

**AUDIT COMMITTEE – 7<sup>TH</sup> DECEMBER 2016**

**INTERNAL AUDIT QUARTERLY REPORT 2016/17  
QUARTER ENDED 30<sup>TH</sup> SEPTEMBER 2016**

**Executive Summary**

1. Due to the timing of the Audit Committee meeting, the quarterly reporting period has been extended to include audit activities completed during October 2016.
2. Issued reports and the Internal Audit work completed during the period did not raise any fundamental recommendations. (Para. 4.1).
3. The internal control assurance opinion overall however remains adequate based upon the results of the work undertaken during the quarter (Para. 6.1 / Appendix 1).
4. Of the 31 recommendations followed-up, 10 (32%) had been implemented by the original target date with a further 15 (52%) implemented after the original target date and 5 (16%) not implemented, with revised implementation dates agreed by management. (Para. 4.4).
5. In relation to the Barnsley MBC audit plan, actual days delivered are broadly in line with the profiled days at the end of the reported period (Para.7.7 & Appendix 2).
6. Quarterly performance of the function is generally satisfactory. The PI relating to chargeable time is slightly below profile due to the number of training days being higher than expected. (Para. 8.2 and 8.3 & Appendices 3 & 4).

**AUDIT COMMITTEE - 7<sup>TH</sup> DECEMBER 2016**

**INTERNAL AUDIT QUARTERLY REPORT 2016/17  
QUARTER ENDED 30<sup>TH</sup> SEPTEMBER 2016**

**1. Purpose of Report**

- 1.1 This report provides the Audit Committee with a comprehensive overview of the key activities and findings of Internal Audit based on the Division's work covering the whole of the second quarter, together with additional details of audits completed up to the end of October 2016, in order to ensure that the Audit Committee is provided with the most up to date position. This report provides the Audit Committee with information relevant to its responsibilities within its terms of reference (terms of reference items (a), (b), (h), (i) and (k)).
- 1.2 The report covers:-
- i. The issues arising from completed Internal Audit work in the period (section 4 and Appendix 1);
  - ii. Matters that have required investigation (section 5);
  - iii. An opinion on the ongoing overall assurance Internal Audit is able to provide based on the work undertaken regarding the adequacy and effectiveness of the Authority's internal control environment (section 6);
  - iv. Progress on the delivery of the Internal Audit Plan for the period to the end of the second quarter of 2016/17 year (section 7 and Appendix 2);
  - v. Details of Internal Audit's performance for the quarter utilising performance indicators (section 8 and Appendices 3 and 4).

**2. Recommendations**

**2.1 It is recommended that the Audit Committee:-**

- i. **consider the issues arising from completed Internal Audit work in the period along with the responses received from management;**
- ii. **note the assurance opinion on the adequacy and effectiveness of the Authority's internal control framework based on the work of Internal Audit in the period to the end of October 2016;**
- iii. **note the progress against the Internal Audit plan for 2016/17 for the period to the end of October 2016; and**
- iv. **Consider the performance of the Internal Audit Division for the second quarter.**

### **3. Introduction / Background**

- 3.1 Internal Audit is a key contributor to the assurances the Audit Committee requires regarding the adequacy and effectiveness of the internal control, risk and governance environment of the Authority. That assurance is provided through planned work and responding to urgent matters and changes in priority and risk. It is important that all Internal Audit activities are undertaken with due regard to risk and the risk issues prevailing at the time.
- 3.2 In order to fulfil its responsibilities the Audit Committee needs to be satisfied that the Internal Audit Division is undertaking its work as planned, responding appropriately to client demands, operating to the required professional standards and obtaining the necessary responses from management following Internal Audit work.
- 3.3 In accordance with statutory best practice provided by the Public Sector Internal Audit Standards, there is a requirement that the Head of the Internal Audit function prepares an annual report to the appropriate member body. This requirement is best supported through regular reports during the year, providing, amongst other things, ongoing assurances on the adequacy and effectiveness of the Authority's framework of governance, risk management and control.
- 3.4 For the Authority, the appropriate member body is the Audit Committee.

### **4. Key Issues Arising From Internal Audit Work in the Period Ended 31<sup>st</sup> October 2016**

- 4.1 Internal Audit work undertaken during the period did not identify any fundamental recommendations.
- 4.2 It should be noted, that in the process of agreeing a final report, senior officers respond to specific recommendations by identifying relevant actions and agreeing responsible managers and timescales for implementation.

#### **Follow-Up of Report Recommendations**

- 4.3 The following protocol is applied to the follow-up of recommendations in audit reports:
- all fundamental and significant recommendations irrespective of the assurance opinion;
  - all recommendations contained within the annual core financial system audit reports and;
  - reports containing a significant number of merits attention recommendations giving rise to a negative assurance opinion.
- 4.4 Table 1A identifies the total number of reports analysed by the assurance opinion given and the total number of recommendations made.

Table 1B shows the number of recommendations followed-up in the quarter. Of the 31 recommendations followed-up, 10 (32%) had been implemented by the

original target date with a further 15 (52%) implemented after the original target date and 5 (16%) not implemented, with revised implementation dates agreed by management.

- 4.5 Internal Audit continues to get very good co-operation from management including the Senior Management Team and as such is able to closely monitor any implications that may arise from a delay in the implementation of management action. However, it should be noted that the majority of recommendations followed-up had not been implemented and required a revised implementation date.
- 4.6 The Audit Committee should note that there are several recommendations relating to Business Continuity which are in the process of being followed up. Action dates had been revised to the 30<sup>th</sup> April 2016 and Internal Audit is working closely with management to establish whether the necessary actions have been addressed.
- 4.7 As part of the 2016/17 reporting process the criteria and process in respect of the follow-up of audit report recommendations is currently being reviewed and the Audit Committee will receive information in this regard at a future meeting.

## **5. Fraud, Investigations and the Corporate Anti-Fraud Team**

- 5.1 A separate report will be provided to the Audit Committee covering the detail of fraud and irregularity investigations undertaken, the preventative work and the general activities and work plan of the Corporate Anti-Fraud Team.
- 5.2 The overall assurance opinion takes into account any control issues arising from investigations or anti-fraud work. No issues are required to be brought to the Committee's attention at this time.
- 5.3 Internal audit work closely with the Corporate Anti-Fraud Team in order to ensure that there is maximum benefit and assurance provided from anti fraud activities.

## **6. Head of Internal Audit's Internal Control Assurance Opinion**

- 6.1 Based on the audits reported in the period, an overall adequate assurance opinion remains appropriate. However, Audit Committee Members should note the fundamental recommendations and the impact on the system of internal control in those areas.
- 6.2 As referred to above, the percentage of audit report recommendations implemented, and requiring a revised implementation is relatively high at 16%. The implementation of recommendations is monitored closely to ensure that there are no serious issues or concerns regarding the effectiveness of the control, risk and governance framework arising from the delay or non-implementation of recommendations.
- 6.3 Where control weaknesses have been identified within procedures or in the provision of advice or 'consultancy' services, these have either been resolved with management through the issue of an audit report and/or correspondence or addressed at the time of the audit.

- 6.4 It does however need to be recognised that Internal Audit coverage cannot guarantee to detect all errors, systems or control weaknesses or indeed identify all of the opportunities for improvements in management arrangements that might exist. Accordingly only reasonable and not absolute assurance is given.
- 6.5 The assurance opinion is supported by the knowledge that the underlying framework of financial and other controls, encompassing the Council's Financial Regulations, various codes of practice, procedures and other financial governance arrangements, periodically reviewed by both Internal and External Audit, are appropriate and working satisfactorily.
- 6.6 The general context and impact of the significant savings and service changes that have been implemented arising from Future Council form a core element of Internal Audit work planning to ensure that the control, risk and governance framework remains adequate and effective.

## **7. Internal Audit Plan 2016/17 - Progress to the end of October 2016**

- 7.1 Internal Audit utilise a risk-informed approach to planning and delivering its work. This approach seeks to ensure that the key risks facing the Authority are considered and covered, where appropriate, by Internal Audit work. In turn the annual work programme is planned indicatively across the year. This enables quarterly monitoring of progress against planned work and the utilisation of Audit resources.
- 7.2 It is however important to recognise and appreciate that whilst a significant proportion of audit work is planned, there are many 'external' factors that can and do impact on precisely when pieces of work are actually undertaken and completed and indeed their detailed scope. For this reason the monitoring of the audit plan in each quarter can only provide an indicative picture of progress overall. Individual jobs are monitored on a job-by-job and week-by-week basis utilising the Division's computerised management system.
- 7.3 Appendix 2 shows the progress of the plan up to the end of October 2016, analysed by Directorate / Service.
- 7.4 Adjustments are made to the days allocated to particular jobs on an on-going basis and so there is naturally only a minor variance between the actual days and those planned. Given the risk basis and responsive nature of audit work, the Audit Committee should be particularly interested in the overall deployment of audit resources rather than necessarily where those resources have been spent.
- 7.5 At the beginning of the year provision is made in the allocation of audit resources for unplanned work, through a contingency. As requests for audit work are received, or more time is required for jobs or changes in priorities are identified, time is allocated from this contingency.
- 7.6 The following audits have either been either added or removed from the audit plan, as agreed in conjunction with management:

<b>Directorate / Service</b>	<b>Audit Assignment Title</b>	<b>Deferred / Deleted / Added</b>
Finance, Assets & IT	Commissioning, Procurement and Contracts	Audit deferred to 2017/18 at the request of management in order to allow sufficient time for revised processed to be embedded
HR, Performance & Comms	SVER/VS Process	Audit deferred to 2017/18 following delays in the drafting of the Public Sector Exit Payment Regulations.
Public Health	Public Health Grant – Governance Procedures	Audit deleted – An Internal Audit of the governance procedures is no longer required as the work was undertaken as part of the original report follow-up arrangements.
People	Governance Review	Audit deferred to 2017/18 at the request of management. The Service Director is currently working alongside Barnsley Governors Association which would impact on the timing of the audit.
Place	URBACT TechTown Phase II First Level Controller (FLC)	Added – FLC certification of next phase of grant funded expenditure and activity.

- 7.7 The position at the end of October 2016 for the audit days allocated to BMBC shows 39 days above profile. Due to the scheduling of work across the various client organisations, it is anticipated that the total days for BMBC will be slightly below the annual planned figure. This however is not likely to be material nor jeopardise the breadth or work undertaken in order to provide a soundly based overall opinion at the end of the year.

## **8. Internal Audit Function and Performance**

- 8.1 The Division uses a range of performance indicators to monitor operational efficiency. A list of the performance indicators (PIs) for 2016/17 is attached at Appendix 3.
- 8.2 The performance indicators for the second quarter are generally satisfactory at this mid stage in the year. The chargeable time indicator is slightly below target but this is due in the main to the number of training days being higher than expected.
- 8.3 The analysis of the more detailed feedback received following each audit job is shown in Appendix 4. For the second quarter of the year, at the point of preparing this report 1 feedback sheet has been received out of the 1 final report issued, for which feedback has been noted as very good.
- 8.4 A savings target has been applied to the Internal Audit function as part of the 2017/18 budget process. Although detailed structures are currently being developed it is likely that there will be a reduction of up to 2 posts from the current Barnsley MBC audit resource of 8 posts. Part of the restructure process will be to ensure the audit approach provides as much assurance and coverage

as possible. Options are currently being developed and the Audit Committee will be apprised of these in due course.

## **9. Local Area Implications**

9.1 There are no Local Area Implications arising from this report.

## **10. Consultations**

10.1 All audit reports are discussed with the main auditee. Individual audit reports are provided to the appropriate Executive Director and/or Service Director to apprise him/her of key issues raised and remedial actions agreed.

10.2 No specific consultation has been necessary in the preparation of this quarterly report.

## **11. Compatibility with European Convention on Human Rights**

11.1 In the conduct of audit work and investigations particularly, Internal Audit operates under the provisions of the Data Protection Act 1998, the Regulation of Investigatory Powers Act 2000 and the Police and Criminal Evidence Act.

## **12. Reduction of Crime and Disorder**

12.1 An inherent aspect of audit work is to prevent, detect and investigate incidents of fraud, theft and corruption. The control issues arising from audit investigations have been considered to ensure improvements in overall controls are made. Additionally, Internal Audit ensures that in specific instances, management takes appropriate action to minimise the risks of fraud and corruption re-occurring.

## **13. Risk Management Considerations**

13.1 The underlying purpose of the work of Internal Audit is to address and advise on key risks facing management and, as such, risk issues are inherent in the body of the report.

13.2 The Division's operational risk register includes the following risks which are relevant to this report:

- Inappropriate use of and management of, information to inform and direct service activities;
- Inability to provide a flexible, high performing and innovative service; and
- Poor levels of customer satisfaction.

All of these risks have been assessed and remain within the tolerance of the Division.

An essential element of the control (and on-going) management of these risks is the provision of update reports to the Audit Committee and the assurance this provides.

#### **14. Employee Implications**

14.1 There are no employee implications arising from this report.

#### **15. Financial Implications**

15.1 There are no financial implications arising directly from this report. The costs of the Internal Audit function are included within the Authority's base budget.

#### **16. Appendices**

- 16.1 Appendix 1 - Key issues arising from completed Internal Audit work  
Appendix 2 - Internal Audit Plan 2016/17 – Position as at 31<sup>st</sup> October 2016  
Appendix 3 - Internal Audit Performance Indicators for the Quarter Ended 30<sup>th</sup> September 2016  
Appendix 4 - Analysis of Internal Audit feedback for the second quarter of 2016/17

#### **17. Background Papers**

17.1 Various Internal and External Audit reports, files and working papers.

**Officer Contact:** Head of Internal Audit and Corporate Anti-Fraud  
**Telephone No:** 01226 773241  
**Date:** 25<sup>th</sup> November 2016

**A: Completed Audits / Final Reports Issued During the Period Between 1st July and 31st October 2016**

**Appendix 1**

**KEY – Recommendations - Fundamental ‘F’ Significant ‘S’ Merits Attention ‘MA’**

<b>Service / Directorate / Audit Title</b>	<b>Key Issues</b>	<b>Assurance Opinion</b>	<b>No. of Recs.</b>	<b>Date Report Issued</b>	<b>Other Action</b>
Place: URBACT Project TechTown	Overall the audit concluded that there was an adequate governance and internal control framework in order to provide the necessary assurances as to the validity and correctness of project expenditure incurred, including officer expenses. Notwithstanding this, the audit identified a number of areas for improvement, having particular regard for the need to ensure staff clarity in relation to the relevant corporate policies and procedures and compliance with the requirements as appropriate.	<b>Adequate</b>	F - 0 S - 2 MA - 2	01.09.16	N/A – all report recommendations have been implemented
People: Early Years Education Funding	The key issue identified related to the absence of an up to date Early Education Funding Agreement which was required in order to provide clarity for the benefit of the Council and the provider in terms of the services to be provided.	<b>Adequate</b>	F - 0 S - 4 MA - 2	14.10.16	To follow-up the significant report recommendations

<b>Details and Outcome of Other Audit Activities Not Producing a Specific Assurance Opinion</b>		
<b>Audit Work Completed</b>	<b>Details</b>	<b>Contribution to Assurance</b>
People: Hunningley Primary School	Internal Audit carried out a review of the governance and financial management arrangements at Hunningley Primary School. This review was commissioned in response to a request from the Head Teacher to Internal Audit on 17th May 2016. The findings and recommendations arising from the review were detailed in the form of a prioritised Action Plan which was provided in order to assist the Head Teacher and Chair of Governors to improve the School's governance and control arrangements.	The outcome of the audit work contributes to assurance in respect of school governance arrangements.
People: Childrens Social Care & Safeguarding – Adoptions Allowance	Follow up work to ensure that the payment of adoption allowance in a specific case had ceased on the appropriate date. Also involved provision of advice with regard to the additional request for continuation of payment, due to the young person continuing within education until 19 years of age.	The audit work contributed to assurance in respect of the Authority's payment systems and safeguarding arrangements.
Place: Taxi Licencing and Home To School Transport	Review of progress made in implementing audit recommendations from 2015/16 along with additional sample testing which confirmed the necessary improvements to the licence application process. Delays in addressing the Home to School Transport contract resulted in the agreement of revised implementation date.	Both areas of audit activity contribute to assurance in respect of the Authority's safeguarding arrangements.
Information Services: Core IT Infrastructure Tender	Delivery of a lessons learned workshop to IT colleagues following identification of procurement planning and Contract Procedure Rules compliance issues in relation to the Core IT Infrastructure tender.	The audit work contributes to assurance in respect of contract management and procurement.
Information Services: Security of IT Assets	Advisory piece of work relating to the review of arrangements at Mount Osborne Business Units for the receipt, storage, issue, disposal and physical security of IT assets.	The audit work contributes to assurance in respect of asset management.
Finance: Assets – Carbon Reduction Commitment Energy Efficiency Scheme	Advisory work to validate energy data prior to submission to the Environment Agency.	The audit work contributes to assurance in respect data quality.
Finance: Commercial Services – E>Returns	Advisory work in relation to the revised process for the authorisation, deletion and monitoring of E>Returns.	The audit work contributes to assurance in respect of financial management specifically relating to the Authority's banking arrangements.
Finance: Commercial Services - Review of Process Maps	Review of Process Maps for new BMBC Procurement Cards procedure for Cardholders, Approvers and Commercial Services.	The audit work contributes to assurance in respect of financial management specifically relating to procurement.
Finance: FB60 Payment Requests	Advisory work to identify reasons for delayed payment in relation to barrister's fees.	The audit work contributes to assurance in respect of financial management specifically relating to payment processes.

<b>Other Work Undertaken</b>	
Follow-up of Recommendations	Regular work undertaken to follow-up recommendations made.
Attendance at Steering / Working Group	Information Governance Board, Commissioning, Procurement & Contracts Working Group.
Liaison, Planning and Feedback	Meeting and corresponding with Service and Executive Directors and Heads of Service regarding progress of audit work, future planning and general client liaison.
Advice	General advice to services regarding controls, risk or governance matters. Such work often does not require formal reporting but occasionally will escalate into a specific piece of audit work for which a new job will be created.
Audit Committee Support	Time taken in the preparation of Audit Committee reports, Audit Committee Member training, general support and development.
Corporate Whistleblowing	General time taken in providing advice and the initial consideration of matters raised. Also includes the review of arrangements.
Corporate Matters	Covering time required to meet corporate requirements, i.e. corporate document management, service business continuity and health and safety.

Table 1A

## Summary Activity

## All Audit Reports

Assurance Opinion	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Cumulative
Substantial	0 (0%)	0 (0%)			0 (0%)
Adequate	3 (75%)	2 (100%)			5 (83%)
Limited	1 (25%)	0 (0%)			1 (17%)
None	0 (0%)	0 (0%)			0 (0%)
<b>TOTAL REPORTS</b>	<b>4</b>	<b>2</b>			<b>6</b>
Opinion Not Applicable	12	9			21

## Total Recommendations

Number of Recommendations	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Cumulative
Fundamental	1 (4%)	0 (0%)			1 (3%)
Significant	12 (50%)	6 (60%)			18 (53%)
Merits Attention	11 (46%)	4 (40%)			15 (44%)
<b>TOTAL</b>	<b>24</b>	<b>10</b>			<b>34</b>

Table 1B

## Recommendations Followed-up by Internal Audit

Quarter 1				
Recommendation Classification	Followed-up	Completed by due date	Completed after target date	Not yet completed – Revised date agreed
Fundamental	1	1	0	0
Significant	1	0	0	1
Merits Attention	4	0	0	4
<b>TOTAL</b>	<b>6</b>	<b>1</b>	<b>0</b>	<b>5</b>

Quarter 2				
Recommendation Classification	Followed-up	Completed by due date	Completed after target date	Not yet completed – Revised date agreed
Fundamental	3	0	2	1
Significant	24	9	11	4
Merits Attention	4	1	3	0
<b>TOTAL</b>	<b>31</b>	<b>10</b>	<b>16</b>	<b>5</b>

## Trend Analysis – Second Quarter 2016/17

### Assurance Opinions

	2015/16				2016/17				Cumulative	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2015/16	2016/17
	%	%	%	%	%	%	%	%	%	%
Substantial	24	0	0	0	0	0			7	0
Adequate	38	40	43	50	75	100			41	83
Limited	38	60	57	50	25	0			52	17
None	0	0	0	0	0	0			0	0
	100	100	100	100	100	100			100	100

### Implementation of Recommendations

	2015/16				2016/17				Cumulative	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2015/16	2016/17
	No.	No.	No.	No.	No.	No.	No.	No.	%	%
Completed by target date	7	13	14	3	1	10			35	30
Completed after target date	5	6	21	15	0	16			45	43
Not yet completed – revised date agreed	2	2	6	11	5	5			20	27
Total followed up	14	21	41	29	6	31			100	100
<b>% Completed by Original Target Date</b>	<b>50%</b>	<b>62%</b>	<b>34%</b>	<b>10%</b>	<b>17%</b>	<b>32%</b>				
<b>% Completed at time of Follow-up</b>	<b>86%</b>	<b>90%</b>	<b>86%</b>	<b>62%</b>	<b>0%</b>	<b>84%</b>				

INTERNAL AUDIT PLAN 2016/17 – Position as at 31<sup>st</sup> October 2016

Directorate	Original 2016/17 Plan	Revised 2016/17 Plan	Actual Days
Communities	50	50	7
People	165	190	160
Place	139	156	127
Public Health	10	5	2
Corporate Services:			
➤ HR, Performance & Communications	122	100	90
➤ Legal & Governance	105	105	10
➤ Finance, Assets & Information Services	430	402	231
Council Wide	265	265	207
Contingency	50	75	0
Berneslai Homes	133	130	53
<b>Sub Total</b>	<b>1,469</b>	<b>1,478</b>	<b>887</b>
Corporate Anti-Fraud Unit	581	572	347
<b>Sub Total</b>	<b>2,050</b>	2,050	1,234
		Profile	1,195
		Variance	+39
<b>External Clients</b>	<b>1,653</b>	1,653	715
<b>Total Chargeable Planned Days</b>	<b>3,703</b>	3,703	1,948

## INTERNAL AUDIT PERFORMANCE INDICATORS FOR 2016/17

Ref.	Indicator	Frequency of Report	Target 2015/16	This Period	Year to Date
<b>1.</b>	<b><u>Customer Perspective:</u></b>				
1.1	Percentage of questionnaire received noted “good” or “very good” relating to work concluding with an audit report. (Cumulative 4 very good)	Quarterly	95%	100%	100%
<b>2.</b>	<b><u>Business Process Perspective:</u></b>				
2.1	Percentage of final audit reports issued within 10 working days of completion and agreement of the draft audit report. (Cumulative 6/6 reports)	Quarterly	80%	100%	100%
2.2	Percentage of chargeable time against total available.	Quarterly	73%	71%	71%
2.3	Average number of days lost through sickness per FTE (Cumulative 26 days in total)	Quarterly	6 days	<1 day	<2 days
<b>3.</b>	<b><u>Continuous Improvement Perspective:</u></b>				
3.1	Personal development plans for staff completed within the prescribed timetable.	Annual	100%	100%	100%
<b>4.</b>	<b><u>Financial Perspective:</u></b>				
4.1	Total Internal Audit costs v budget.	Quarterly	Within Budget	Within Budget	Within Budget

## Performance Indicator Definitions and Supporting Information

PI Ref	Indicator	Comments
1.1	Percentage of favourable auditee questionnaire responses received (noted “good” or “very good”) relating to work concluding with an audit report.	Questionnaires are left at the end on each audit job resulting in a formal report. The questionnaire asks 14 specific questions covering the effectiveness of audit planning, communication, timing and quality of the audit report. An overall assessment is sought as to the overall value of the audit. This is the answer used for this PI. All questionnaires are analysed in detail to ensure all aspects of the audit process are monitored and improved.
2.1	Percentage of final audit reports issued within 10 working days of completion and agreement of the draft audit report.	This is an operational PI to ensure the timely issue of final reports. This PI is influenced by the availability of senior Internal Audit staff to clear the report and any issues the Division’s quality assessment process highlights along with the availability of the auditee.
2.2	Percentage of chargeable time against total available.	A key operational measure of the ‘productivity’ of Audit staff taking into account allowances for administration, general management, training and other absences. This PI will reflect the % chargeable time of staff in post, net of vacancies.
2.3	Average number of days lost through sickness per FTE.	A corporate PI to measure the effectiveness of good absence / attendance management.
3.1	Personal development plans for staff completed within the prescribed timetable.	IA place a high level of importance on staff training and continuous development and are committed to ensure all staff have their own training plans derived from the personal development plan process.
4.1	Total Internal Audit costs v budget.	This is a simple overall measure to note whether the Division’s expenditure for the year has been kept within the budget.

## Appendix 4

### Analysis of Internal Audit Feedback Received in the Second Quarter of 2016/17

Number of ticks shown against each question

		Very Good	Good	Acceptable	Poor
<b>A</b>	<b>Audit Planning</b>				
1	Relevance of the audit objectives	(2) 0	(2) 1	0	0
<b>B</b>	<b>Communication</b>				
1	Consultation on scope and objectives of the audit	(4) 1	0	0	0
2	Communication during all aspects of the audit	(4) 1	0	0	0
3	Helpfulness co-operation of the auditor(s)	(4) 1	0	0	0
4	Professionalism of the auditor(s)	(4) 1	0	0	0
5	The auditor(s) demonstrated an appreciation of any relevant issues concerning equality and diversity	(4) 1	0	0	0
<b>C</b>	<b>Timing</b>				
1	Duration of the audit	(2) 0	2 (1)	0	0
2	Timeliness of the audit report	(3) (1)	0	0	0
<b>D</b>	<b>Quality of the audit report</b>				
1	Format and clarity of audit report	4 (1)	0	0	0
2	Accuracy of the findings	4 (1)	0	0	0
3	Relevance of recommendations	4 (1)	0	0	0
4	Overall quality of the report	4 (1)	0	0	0
<b>E</b>	<b>Value of the audit</b>				
1	Basic controls assurance the audit has provided	4 (1)	0	0	0
2	Added value given beyond basic controls assurance	3 (0)	1 (1)	0	0
3	<b>Overall value of the audit</b>	<b>4 (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>
		<b>100%</b>			
	<b>Total Number of 'ticks' (A – E)</b>	<b>54</b>	<b>5</b>	<b>0</b>	<b>0</b>
	<b>Percentage</b>	<b>92%</b>	<b>8%</b>	<b>0%</b>	<b>0%</b>
		<b>100%</b>			

#### Returned Questionnaires:-

Quarter 1      3  
 Quarter 2      1  
 Quarter 3  
 Quarter 4  
**Total            4**