



Audit Committee

22 September 2014

Report title	Internal Audit Staffing Arrangements	
Cabinet member with lead responsibility	Councillor Andrew Johnson Resources	
Accountable director	Keith Ireland, Delivery	
Originating service	Audit	
Accountable employee(s)	Peter Farrow Tel Email	Head of Audit 01902 554460 peter.farrow@wolverhampton.gov.uk
Report to be/has been considered by	Not applicable	

Recommendations for noting:

The Committee is asked to note:

The current internal audit staffing arrangements.

1.0 Purpose

1.1 This report updates the Audit Committee on the current staffing arrangements within internal audit.

2.0 Background

2.1 The Annual Internal Audit Report for 2013/14 was presented at the last Audit Committee meeting in July. During the discussions on this report, Members of the Committee noted that a number of employees had recently left internal audit, and asked for a report on staffing levels within internal audit to be presented at the next meeting. This report updates the Committee on the staffing levels.

The below table compares the staff in post within internal audit as at 1 April 2013 and those that will be in post at 1 April 2015 (following the latest trawl for voluntary redundancies and early retirement).

Role	2013	2015	Change
Head of Audit (shared role)	0.5	0.5	-
Senior Audit Manager	1	1	-
Client Lead Auditor	5	4.5	(0.5)
Senior Auditor	6	4.5	(1.5)
Auditor	1	0	(1)
Senior Assistant Monitoring	1	0	(1)
Financial Control Assistant	1	0	(1)
Total	15.5	10.5	(5)

As can be seen from the above, internal audit, along with the majority of service areas across the Council has had to work within tighter budget restraints, while seeking ways to continue to maintain both its effectiveness and efficiency. As a service it continues to evolve and change through a variety of routes, in order to meet these demands.

Examples of this include:

- Continuing to share the Head of Audit role with our neighbours at Sandwell Metropolitan Borough Council and extending this arrangement to include strategic risk management.
- Merging with the Benefit Fraud Investigation Team and establishing a wider combined counter fraud team.
- Re-aligning the Audit Plan to ensure that audit resource is targeted towards the higher risk areas. The development of a corporate assurance map will help with this, and will also assist in providing Members of the Audit Committee with an ongoing level of comfort that appropriate assurances are being obtained.
- Generating additional income by seeking to provide internal audit and related services to a wider number of other organisations. Recent 'successes' include Yoo recruitment agency and 12 Academies in the borough (the Central Learning

Partnership Trust, Bishop Cleary Catholic Multi Academy Company, Wolverhampton Girl's High School and Aldersley High School.

- Entering into a new partnership arrangement with Centro (the organisation responsible for bus, rail and Midland Metro Tram transport in the West Midlands) in order to help them deliver and develop their internal audit service.
- Remaining compliant with the requirements of the new Public Sector Internal Audit Standards, and continuing to have full reliance placed on its work by the external auditors.

3.0 Progress, options, discussion

3.1 The Audit Committee will continue to receive regular updates on the work of internal audit at each meeting, along with annual reviews of:

- the internal audit charter;
- the effectiveness of internal audit; and
- compliance with the Public Sector Internal Audit Standards.

4.0 Financial implications

4.1 There are no financial implications arising from the recommendations in this report as councillors are requested to note current staffing arrangements. The internal audit employee budget has a forecast outturn of £577,000 for 2014/15.[GE/04092014/I]

5.0 Legal implications

5.1 There are no legal implications arising from the recommendations in this report. (RB/05092009/C)

6.0 Equalities implications

6.1 There are no equalities implications arising from the recommendations in this report.

7.0 Environmental implications

7.1 There are no environmental implications arising from the recommendations in this report.

8.0 Human resources implications

8.1 There are no human resources implications arising from the recommendations in this report.

9.0 Corporate landlord implications

9.1 There are no corporate landlord implications arising from the implications in this report.

10.0 Schedule of background papers - None