



Report to Audit Committee

22 April 2015

Title: 2014/15 Internal Audit Plan – Year End Progress Report

Report of: Chief Internal Auditor

Purpose of Report

1. This report outlines progress made by the Internal Audit Service against the audit plan for the financial year 2014/15.

Summary

2. The Audit Plan for 2014/15 was agreed by this Committee on 16 April 2014. Progress against the plan is detailed in Appendix 1. At year end, 16 final reports and six draft reports have been issued. Field work has been completed for all audits.
3. The Internal Audit Strategy 2013-16 was agreed by the Committee on 16 April 2014 and details our performance management targets. The table below sets out the current position against each target.

Performance Indicator	Actual Position at 31/3/15	Annual Target
Number of audit assignments completed against annual plan	22 (100%)*	19 (95%)
Number of audit recommendations due and implemented	92%	90%
Audits completed within agreed time	94%	90%
Draft reports agreed and returned within 2 weeks	100%	90%

* Two additional audits were carried out during the year.

Link to values

4. This report links to the following company values: -
 - Being honest, accountable and transparent
 - Being motivated, trained and committed.

Risk Management Implications

5. The perceived risk of each audit is based on a thirteen point assessment taking into account such areas as materiality, complexity of the system, potential for fraud and sensitivity. Based on a score derived from the assessment, audits are categorised as high, medium and low priorities. This informs the frequency in which audits will be carried out.

Financial Implications

6. The cost of the internal audit work plan is fully provided for in the 2014/15 budget.

Equality and Diversity Implications

7. There are no Equality and Diversity implications associated with this report.

Value for Money implications

8. The delivery of the 2014/15 audit plan and the implementation of internal audit recommendations will assist in identifying efficiencies and achieving value for money.

Health Implications

9. There are no Health implications associated with this report.

Environmental Implications

10. There are no Environmental implications associated with this report.

Impact on Customers

11. Implementation of the recommendations will provide our customers with a better service in terms of customer care.

Consultation carried out

12. The audit plan was developed following consultation with all relevant stakeholders within the Company.

Recommendation

13. The views of the committee are sought on whether it is satisfied with progress to date with the 2014/15 Internal Audit Plan.

Internal Audit Plan 2014/15	Risk		Planned Report to Committee	Progress at Year End	Opinion
	Rating	Score			
Fundamental Financial Systems					
Budget Setting and Monitoring	250	High	15 October 2014	Final report issued	Satisfactory
Capital Programme	258	High	15 October 2014	Final report issued	Operating Well
Creditors	251	High	13 January 2015	Final report issued	Satisfactory
Company Payroll	255	High	13 January 2015	Final report issued	Operating Well
Main Accounting	266	High	13 January 2015	Draft report issued	
Insurance Arrangements	219	High	22 April 2015	Draft report issued	
Rent Arrears	255	High	22 April 2015	Draft report issued	
Rent Collection	233	High	22 April 2015	Final report issued	Operating Well
Corporate Governance					
Risk Management	185	Medium	15 October 2014	Final report issued	Operating Well
Other Strategic and Operational Risks					
VAT Procedures	157	Medium	30 June 2014	Final report issued	Operating Well
Leaseholder Service Charges	160	Medium	30 June 2014	Final report issued	Operating Well
Human Resources	168	Medium	30 June 2014	Final report issued	n/a
Communications	112	Low	30 June 2014	Final report issued	Satisfactory
Void Management	177	Medium	15 October 2014	Final report issued	Satisfactory
Gas Servicing	198	Medium	15 October 2014	Draft report issued	
Access Management - IT Audit	149	Low	13 January 2015	Final report issued	Satisfactory
Tenancy Allocation and Lettings	270	High	22 April 2015	Draft report issued	
Housing Establishments	266	High	22 April 2015	Final report issued	Operating Well
Repairs	269	High	22 April 2015	Draft report issued	
Corporate IT	239	High	22 April 2015	Final report issued	Satisfactory
Additional Audits					
Housing Office CCTV			13 January 2015	Final report issued	n/a
Housing Office Investigation			22 April 2015	Final report issued	n/a

Risk Score Categories:

High: >210

Medium: 150-210

Low: 0 - 149