

## Audit Committee 13 March 2012

### Review of the performance of the internal auditor

### Executive summary and recommendations

#### Introduction

On 25 November 2010, the Audit Committee agreed to recommend to the Council that Mazars LLP should be appointed as the internal auditor for a maximum term of four years, subject to an annual review of performance by the Audit Committee and a recommendation to the Council on whether the appointment should continue.

Mazars was appointed as HPC's internal auditor with effect from 1 April 2011 and therefore the annual review of performance is approaching.

During PKF's appointment as internal auditor, the Committee reviewed performance by receiving a paper including completed customer feedback forms from the Executive for each internal audit completed during the year. The Committee may wish to continue to use this approach, or to agree an alternative approach.

#### Decision

The Committee is asked to agree that:

- (1) the performance of the internal auditor over the past year should be reviewed at the meeting of the Committee to be held on 21 June 2012; and
- (2) the review should take the form of a paper including completed customer feedback forms from the Executive, for each internal audit completed during the year.

#### Background information

On 25 November 2010, the Committee received presentations from short-listed internal audit firms and recommended to the Council that Mazars LLP should be appointed as the internal auditor for a maximum term of four years, subject to an annual review of performance by the Audit Committee and a recommendation to the Council on whether the appointment should continue. On 9 December 2010, Council agreed to the recommendation for the appointment.

Date	Ver.	Dept/Cmte	Doc Type	Title	Status	Int. Aud.
2012-02-14	a	AUD	PPR	Executive summary review of internal auditor's performance Audit Committee 13 March 2012	Final DD: None	Public RD: None

**Resource implications**

Employee time to complete feedback forms (if the Committee agrees to use this method).

**Financial implications**

None.

**Appendices**

Internal audit satisfaction survey form - Mazars.

**Date of paper**

14 February 2012.

### Internal Audit Satisfaction Survey

*As part of our aim to monitor and continuously improve the quality and value of the service we provide to you, it would be much appreciated if you and those involved in the audit could take some time to jointly complete this brief survey.*

Audit Area:

**Please rate the statements below using the following key:  
1 = Disagree completely    2 = Disagree slightly    3 = Agree slightly    4 = Agree completely**

#### Audit Planning

	1	2	3	4
You had sufficient notice of the audit.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
You were able to contribute to the scope of the review through a pre-visit scoping meeting with the lead Auditor.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The scope and objectives of the audit were appropriate and related to the risks and issues faced in your area.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The Audit Planning Memorandum was received in advance of the Audit team's start on site.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### Communication

	1	2	3	4
You received on-going updates of progress from the audit team.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
You were formally consulted on findings/recommendations in a debrief meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### Quality of audit report

	1	2	3	4
The report provided a fair presentation of findings.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The audit was sufficiently detailed and addressed the agreed scope and objectives.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recommendations made were constructive, practical and logical.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The draft report was received in a timely manner.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### Internal audit team

	1	2	3	4
The audit team conducted themselves in a professional and courteous manner.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### Future coverage

To inform future plans, are there further areas under your control which you consider in need of internal audit coverage?

#### Risk management

Has this review led to any change in your risk profile or identified any new risks for consideration / addition to corporate wide or operational risk registers? Please provide details below:

**Other comments**

If you wish to comment on any other aspect of the audit or suggest how Internal Audit could improve its value and effectiveness, please do so below:

**OVERALL CONCLUSION**

Overall evaluation of the delivery, quality and usefulness of the audit

Completed by:

Date:

Please return the completed survey to:

*Graeme Clarke, Director, Mazars LLP*

*Email - [graeme.clarke@mazars.co.uk](mailto:graeme.clarke@mazars.co.uk)*