

# Service Report Card 2016-2017

## Internal Audit Service

### **Section 1: Brief description of the service**

The Public Service Internal Audit Standards 2013 (PSIAS) defines Internal Audit as: "...An independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes."

Internal Audit is a statutory service and provides audit coverage across all of the authority's functions.

The team comprises the Audit Manager, 2 Senior Auditors, 3 Auditors and 2 Assistant Auditors. (FTE 7.31)

### **Section 2: Overall Summary of Performance for 2015-16 Financial Year**

Performance is reported quarterly to Audit Committee.

In 2015/16 the team delivered 95.28% of the audit plan, all of the high risk audit areas were completed (one was undertaken by WAO) and a total of 68 formal audit reports were issued.

The team also provided assistance via attendance at a number of working parties together with ongoing advice and assistance to managers as and when requested.

A total of 11 special investigations were undertaken covering allegations of fraud, theft or malpractice.

A total of 29.78 FTE days was lost to sickness in 2015/16, an average of 3.8 FTE. This represents a reduction from 5.6 in 2014/15 and was below both the division average of 6 days and the authority average of 9.7 days for 2015/16.

The service's budget for 2015/16 was £232,068 and the service was delivered within budget with a slight underspend of 1.25%.

99.35% of the clients who returned the client satisfaction survey were at least satisfied with the service provided. The only negative comment was from one service manager who was unhappy with the timing of the audit, it should be noted that the internal audit service has no leeway with when this particular audit is undertaken.

**Section 3:  
Service Priorities 2016-17**

Priority	Actions to deliver priority	Officer Responsible	Timescale	What will be different? Measures and/or Outcomes
1: Deliver the 2016/17 Audit Plan to the satisfaction of the Authority's Audit Committee and the Wales Audit Office.	<p>Maintain the high level of audit programmes developed to ensure full coverage of risk identified.</p> <p>Maintain the high standard of working papers produced by the team</p> <p>Continue to make recommendations which add value to the services audited</p>	A M O'Donnell	By 31.03.17	<p>Continuous review of processes within the service.</p> <p>Monitoring via our review processes.</p>
2: Complete 100% of high risk audits contained within the 2016/17 Audit Plan	Prioritise workloads	A M O'Donnell, A Evans & S Davies	By 31.03.17	Ongoing monitoring and quarterly reporting to Audit Committee
3: Provide assurance to management that the Council's operations are being conducted in accordance with external	<p>Continue to undertake audits which add value.</p> <p>Continue to undertake audits in</p>	A M O'Donnell, A Evans & S Davies	Ongoing	All of the above.

regulations, legislation, internal policies and procedures

line with the Public Sector Internal Audit Standards

Continue to produce high quality reports which detail fully the work undertaken, findings and subsequent recommendation and apply a risk rating to all audits undertaken.

## Section 4: Service Performance Quadrant 2016-17

### Progress on Service Priorities

#### Priority 1: % of Audit Plan completed

At the end of quarter 2 a total of 23 formal audit reports have been issued which is broadly in line with where we need to be at this point in the year taking into account the school holiday period and the audits which can only be done at year-end.

#### Priority 2: % of high risk audits completed

At the end of quarter 2 a total of 37.5% of the high risk audit areas had been completed, and as a number of them cannot be undertaken until closer to the year-end we are on target to complete the high risk areas identified within the Audit Plan

#### Priority 3: % of agreed recommendations implemented

At the end of quarter 2 100% of agreed recommendations had been implemented

At the end of quarter 2 100% of those who had returned the client satisfaction survey were at least satisfied with the service provided.

To date a total of 10 special investigations referrals have been received either via the Authority's Whistleblowing Policy, directly from Heads of Service or as a result of the planned audits being undertaken. Four of these are complete.

Measure	2014-15 Actual (Full Year)	2015-16 Actual (Full Year)	Comparative Performance	2015-16 Qtr. 1 (cumulative)	2016-17 Qtr. 2 (cumulative)
<b>Service Measure 1: (Priority 1)</b> % of Audit Plan completed	92.55%	85.28%	N/A	Not available	On target
<b>Service Measure 2: (Priority 2)</b> % of high risk audits completed	100%	97.06%	N/A	Not available	On target
<b>Service measure 3: (Priority 3)</b> % of agreed recommendations Implemented	99.18%	100%	N/A	100%	100%
<b>Service measure 4:</b> % of clients satisfied with service (based on those who returned a completed questionnaire)	100%	99.35%	N/A	100%	100%
<b>Corporate measure (CM01):</b> <b>a)</b> Number of transactional services fully web enabled  <b>b)</b> Number of transactional services partially web enabled	Not applicable no external clients				

**Section 5:  
Financial Quadrant 2016-17:**

Summary of financial performance

Measure	2014-15 Actual (Full Year)	2015-16 Actual (Full Year)	2016-17 Qtr. 2 cumulative (projected to year end)
<b>Corporate Measure (CM02):</b> % revenue expenditure within budget	10.18% underspend	1.25% underspend	3.41% underspend
Revenue Budget	£249,600	£232,067	£243,620
<b>Corporate Measure (CM03):</b>			£
Amount of FFP savings			0
Amount of FFP savings at risk			0

**Section 6:  
Employee Quadrant 2016-17**

Summary of employee performance

A total of 29.78 FTE days was lost to sickness in 2015/16, an average of 3.8 FTE. This represents a reduction from 5.6 in 2014/15 and was below both the division average of 6 days and the authority average of 9.7 days for 2015/16.

Measure	2014-15 Actual (Full Year)	2015-16 Actual (Full Year)	2015-16 Qtr. 1 (cumulative)	2016-17 Qtr. 1 (cumulative)
<b>Corporate Measure (CM04): Average FTE (full time equivalent) working days lost due to sickness absence</b>				
<b>Service: Internal Audit</b>	5.6 days	3.8 days	2.3 days	1.6 days
<b>Total Service FTE days lost in the period</b>	45	30	16	11
<b>Directorate: Finance &amp; Corporate Services</b>	8	6	1.3	2.1
<b>Council:</b>	9.4 Days	9.7 Days	2.2 Days	2.4 days



	2015-16 Actual (Full Year)	2015-16 Qtr. 1 (cumulative)	2016-17 Qtr. 1 (cumulative)
<b>Corporate Measure (CM11):</b> Staff engagement Measure	New	New	
<b>Corporate Measure (CM05):</b> % of staff who have received a performance appraisal during 2016-17 (Target 100%)  Number of staff who have received a performance appraisal during 2016-17	0	0	0
<b>Corporate Measure (CM06):</b> Number of employees left due to unplanned departures	1	0	0

## Section 7: Customer Quadrant 2016-17

Summary of customer performance.....

Measure	2015-16 Actual (Full Year)	2015-16 Qtr. 1 (cumulative)	2016-17 Qtr. 1 (cumulative)
<b>Corporate Measure (CM07):</b> Total number of complaints			
Internal	0	0	0
External (from the public)			
<b>Corporate Measure (CM08):</b> Total number of compliments			
Internal	0	0	0
External (members of the public)			
<b>Corporate Measure (CM09):</b> customer satisfaction measure/s	99.35%	100%	