

Committee: Performance Select Committee
Date: 29 April 2008
Title: Mechanisms for Internal Audit

Agenda Item

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Item for information

Summary

1. At the Performance Select Committee meeting on 5 February 2008 the Committee resolved that:

“The Audit Commission bring before the next meeting of the Committee a report setting out a comparison of mechanisms for internal audit used by other local authorities for the Committee to consider in the context of the Independent Financial Review.”

2. This report provides Members with a response to the Committee's resolution.

Recommendations

3. Members note the information on mechanisms for internal audit as set out in Appendix One.

Background Papers

None.

Impact

Communication/Consultation	There are no specific communication or consultation implications contained in this report
Community Safety	There are no specific community safety implications contained in this report
Equalities	There are no specific equalities implications contained in this report
Finance	There are no specific finance implications contained in this report
Human Rights	There are no specific human rights implications contained in this report
Legal implications	There are no specific legal implications contained in this report
Ward-specific impacts	There are no specific ward implications contained in this report
Workforce/Workplace	There are no specific workforce/workplace implications contained in this report

Appendix One: Alternative Internal Audit Arrangements in Essex local authorities

4. The following table sets out the current Internal Audit arrangements of local authorities in Essex. The arrangements have been restricted to Essex authorities on the basis that they do illustrate a number of different models across a range of authorities that neighbour Uttlesford District Council.

Table 1: Internal Audit arrangements at Essex local authorities

Authority	Arrangements	Notes
Essex County Council	Mix of in-house audit team supplemented by external co-sourcing resource provided by PricewaterhouseCoopers (PwC). Interim Head of Internal Audit is from PwC	
Thurrock Borough Council	Internal Audit Service has (from October 2006) been contracted out to Bentley Jennison	
Southend Borough Council	In-house Internal Audit team, which is also shared with Castle Point District Council. Single Head of Internal Audit for both Councils. Deloitte LLP are contracted to undertake the key financial systems work.	
Castle Point District Council	As Southend Borough Council above	
Basildon District Council	In-house Internal Audit team	
Brentwood District Council	In-house Internal Audit Team shared with Chelmsford Borough Council. A single Audit Manager runs the service across both councils.	
Chelmsford Borough Council	As Brentwood District Council above.	
Braintree District Council	In-house Internal Audit team.	
Colchester Borough Council	Outsourced Internal Audit team, contract is with Deloitte LLP.	
Harlow District Council	Currently an in-house internal audit team.	Have explored outsourcing option and currently examining options for partnerships with other authorities.
Epping Forest District Council	In-house Internal Audit team	

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Tendring District Council	In-house Internal Audit team	
Maldon District Council	In-house Internal Audit team.	
Rochford District Council	In-house Internal Audit team.	

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