



Democratic Support
Plymouth City Council
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AUDIT COMMITTEE

SUPPLEMENT PACK – REPLACEMENT INFORMATION

Thursday 18 December 2014
2.00 pm
Council House (Next to the Civic Centre), Plymouth

Members:
Councillor Wheeler, Chair
Councillor Dr. Mahony, Vice Chair
Councillors Murphy, Stark and Stevens.

Independent Member:
Mr Clarke and Mr Stewart.

Please be advised that the information contained within this report replaces incorrect information on page 76 of the original agenda.

Tracey Lee
Chief Executive

AUDIT COMMITTEE

10. INTERNAL AUDIT HALF YEAR AUDIT REPORT 2014/15 (Pages 1 - 2)

Members will be provided with the Internal Audit Half Year Report 2014/15.

Executive Summary – Audit Findings

Transformation and Change

In our opinion, and based upon our audit work completed during the 2014/15, ‘watching briefs’ and direct advice provided for on-going projects, we are able to report that internal controls continue to operate effectively and where recommendations for improvements have been made, action plans have been agreed with management.

Based on audits completed and on indications from previous and on-going work, we are able to report that key financial system controls are well maintained and where weaknesses have been identified, management have responded positively to our recommendations for improvement.

There were no concerns identified from our work on grants and we were able to sign off the small bodies return for Mount Edgumbe and the annual CRC submission to the Environment Agency.

As a result of the period of austerity, budget reductions have been required to set a budget within the reduced funding levels provided by Government in the financial settlement. As service areas look to review and transform, Audit are providing an independent review of ways to streamline service delivery and processes, for example Customer Services, NNDR, contract management.

Audit identified key risks associated with the implementation of DELT Services and brought these to the attention of relevant officers in 'real-time' so that mitigating actions could be taken to protect the interests of both Transformation and Change and the Council as a whole. A subsequent report highlighted issues including the need to establish an Intelligent Client Function and to carry out a post implementation review so that lessons can be learned for future implementations of this nature, the latter of which is taking place and Audit are contributing to it.

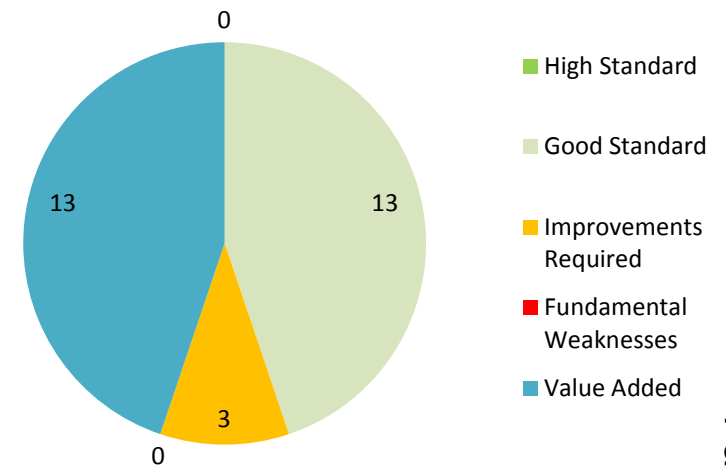
The Appendix 1 details the assurance opinions for individual audits for which the definitions of the assurance opinion ratings are given in Appendix 2.

Key Risks / Issues

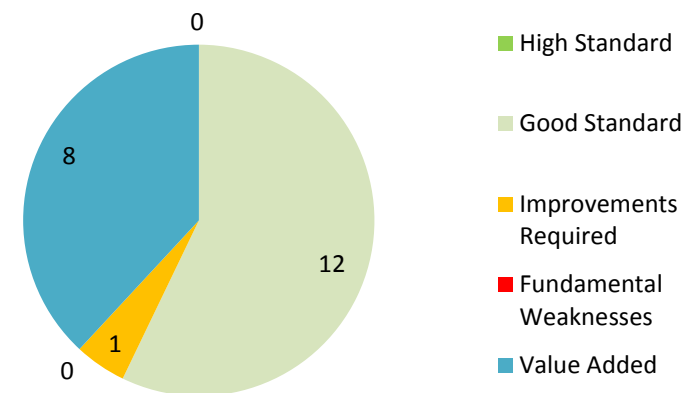
There is currently a lack of an Intelligent Client Function to oversee DELT and other future service providers. Audit will be working with those tasked to see the introduction of such a function, ensuring that it is appropriately resourced, fit for purpose and is “future proof” to meet the ever changing needs of the Council.

Development of an integrated and pooled budget/funding arrangement with NEW Devon CCG. Audit will be working with NEW Devon CCG and their auditors to identify any significant gaps in financial governance and assurance arrangements that are planned for the operation of the integrated fund.

Assurance Opinions 2013/14



Assurance Opinions Apr - Sept 2014/15



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