

For Information

Internal Audit Co Sourcing Arrangements Update	9th March 2016
Corporate Policy and Resources Committee	

Linkage to Council Strategy (2015-19)	
Strategic Theme	Protecting and Enhancing Our Environments and Assets
Outcome	Robust Governance and Assurance
Lead Officer	Stephen McMaw
Cost: (If applicable)	£26,400

1.0 Background

1.1 At the Audit Committee meeting held on 29th June 2015, a report was presented to Elected Members highlighting the importance on the internal audit function in bringing a systematic approach to evaluating and improving the effectiveness of risk management, control and governance processes.

1.2 The Audit Committee agreed that the Causeway Coast and Glens Borough Council internal audit function should be supplemented through an external co-sourced service to be procured in line with the Council's procurement policy.

2.0 Current Position

2.1 Following on from the decision to appoint an external service provider to supplement internal audit, a specification was put together based on the key strategic priorities associated with areas of risk. The evaluation criteria included relevant contractor experience in internal audit and specific experience in relation to risk management, Corporate Governance, Fraud and Corruption.

2.2 The specification document was subjected to a procurement exercise in line with Council policy and two submissions were received. These were from two very experienced audit service providers, Moore Stephens and Price Waterhouse Coopers.

2.3 A detailed scoring mechanism was applied to both submissions that included a price and quality element. The resultant scoring was 90 marks to Moore Stephens and 82 to Price Waterhouse Coopers. Moore Stephens were subsequently appointed as the external provider of internal audit services to the Causeway Coast and Glens Borough Council.

3.0 Co Sourcing Internal Audit Work Plan

3.1 Shortly after being appointed, Moore Stephens attended a meeting with Council Officers to agree an initial short term work plan to address key areas of risk bearing in mind that a major convergence exercise will create additional risk elements. It was agreed that the most urgent work should include a review of the Corporate and Directorate risk registers with the staff responsible for their oversight. This will take the form of a staff risk management audit workshop to be held on 7th March 2016. Further to this initial work, Moore Stephens have been tasked with carrying out an internal audit of debt management across the new Council prior to the end of March 2016.

3.2 The updated risk registers that will follow on from the staff risk management workshop will identify the key areas of concern in relation to risk and audit and these will be reviewed and prioritised. This exercise will then drive forward the audit work plan for the remainder of the 2016/2017 financial year.

3.3 The Audit Committee will receive a report at its meeting in June 2016, detailing the draft internal audit work plan up to the end of March 2017. Elected Members will have the opportunity to scrutinise and agree the plan of work.