Division(s): N/A

AUDIT & GOVERNANCE COMMITTEE – 14 JANUARY 2014

REPORT OF THE AUDIT WORKING GROUP (AWG)

The Audit Working Group met on 11 December 2014

The meeting was attended by:
Dr Geoff Jones – Chairman; Cllr Lovatt; Cllr R Smith; Cllr N Hards; Lorna Baxter, and Ian Dyson.

Part meeting only: AWG14.27 Steve Thomas; AWG14.28 Rikke Hansen.

Apologies: Cllr Wilmshurst; Peter Clark

Matters to report:

At the meeting the Chief Internal Auditor tabled an additional paper, not on the agenda, to bring to the attention of the AWG two emerging issues. The first matter was to provide a confidential update on an on-going investigation; the second issue was regarding the Adult Social Care (ASC) IT System project:

The system will replace both Swift (the current ASC client database) and Abacus (the current client finance system). The implementation team has been tasked to deliver by May 2015 the replacement to Swift and Abacus. It is planned that further functional requirements and improvements, driven by the Adult Services Improvement Programme (ASIP), Lean project, and Care Bill considerations will fall into Phase 2 and 3 planned from October 2015.

Internal Audit has undertaken an initial review of the project governance arrangements and the current status of the implementation of the new ASC I.T. system. A number of issues/observations have been highlighted to both Deputy Directors, including the new project sponsor for the implementation (Kate Terroni). These issues/observations included the lack of a clearly defined and detailed scope for the project; work streams are not all formalised, and the detail and monitoring of what each work stream is covering and delivering was unclear; there was no formal structure to project team meetings; project documentation, including the implementation plan, was out of date and not reflecting what the Board has decided will now be delivered; and, risk registers and issues logs were not up-to-date or complete.

It is understood that the work is underway to address the project governance issues; however the Group was very concerned at the lack of governance around this key project. It is expecting the outcome from this project to deliver an efficient and effective system that addresses previously reported control issues, and data quality issues and was not assured from the update that this will be achieved.

This project is already on the Audit and Governance Committee forward plan for quarterly progress reports, but the AWG wishes to highlight to the Committee that at present this is a significant concern.

AWG 14.27 & 14.28 Review of CEF and EE Risk Management Process

The Group had difficulty in reviewing the detail in the actual risk registers both electronically and the paper versions. The Chief Internal Auditor agreed to look at how the detail can be presented at future meetings.

These sessions focussed on the process for populating the risk registers; internal reviews within the Directorates; risk escalation; and, risk scoring including how the increasing or decreasing of risk scoring is approved.

The Group was content with the risk management process within CEF and EE.

AWG14.29 Risk Management Update

The Group was content with the report. The following are points to note:

A key priority for CCMT currently is managing the forecast overspend and on-going financial pressures.

The strategic risk register is to be refreshed during Q4 and is to be presented to the AWG at June 2015 meeting.

The Risk Management Strategy is to be reviewed during Q4, with support from Zurich risk management specialists.

AWG 14.30 Work Programme

The updated work programme is appended to this report. There are two additions:

The Group requested an update report from the Service Manager Business Development & Fleet Management following her presentation on the Integrated Transport Unit at the November AWG meeting. This has been provisionally scheduled for April 2015, subject to the officer's availability.

The Council's Strategic Risk Register is now scheduled to be presented to the Group in June 2015.

RECOMMENDATION

The Committee is RECOMMENDED to note the report.

LORNA BAXTER
Chief Finance Officer

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AUDIT WORKING GROUP
TIMETABLE AND WORK PROGRAMME 2014/15

12 February 2015 - 14:00 - 16:00
- Internal Audit Report - Ian Dyson
- Risk Management Report - Ian Dyson
- Draft Work Programme 2015/16 - Ian Dyson
- Review of AWG Terms of Reference - Ian Dyson
- SCS Risk Register - Steve Thomas
- Public Health Risk Register - Alan Rouse

09 April 2015 - 14:00 - 16:00
- Indicative Annual Governance Statement actions for 2015/16 - David Illingworth
- Update on Residential and Home Support Payments - Kate Terroni / Andrew Colling
- Internal Audit Progress Report - Ian Dyson
- C EX Risk Register - Eira Hale
- Oxfordshire Fire & Rescue Service Risk Register - Simon Belcher
- Whistleblowing Incidents 2014/15 - Peter Clark
- Update on ITU - Alexandra Bailey

Wednesday 22 April 2015 13:00 - 14:00

- Private meeting with Ernst and Young - 22 April 2015

11 June 2015 - 14:00 - 16:00
- Draft Annual Governance Statement
- Internal Audit Report - Ian Dyson
- Draft Internal Audit Report - Ian Dyson
- Risk Management Report - Ian Dyson
- Strategic Risk Register - Ian Dyson

Note - Private meeting with Chief Internal Audit date to be determined.