

Review of Internal Audit Performance – November 2014

1. The following Key Performance Indicators are used for monitoring the Internal Audit section. Performance against these indicators is set out in the table below. Where targets have not been achieved, further comments on corrective action are provided after the table.

Performance Measure	Target	2014/15 Performance	Nov 14	Aug 14
Completion of audit plan	90% of planned audits completed to draft report stage by end of plan review period (31 st March 2015)	44% to date – slightly above expected completion rate	☺	☺
% recommendations confirmed fully implemented at time of formal follow-up	Overall – 75% Red – 100% Amber – 80% Green – 70%	Overall – 85% Red – 100% Amber – 87% Green – 84%	☺	☺
Timely production of draft report	80% of draft reports issued within 4 weeks of end of fieldwork	78% - some delays in issuing draft reports due to significant volume of carry forward work in first 3 months of year. Trend now improved, should achieve target by end of year.	☺	☹
Timely agreement and issue of final report	80% of final reports (including agreed management action plan) issued within 5 weeks of issue of draft report	70% - some delays in responses over the last 3 months, escalation is being applied where necessary.	☹	☺
Customer satisfaction	Through key question on post audit surveys – target 90%	95% - note Internal Audit questions included in Chamberlain's Department survey, output awaited.	☺	☺

Performance Measure	Target	2014/15 Performance	Nov 14	Aug 14
% of audit section staff with relevant professional qualification	- target 75%	93%	☺	☺

Completion of audit plan

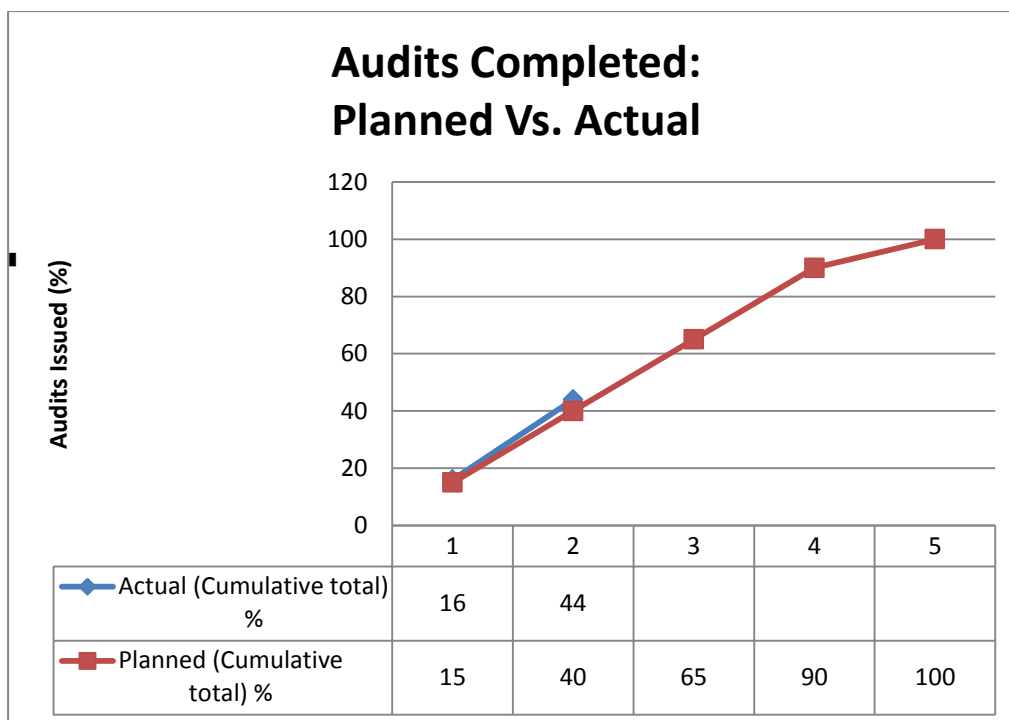
2. Delivery of the 2014/15 plan, as at the end of October 2014, is set out in **Table 3** below.

Table 3 - Committee Report

	Current Plan	Not Started	Planning	Fieldwork	Draft Report	Final / Complete	Deferred / Cancelled	% Complete
Full Reviews	81	30	6	12	10	18	5	35%
Spot checks & Mini Assurance Reviews	76	11	6	14	7	34	4	54%
Irregularity Investigations	2	0	0	0	0	2	0	100%
A&I/support reviews	4	0	0	3	0	0	1	0%
TOTAL	163	41	12	29	17	54	10	44%

KPI 1 (% completed)	44%
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3. A graph is provided below to show delivery of the internal audit plan against the assumed profile of completion anticipated at the start of year. Performance in completion of the 2014/15 audit plan was 44% at the middle of November, above the 40% completion rate projected for this period of the audit plan year.



4. Two temporary senior auditors have been retained for the first part of 2014/15 to ensure the timely completion of the 2013/14 carry forward work and cover the auditor vacancy. One of the temporary senior auditors has been extended until April 2015, to continue covering for the auditor vacancy. The Audit Apprentice left at the beginning of September. This vacancy is currently being recruited to.
5. **Implementation of Recommendations** – Overall implementation of audit recommendations as measured by formal follow-up reviews undertaken over the last year is now at 85%. Good performance in this area is being sustained. Further analysis of performance in this area is provided in the separate audit recommendations follow-up report.
6. **Timely production of draft report** – cumulative performance in issuing draft reports within four weeks of end of fieldwork is now at 78% for the year (previously 66%). Delays in issuing draft reports was an issue in the earlier part of the financial year due to an unusually high volume of audit work concluding in a short period causing backlogs in the Quality Assurance process. Performance over the last 3 months has improved, and target for year should be met.
7. **Timely agreement and issue of final report** – performance in this area has reduced from the 83% reported in the last quarter to 70%. Delayed responses have been escalated and responses received from Departments, although outside target timescales.
8. **% of audit section staff with relevant professional qualification** – following the appointment of two professional qualified senior auditors at the beginning of January 2014, the % of audit section staff with relevant professional qualifications is now increased to 93%.