

AUDIT & RISK COMMITTEE

Date 14th February 2012

INTERNAL AUDIT PERFORMANCE REPORT

Report of the Head of Welland Internal Audit Consortium

CORPORATE AIM	Delivering & Supporting Existing Services
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1. PURPOSE OF THE REPORT

- 1.1 To allow Members to monitor the performance of the Consortium in delivering the Council's internal audit service.

2. RECOMMENDATIONS

- 2.1 **That Members consider whether there are any aspects of the Consortium's performance that require further explanation**

3. PROGRESS WITH THE PLAN

- 3.1 Appendix A and the associated papers provide an analysis of progress against plan as well as a broader analysis of the Consortium's performance. To provide Members with the most current performance information, the report analyses performance to the end of week 43 (i.e. 29th January) the latest date practical for reporting to this Committee.

4. KEY PERFORMANCE ISSUE

- 4.1 The Consortium's performance has been affected by a serious of staffing issues including: the resignation of the Audit Manager and subsequently of an Audit Assistant who followed him to take up a post with Daimler-Mercedes; the resignation of an Auditor following 12 weeks of sickness absence; and maternity absence. The Welland Board has approved the use of the budget savings arising from the various vacancies to engage consultants with a view to delivering the necessary days but at the end of week 43, where the profile calls for the 83% of

planned days, 67% had been delivered. Although projected salary savings are well in excess of what is required to retain the consultants engaged until 31st March, it will not be possible to deliver the Consortium's full plan by that date.

- 4.2** The Board considered progress against plan at its January meeting and determined that further action was required, to ensure that an appropriate range and level of assurance can be provided to all five clients for 2011/12. It determined that the remainder of the savings arising from unfilled vacancies should be transferred to the existing earmarked reserve at the year-end; and that consultants be re-engaged over the period April-May 2012 to allow for the completion of the 2011/12 Plans without compromising delivery of the Plans for 2012/13.

RISK MANAGEMENT

RISK	IMPACT	COMMENTS
Time	Low	The report does not prompt or require any time-bound response
Viability	Low	There are no resourcing issues arising
Finance	Low	There are no financial issues arising
Profile	Medium	The report should improve the effectiveness of the Committee
Equality and Diversity	Low	EIA screening indicates no issues arising therefore full Impact Assessment has not been carried out.

Background Papers
None

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A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.