

<b>DECISION-MAKER:</b>	AUDIT COMMITTEE		
<b>SUBJECT:</b>	ASSURANCE MAPPING		
<b>DATE OF DECISION:</b>	25 <sup>th</sup> January 2010		
<b>REPORT OF:</b>	CHIEF INTERNAL AUDITOR (Acting)		
<b>AUTHOR:</b>	Name:	Neil Pitman	Tel: 023 80 834616
	E-mail:	Neil.pitman@southampton.gov.uk	
<b>STATEMENT OF CONFIDENTIALITY</b>			
None			

## SUMMARY

An 'assurance mapping' exercise has been undertaken by Internal Audit with the primary aim of identifying the sources of assurance received across the Council in order to:

- Ensure sources of assurance are appropriately reported in accordance with the Audit Committee Terms of Reference;
- Inform internal audit planning through the identification of assurance provided from other review and inspection bodies to avoid duplication and identify potential assurance gaps; and
- Inform the Annual Governance Statement

## RECOMMENDATIONS:

- (i) That the Audit Committee notes the position regarding the development of assurance mapping process.

## REASONS FOR REPORT RECOMMENDATIONS

1. In accordance with its terms of reference the Audit Committee is required to 'be satisfied and provide assurance to the Standards and Governance Committee that appropriate action is being taken on risk and internal control related issues identified by the internal and external auditors and other review and inspection bodies'.
2. The assurance mapping exercise is intended specifically to identify those sources of assurance provided by 'other review and inspection bodies'.
3. Information regarding the various sources of assurance was collated and reviewed as part of the assurance gathering process required to inform development of the Annual Governance Statement.
4. Based on the information provided, it is considered that the Audit Committee currently receive all appropriate assurance reports in compliance with its Terms of Reference.

## CONSULTATION

6. The development and status of the Assurance Mapping Process was reported to the Resources Board in October 2009 recognising their involvement in both providing the source information and the Board's responsibility for monitoring the Council's controls assurance framework and both influencing and

supporting the council's internal audit strategy.

## ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

7. None

### DETAIL

8. Assurance can be provided from a number of sources both internal and external and can provide confidence to stakeholders, comfort to managers and trust and credibility to the organisation. However, ineffective or over assurance can become burdensome, impacting on the effectiveness of front line service delivery.

9. The assurance mapping process is concerned with identifying all of the sources of assurance received across the organisation. Once identified, the information can then be collated and analysed in order to provide a better understanding of the roles and scope of the work undertaken by the various assurance providers both within and external to the organisation.

10. The primary drivers for the assurance mapping process are:

- To inform internal audit planning - Through the identification of assurance provided from other review and inspection bodies, to avoid duplication and identify potential assurance gaps to key risk areas.
- To inform the Annual Governance Statement - The Annual Governance Statement requires an indication of the level of assurance that the systems and processes that comprise the authority's governance arrangements can provide;
- To contribute to the requirements of the Use of Resources (KLOE 2.4) - *'The council has put in place an assurance framework that maps the council's strategic objectives to risks, controls and assurances; and The assurance framework provides members with information to support the governance statement.'* (Audit Commission (2008))
- To ensure sources of assurance are appropriately reported - The Terms of Reference for the Audit Committee require;
  - To be satisfied and provide assurance to the Standards and Governance Committee that appropriate action is being taken on risk and internal control related issues identified by the internal and external auditors and **other review and inspection bodies**.
  - The committee shall specifically have responsibility for oversight of and provision of assurance to the Standards and Governance Committee.

11. The assurance mapping process will continue to be developed in conjunction with the 'controls assurance self assessment' process used to inform the Annual Governance Statement.

## FINANCIAL/RESOURCE IMPLICATIONS

### Capital

12. None

### Revenue

13. None

### Property

14. None

### Other

15. None

## LEGAL IMPLICATIONS

### Statutory power to undertake proposals in the report:

16. The Accounts and Audit (Amendment) (England) Regulations 2006 require the Council to 'maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control'.

### Other Legal Implications:

17. None.

## POLICY FRAMEWORK IMPLICATIONS

18. None.

## SUPPORTING DOCUMENTATION

### Appendices

1.	None.
----	-------

### Documents In Members' Rooms

1.	None.
----	-------

### Background Documents

Title of Background Paper(s)

Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	None.	
----	-------	--

**Background documents available for inspection at:** Internal Audit Office, North Block Basement, Civic Centre

E-mail: [Neil.pitman@southampton.gov.uk](mailto:Neil.pitman@southampton.gov.uk)

**FORWARD PLAN No:**

N/A

**KEY DECISION? N/A**

**WARDS/COMMUNITIES AFFECTED: All**