, definitions used to form our audit assurance and the ratings used to assess the risk-levels for issues raised.

Summary of Recent Internal Audit Reports

4.2. Our reports use colours for assurance ratings as follows:

Green	High Assurance	Risks and controls well managed
Yellow	Medium Assurance	Risks identified but are containable at service level
Amber	Low Assurance	Risks identified that require meeting with Director/Lead Member
Red	No Assurance	Significant risks identified that require member / officer case conference

4.3. Since my report in May 2013, we have issued the following reports.

Audit Report	Audit Opinion	Issues Raised			Comments
		Critical Risk (Red)	Major Risk (Amber)	Moderate Risk (Yellow)	
WG Free Breakfast Initiative	High	0	0	0	No report issued. Email confirmation to WG only.
WG Higher Education Student Finance	High	0	0	0	Summary report only
Financial Systems – Ruthin 2012/13	Medium	0	1	7	2012/13 project finalising
Risk Management	Medium	0	0	4	2012/13 project finalising
Ysgol Clawdd Offa, Prestatyn	Low	0	0	21	Escalation meeting 07/06/13

Management's response to issues raised by Internal Audit

- 4.4. Most of our Internal Audit reports identify risks and control weaknesses. We rate these as critical, major or moderate risk. Management agrees actions to address the risks, including responsibilities and timescales.
- 4.5. We report all instances where management fails to respond to our follow up work or where they exceed the agreed implementation date by more than three months. This Committee decides whether it needs to take further action, e.g. by calling the relevant people to its next meeting or asking for a written report to explain lack of progress.
- 4.6. We currently have no issues to raise with the Committee but will provide a verbal report at the meeting on our latest follow up review of Strategic HR.

Internal Audit Performance

Essential Assurance - all targets 100%

Review of agreed Financial Assurance areas in Assurance Plan by 31/03/14

So far, we have completed 50% of the planned projects, with others scheduled to be completed before 31 March 2014.

Review of agreed Grants & Certification Assurance areas in Assurance Plan by 31/03/14

So far, we have completed 40% of the planned projects, with others scheduled to be completed before 31 March 2014.

Review of agreed Corporate Governance Assurance areas in Assurance Plan by 31/03/14

Most of these projects are scheduled for later in the year to allow time for progress on the Corporate Plan. So far, we have completed 5% of the planned projects.

Review of agreed High Corporate Risk Assurance areas in Assurance Plan by 31/03/14

All of these projects are scheduled for completion by the autumn.

Customer Standards - all targets 100%

Contact customers at least 2 weeks in advance to arrange a suitable date for our visit

No data recorded as yet

Send customers the agreed Project Scoping Document before we commence work

No data recorded as yet

Send the customer a draft report within 10 working days of the closing meeting

Current performance 100%

Send the customer our final audit report within 5 working days of agreeing the draft

Current performance 100%

