hcpc health & care
professions
council

Audit Committee 28 November 2012

Internal audit progress report

Executive summary and recommendations

Introduction

Mazars have prepared the attached report which sets out progress on the internal audit plan for 2012-13.

Decision

The Committee is asked to discuss the report.

Background information

At its meeting on 13 March 2012, the Committee approved the internal audit plan for 2012-13.

Internal audit reports for each completed audit are considered at committee meetings during the year.

Resource implications

None.

Financial implications

None.

Appendices

Internal Audit Progress Report.

Date of paper

1 October 2012

hcpc health & care professions council

Internal Audit
Progress Report

For the year ended 31 March 2013

Presented to Audit Committee Meeting of: 28 November 2012

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Contents

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1.   Introduction

1.1   The purpose of this report is to update the Audit Committee as to the progress in respect of the Internal Audit Strategy for the three years ending March 2014, in particular, the Operational Plan for the year ended 31 March 2013.

1.2   The Internal Audit Strategy and Operational Plan for 2012/13 was considered and approved by the Audit Committee at its meeting on the 13 March 2012.

2.   Summary of internal audit activity since the last Audit Committee meeting

2.1   In accordance with the agreed timetable for delivery of the Plan for 2012/13, there have been two reports finalised since the last meeting of the Audit Committee. These relate to Income Collection and Debtors (report 02.12/13 refers) and ICT – Security (03.12/13).

2.2   Fieldwork for the audit of Education – Approvals and Monitoring was originally planned for the week commencing 12 November 2012. However due to the unforeseen sickness of the Auditor concerned this will now be undertaken week commencing 19 November 2012. Fieldwork for the audits of Fitness to Practise and Project Management is planned for the weeks commencing 3 December 2012 and 10 December 2012 respectively. Audit Planning Memoranda for these reviews have been produced and agreed with Management.

2.3   Finally, whilst the Plan included a Contingency resource (3 days), to date there have been no matters identified which would require this to be used.

3.   Key issues arising from the internal audit programme to date

3.1   The following table provides a summary of assurances and the number and categorisation of recommendations in reports finalised to date.

Ref	Auditable Area	Level of Assurance (If appropriate)	Recommendations				
			Priority 1 (Fundamental)	Priority 2 (Significant)	Priority 3 (Housekeeping)	Total	Total agreed by Management
01.12/13	Follow Up	Not applicable	-	-	8	8	8
02.12/13	Income Collection and Debtors	Substantial	-	-	3	3	3
03.12/13	ICT Security	Substantial	-	-	3	3	3
		Totals	**0**	**0**	**14**	**14**	**14**
		%	**0%**	**0%**	**100%**		**100%**

3.2   We use the following levels of opinion and recommendation classifications within our audit reports:

Levels of Opinion	Control Environment	Effectiveness of Controls
Substantial Assurance:	While a basically sound system of control exists, there is some scope for improvement.	While controls are generally operating effectively, there is some scope for improvement.
Adequate Assurance:	While a generally sound system of control exists, there are weaknesses which put some of the system objectives at risk.	While controls are generally operating effectively, there are weaknesses which put some of the system objectives at risk.
Limited Assurance:	Control is generally weak leaving the system open to significant error or abuse.	Control is generally weak leaving the system open to significant error or abuse.

Recommendation Classifications	Description
Priority 1 (Fundamental)	Recommendations represent fundamental control weaknesses, which expose HCPC to a high degree of unnecessary risk.
Priority 2 (Significant)	Recommendations represent significant control weaknesses which expose HCPC to a moderate degree of unnecessary risk.
Priority 3 (Housekeeping)	Recommendations show areas where we have highlighted opportunities to implement a good or better practice, to improve efficiency or further reduce exposure to risk.

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4. Comparison to Detailed Audit Timetable for 2012/13

Auditable Area	Target Review Start Date	Actual Review Start Date	Target Audit Committee	Actual Audit Committee	Comments
Follow Up	2 July 2012	2 July 2012	September 2012	27 September 2012	Final Report issued.
Income Collection and Debtors	20 August 2012	20 August 2012	November 2012	28 November 2012	See 2.1. Final Report issued.
ICT - Security	19 September 2012	19 September 2012	November 2012	28 November 2012	See 2.1. Final Report issued
Education – Approvals and Monitoring processes	12 November 2012	19 November 2012	March 2013	-	See 2.2
Fitness to Practice	3 December 2012	-	March 2013	-	See 2.2
Project Management	10 December 2012	-	March 2013	-	See 2.2
Registrations	14 January 2013	-	March 2013	-	
Corporate Governance and Risk Management	28 January 2013	-	March 2013	-	
Audit Management	Not applicable	Not applicable	Not applicable	Not applicable	
Contingency	As requested	As requested	As requested	As requested	See 2.3

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