



Internal Audit Joint Working Protocol

Herefordshire Public Services

NHS Herefordshire and Herefordshire Council

Herefordshire Council
Internal Audit Services

cw audit services

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1. Introduction

The purpose of this protocol is to set out a summary framework to govern joint working arrangements between the Internal Audit providers at both the PCT and Council as part of Herefordshire Public Services.

2. The Two Providers

Internal Audit services are currently provided as follows:

Services to the PCT

CW Audit Services is a NHS sponsored and hosted internal audit consortium that provides audit, counter fraud, security management and consultancy services to a range of NHS and local government organisations.

Services to the Council

The Audit Services Team is an internal assurance function that provides an independent and objective opinion to the Council on risk management, control and governance by evaluating their effectiveness in achieving the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a proper economic, efficient and effective use of resources.

3. Audit Planning

Audit plans will be prepared separately by the providers for the two organisations. These plans will be developed in accordance with the planning and assurance requirements of the two organisations and as a minimum will involve discussion with the organisations' external auditors and key client managers to ensure that the scheduled audit work is sufficient to satisfy the expectations of the external auditors through the managed audit process and to provide assurances relating to broader areas of risk facing both organisations.

Prior to the commencement of the financial year and as part of the annual audit planning cycle NHS Herefordshire and Herefordshire Council will review areas where joint audit assignments can take place. The areas of joint assignments will be annotated, however within each statutory organisation's own audit plan

The resultant audit plans will be formally approved by each organisations audit committee.

4. Approach and Resourcing

The two providers will agree in advance areas of work where joint working of audit teams would be appropriate. For work undertaken at the PCT, CW Audit Services will be the lead provider with supporting resource from the Council team and for work undertaken at the Council the in house audit team will be the lead provider with supporting resource from CW Audit Services.

The process for agreement of assignment briefs will follow the protocols of the lead audit provider.

Audit reviews will be carried out in line with the lead audit provider's methodology, quality standards and reporting protocols. It will be the lead organisation's responsibility to ensure that these standards are complied with.

When joint assignments are being conducted it is important that the timing of required resources is agreed by both internal audit providers and those resources are provided in line with the agreed timescales.

Where a member of staff is assisting on a joint review which is not being led by their employer, their day to day reporting accountability will be to the lead audit provider on that specific review.

Joint working will be undertaken on the basis that it is resource and cost neutral to both providers.

5. Reporting Protocols, Recommendations and Follow-up

The process of review, issue of draft reports, final reports and follow up will follow the lead organisations procedures.

Internal Audit Progress Reports will be provided to each Audit Committee in line with current protocols.

Both providers will produce an annual report which will summarise all audit work completed within the financial year and provide an audit opinion on the overall adequacy and effectiveness of the control environment.

6. External Audit Liaison

The two providers will hold regular meetings with their external auditors to discuss the following issues:

- Agree audit timings and coverage.

- Share key controls and agree on sampling methodologies.
- Share any issues that have been identified through ongoing audit work.

7. Counter Fraud

Where required CW Audit Services will also provide Counter Fraud support and advice to the Council. This will be agreed on a case by case basis.

8. Secondment and Training Opportunities

As part of the commitment to a joint audit approach, both organisations will seek to maximise joint training opportunities. These will be planned in advance, taking account of relevant developments and the individual training requirements of members of staff. The two organisations will also work together to explore the opportunity for voluntary staff secondments between the organisations, this will be considered as part of the annual resource planning exercise and throughout the course of the year as resource requirements change. Both the development of joint training and secondments will be designed to maximise the transfer of knowledge between the two organisations.

9. Disputes Procedure/Conflicts Resolution

Any disputes will be resolved via discussion between the Director of CW Audit Services, The Head of Audit from the Council, the PCT's Director of Resources and Council's Director of Resources.

10. Contacts

Council	
Name and role	Contact details
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