

WEST DUNBARTONSHIRE COUNCIL

Report by the Executive Director of Corporate Services

Audit and Performance Review Committee: 27 February 2013

Subject: Internal Audit Progress Report to 31 December 2012

1. Purpose

- 1.1** The purpose of this report is to advise Members of the work undertaken by the Internal Audit Section against the Audit Plan 2012/13.

2. Recommendation

- 2.1** It is recommended that Members are asked to note the contents of this report.

3. Background

- 3.1** In accordance with the Annual Audit Plan, Internal Audit report to Members on the work completed by the Section during the quarter. The progress report to 31 December 2012 is attached at Appendix A. Explanations of significant variances are contained within the notes below.

4. Main Issues

- 4.1** There are variances from the planned programme of work reported at this stage but these are not, as yet, having any adverse effect on the programme of risk based audits.
- 4.2** The main favourable variances, where actual days are less than planned days, relates to Computer Audit, Investigations, Whistleblowing / Contingency / NFI and Leave. The number of Investigations and Whistleblowing allegations has reduced significantly from previous years. The favourable balance in leave is mainly due to staff turnover.
- 4.3** As previously reported the adverse variance in Contract / Procurement resulted from work carried out in 12/13 to complete the 11/12 Audit plan.
- 4.4** Appendix B shows that the 2012/13 system plan has been completed. As reported previously an upgrade of the Audit TeamMate system during April/May took longer than expected and diverted some resources from risk based audits. Unexpected additional work was carried out on auditing performance indicators but, the percentage of the Audit Plan complete within the first nine months is on par with previous years.

4.5 /

- 4.5** It is anticipated that more than 80% of the planned risk based audit work for 2012/13 will be completed by 31 March 2013. A total of 65 days is included in the 2013/14 Audit Plan to allow for the completion of risk based audits originally planned to take place in full during the year ended 31 March 2013 within the 2012/13 Audit Plan.

5. People Implications

- 5.1** There are no people implications.

6. Financial Implications

- 6.1** There are no financial implications.

7. Risk Analysis

- 7.1** There is a risk that failure to deliver sufficient of the Internal Audit Plan would result in an inability to provide assurances over the Council's system of internal financial control to those charged with governance. The main basis for providing assurance is coverage of the planned risk based systems audits. Every endeavour is made to ensure that no material slippage occurs in risk based systems audits by concentrating resources on these audits.

8. Equalities Impact Assessment (EIA)

- 8.1** There are no issues.

9. Consultation

- 9.1** This report has been subject to a check by Legal, Democratic & Regulatory Services.

10. Strategic Assessment

- 10.1** This report relates to Assuring Our Success through strong financial governance and sustainable budget management.

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Date: 4 February 2013

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Appendices:	A - Internal Audit Quarterly Report to 31 December 2012 B - Internal Audit's estimated completion levels for the 2012/13 Risk Based System Audit Plan
Background Papers:	Audit & Performance Review Committee - 29 August 2012 Audit Plan 2012/13
Wards Affected:	All Wards