

## NORTH YORKSHIRE COUNTY COUNCIL

## AUDIT COMMITTEE

26 SEPTEMBER 2013

## PROGRESS ON 2013/14 INTERNAL AUDIT PLAN

## Report of the Head of Internal Audit

**1.0 PURPOSE OF THE REPORT**

- 1.1 To inform Members of the progress made to date in delivering the 2013/14 Internal Audit Plan and any developments likely to impact on the Plan throughout the remainder of the financial year.

**2.0 BACKGROUND**

- 2.1 Members approved the 2013/14 Audit Plan at their meeting on 18 April 2013. The total number of planned audit days for 2013/14 is 2,630 (of which 120 relate to external clients). The performance target for Veritau is to deliver 93% of the agreed Audit Plan.
- 2.2 This report provides details on how the 2013/14 Audit Plan is progressing.

**3.0 INTERNAL AUDIT PLAN PROGRESS BY 31 AUGUST 2013**

- 3.1 The internal audit performance targets for 2013/14 have been set by the County Council's client officer. Progress against these performance targets, as at 31 August 2013, is detailed in **Appendix 1**.
- 3.2 At this point in the year, the majority of the audit reports issued are still at draft stage and therefore only three audit reports have been finalised. These reports relate to 'Information Security Compliance - CYPS' and 'Strategic Planning and Development Control' plus one report following a school visit. Twenty four reports have been issued in draft (of which eleven relate to schools or other County Council establishments). Fieldwork is currently underway in respect of a further forty audits. **Appendix 2** provides details of the 2013/14 audits which have been issued as a final report so far this year.

**Computer Audit**

- 3.3 The 2013/14 IT Audit Plan allows for 60 days of specialist, technical IT audit work to be undertaken by an external provider (the previous contract with PwC having come to an end). Future arrangements are covered elsewhere on the Audit Committee's agenda under 'Internal Audit Work on Computer Audit'.

## **Contingency and Counter Fraud Work**

- 3.4 Veritau auditors continue to handle cases of suspected fraud or malpractice. Such assignments are carried out in response to issues raised by staff or members of the public via the whistleblower hotline, or as a result of management raising concerns. Since the start of the current financial year, 22 cases of suspected fraud or malpractice have been referred to Veritau for investigation (this compares to 8 cases in the same period last year).

## **Information Governance**

- 3.5 Veritau's Information Governance Team (IGT) continues to handle a significant number of information requests submitted under the Freedom of Information and Data Protection Acts. The number of FOI requests received continues to grow with a total of 513 requests received between 1 April and 31 August 2013 compared with 398 requests received during the corresponding period in 2012/13 (a 29% increase). Despite this increase, the IGT continues to exceed the performance response target of 95% for 2013/14 with 99% of requests so far being answered within the statutory 20 day deadline. The IGT also coordinates the County Council's subject access requests (excluding social care) and has received 30 such requests between 1 April and 31 August 2013 compared to 31 in the same period last year.
- 3.6 Veritau is also assisting with the implementation of the County Council's information governance framework. The Council's Corporate Information Governance Group (CIGG) continues to meet frequently to discuss policy development and implementation. Veritau's Client Relationship Manager and Information Governance Officer both attend these meetings. Progress continues to be made to address information governance matters at both a corporate and directorate level. Veritau auditors are also continuing with a programme of unannounced audit visits to County Council premises in order to assess staff awareness of the need to secure personal and sensitive information. The results of these compliance visits are reported back to CIGG and to the Audit Committee through information governance updates from the Corporate Director, Strategic Resources.

## **Variations to the 2013/14 Audit Plan**

- 3.7 All proposed variations to the agreed Audit Plan arising as the result of emerging issues and/or requests from directorates are subject to a Change Control process. Where the variation exceeds 5 days then the change must be authorised by the client officer. Any significant variations will then be communicated to the Audit Committee for information. No variations had been requested as at 31 August 2013.

4.0 **RECOMMENDATION**

4.1 Members are asked to note the progress made by Veritau Ltd in delivering the 2013/14 Internal Audit Plan.

Report prepared and presented by Roman Pronyszyn, Client Relationship Manager.

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Head of Internal Audit  
Veritau Limited  
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9 September 2013

**Background Documents:** None

**PROGRESS AGAINST 2013/14 PERFORMANCE TARGETS (AS AT 31/08/2013)**

<i>Indicator</i>	<i>Milestone</i>	<i>Position at 31/08/2013</i>
To deliver 93% of the agreed Internal Audit Plan.	93% by 30/4/14	12.0%
To achieve a positive customer satisfaction rating of 95%	95% by 31/3/14	100%
To ensure 95% of Priority 1 recommendations made are agreed.	95% by 31/3/14	N/A
To ensure 95% of FOI requests are answered within the Statutory deadline of 20 working days.	95% by 31/3/14	99%

The FOI performance is based on requests received in the 4 months to 31 July 2013.

**FINAL 2013/14 AUDIT REPORTS ISSUED TO DATE**

<b>Audit Area</b>	<b>Directorate</b>	<b>Overall Opinion</b>
Strategic Planning and Development Control	BES	High
Information Security Compliance	CYPS	N/A

In addition, 1 primary school report has been issued in final.