

VALUE FOR MONEY REVIEWS

To: **Audit and Accounts Committee**

Date: **25th November 2014**

From: **Head of Internal Audit and Risk Management**

Electoral Division(s): **All**

Forward Plan Ref: **N/A**

Key decision: **No**

Purpose: At the Audit and Accounts Committee in July 2014, a report was presented setting out a proposed approach to obtaining assurance in relation to the effectiveness of commissioning projects. It was resolved that the Head of Internal Audit should undertake planning across Council services and report back to the Committee with a detailed plan of reviews to be undertaken within 2014/15. This report updates members on the planning undertaken.

Key Issues: The context of significant internal review of services and plans to transform services within the Council has led to the conclusion that it would be more appropriate to deploy Internal Audit resources utilising the embedded assurance approach, particularly in respect of benefits realisation within projects.

Recommendations: The Audit and Accounts Committee consider that the use of the embedded assurance approach in providing assurance in relation to key Council projects.

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1.0 BACKGROUND

- 1.1 At the Audit and Accounts Committee in July 2014, a report was presented setting out a proposed approach to obtaining assurance in relation to the effectiveness of commissioning projects. It was resolved that the Head of Internal Audit should undertake planning across Council services and report back to the Committee with a detailed plan of reviews to be undertaken within 2014/15. This report updates members on the planning undertaken.

2.0 PLANNING CONSULTATIONS AND PROPOSED APPROACH

- 2.1 There has been a series of consultations between Head of Internal Audit and the Senior Management Team in respect of potential coverage in relation to Value for Money.
- 2.2 The consultations have included discussions in respect of the Business Planning process and the significant reviews of services and budgets which are being undertaken by senior management across Directorates and how best to deploy Internal Audit resources to add value within this context.
- 2.3 Members will be aware that Internal Audit employs an “Embedded Assurance” approach in respect of major projects within the Council. This essentially involves providing independent assurance throughout a project life cycle with the intention of providing up to date and ongoing assurance rather than on a retrospective basis.
- 2.4 The main areas of coverage within this approach are:
- Governance
 - Benefits Realisation
 - Project Resources
 - Risk Management
 - Issue Management
 - Procurement
 - Time Management
 - Cost Management
 - Quality Management
 - Communication
- 2.5 Internal Audit can provide further details of the approach undertaken should members request. Examples of projects where the embedded assurance approach has been utilised over the last 2 years include:
- Science Park Station
 - Ely Level Crossing
 - ETE Directorate Transformation
 - Connecting Cambridgeshire – Superfast Broadband
 - Transfer of Public Health Infrastructure
 - Early Help Project
 - City Deal

- 2.6 Following discussions with the Director of Customer Service and Transformation, it has been agreed that that the most beneficial way forward would be for Internal Audit to provide independent assurance on major projects, for example assessing the effectiveness of benefits realisation, and to extend the embedded assurance approach into specific key Council transformation projects.

Source documents: None