

GOVERNANCE COMMITTEE

20th SEPTEMBER 2012

REPORT OF HEAD OF WELLAND INTERNAL AUDIT CONSORTIUM

INTERNAL AUDIT PERFORMANCE REPORT

1.0 PURPOSE OF REPORT

1.1 To allow Members to monitor the performance of the Welland Internal Audit Consortium in delivering the Council's Internal Audit Service. This is a key role of the Council's "Audit Committee".

2.0 RECOMMENDATIONS

2.1 **That Members note the report.**

2.2 **That Members determine whether any aspects of the Consortium's performance requires explanation or challenge**

3.0 KEY ISSUES

3.1 A detailed analysis of the Consortium's performance is shown at Appendix A. The Appendix identifies the impact of staffing difficulties on delivery in the first half year and the steps taken by the Consortium's management to address those difficulties so that the agreed Audit Plan can be delivered

4.0 POLICY AND CORPORATE IMPLICATIONS

4.1 The work of the Consortium provides support to management in strengthening the Council's control framework

5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

5.1 There are no financial or other resource implications arising directly from this report.

6.0 LEGAL IMPLICATIONS/POWERS

6.1 There are no legal implications arising directly from this report

7.0 COMMUNITY SAFETY

7.1 There are no Community Safety implications arising directly from this report

8.0 EQUALITIES

8.1 There are no Equalities implications arising directly from this report

9.0 RISKS

9.1 If Members, discharging the role of the Council’s Audit Committee, do not demonstrate that they are engaged in effective oversight of the internal audit function and proper consideration of the evidence produced by internal audit about risk management and the effectiveness of controls, the Council’s governance arrangements may be compromised. Failure to demonstrate engagement may also result in adverse reporting from the Council’s External Auditor.

Probability



Very High A				
High B				
Significant C				
Low D		1;2		
Very Low E				
Almost Impossible F				
	IV Neg- ligible	III Marg- inal	II Critical	I Catast- rophic

Impact



Risk No.	Description
1	Failure to demonstrate effective engagement and oversight
2	Failure to deliver Audit Plan

9.2 If the Consortium fails to deliver the Annual Audit Plan weaknesses in controls may not be identified placing the Council at avoidable risk. Such failure might again result in adverse reporting from the Council’s External Auditor.

10.0 CLIMATE CHANGE

10.1 There are no Climate Change implications arising directly from this report

11.0 CONSULTATION

11.1 N/A

12.0 WARDS AFFECTED

12.1 All wards are indirectly affected by the report

Contact Officer: Richard Gaughran
Date: 5/9/12

Appendices : 1

Background Papers: N/A

Reference : N/A