

Audit and Governance Committee
26 June 2015**10. INTERNAL AUDIT COMMISSIONING UPDATE****Recommendation**

1. The Chief Financial Officer recommends that the content of the report is noted.

Background Information

2. This report provides an update on the commissioning arrangements for internal audit.

3. Members will recall that at previous meetings it was explained that a number of options for Commissioning internal audit had been discussed and the preferred option was to transfer the service to Warwickshire county Council.

4. Following detailed discussions between officers agreement was reached during March on the transfer of the internal audit service to Warwickshire. Consultation with staff commenced on the 12 March and the Chief Financial Officer subsequently approved the transfer under delegated powers. Warwickshire County Council formally agreed the proposal on 24 March.

5. A formal legal agreement was signed by both parties the basis of which is an administrative delegation of internal audit functions from Worcestershire to Warwickshire under section 101(b) of the Local Government Acts of 1972 and 2000.

6. Both councils will retain their own audit committee which will consider relevant reports, as now, in respect of plans and work undertaken for their respective organisations and generally discharge the responsibilities of an audit committee as set out in professional guidance.

7. A significant amount of work was undertaken by finance, IT, legal and HR services of both councils to give effect to the decision and the Worcestershire audit team successfully transferred to Warwickshire on 1 May.

8. The arrangement ensures the provision of a resilient, high quality and more flexible audit service for Worcestershire into the future. It is also clear that there will be opportunities for both councils to benefit from the synergies from merging the two teams, whether that is through more efficient systems and processes, best practice audit techniques or shared learning and development.

9. The Committee will be kept informed of developments as

Contact Points

work on embedding the new service continues.

County Council Contact Points

Sean Pearce, Chief Financial Officer

Ext: 6268 Email: spearce@worcestershire.gov.uk

List of Background Papers

In the opinion of the proper officer (in this case the Chief Financial Officer) there are no background papers relating to the subject matter of this report.