

INDEPENDENT REVIEW INTO ENGAGEMENT OF INTERNAL AUDITOR YEAR ENDING 31/3/25

Further to complaints received, the Parish Council engaged an independent company to review the process of engagement of internal auditor year ending 31/3/25..

REVIEW OUTCOME

It is the opinion of LGRC after assessing the Council's documentation that a fair opportunity was provided to a range of potential suppliers, including the company which undertook the internal audit in 2023/24.

It is considered that the award of the contract for internal audit services covering the 2024/25 financial year was awarded in accordance with the Council's Financial Regulations.

EXECUTIVE SUMMARY

1.1 In order to assess its procurement of Internal Audit services for the 2024/25 financial year, Rothbury Parish Council engaged the Local Government Resource Centre (LGRC) to undertake an independent review.

1.2 The aim of this review was to engage the expertise of an experienced practitioner who would discuss with the Clerk to explore the complaint made to the Council; assess the relevant documentation and make a report to the Council.

1.3 It is the opinion of LGRC that after assessing the Council's documentation that a fair opportunity was provided to a range of potential suppliers including the company which undertook the internal audit in 2023/24. Therefore, it is recommended that the complainants be advised that a review has been undertaken which has concluded that adequate opportunity was given to the supplier in question.

1.4 The report has identified a range of matters, which Council may wish to consider prior to future allocation of Internal Audit services in order to improve the process. These are set out in section 4 of the report and are of an advisory nature only.

MATTERS IDENTIFIED BY THE REVIEW

Whilst the reviewer considers that the contract was awarded fairly and in accordance with the Council's financial regulations, there are a number of matters which are recommended for review by the Council.

NB These recommendations are made in an advisory capacity only.

Timing of procurement – September is half way through the financial year, so is a little late to be starting the procurement for internal audit services.

It is recommended that future procurement be commenced in the first quarter of the financial year.

Procurement Advertising – The advert approved by the Council had no timetable or closing date on it.

It is recommended that future adverts are clear in regard of when the Council expects to consider any proposals.

Contract Length – as has been stated earlier in the report, there is a shortage of suitably experienced and qualified internal auditors in the sector, which can make finding a contractor challenging. It is noted that the Council awards a contract for a single year.

It is recommended that consideration be given to a longer contract, three years is not unusual.