



# **Shared Services / Joint Working**

# **Business Case**





# **Internal Audit**



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- **Client:** Internal Audit at Gravesham Borough Council and Tonbridge & Malling Borough Council



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# Business Case History

# **Introduction and Strategic Requirements of the Service**





# **Scope for shared service/joint working arrangements**

SOME FORM OF JOINT WORKING. THE recent resignation of the Audit Manager at Tonbridge & Malling Borough Council has provided an opportunity for joint working in respect of Internal Audit which could deliver savings whilst maintain high quality service standards. Following discussions between key officers at each council, this business case puts forward a recommended option for joint working between the two



# **Potential stakeholders/partners**

Gravesham Borough Council and  
Tonbridge & Malling Borough  
Council.



# **Current working arrangements of each stakeholder/partner**



Audit teams. In each authority the team reports to a manager with organisational responsibility for Internal Audit (GBC – Service Manager (Audit and Performance) and TMBC – Chief Internal Auditor).



# **Contribution to key objectives**

corporate objectives through providing independent and objective assurance of the internal control arrangements in place at each council as a contribution to the proper, economic, efficient and effective use of resources.



# **Statutory Obligations**

2005 (Amended) require each council to make provision for internal audit in accordance with the CIPFA Code of Practice for Internal Audit in Local Government.







# **Strategic and Operational Benefits of Joint Working**

# **Strategic Benefits**

# **Benefit Measure**

severely affected by sickness  
absence/vacancies or increased  
workload resulting from work in  
response to suspected fraud or  
irregularity. Audit plan completion

Less requirement to amend the audit  
plan in year



set available to each organisation –  
sharing of technical skills and ‘bigger  
picture’ thinking. Scope of audit work  
completed.



data interrogation tool held by  
Tonbridge & Malling at Gravesham.  
Scope of audit work completed.

potential for one auditor to complete the same audit at both authorities (there is likely to be a learning curve for IT-related audits). Scope of audit work completed.

practice so auditors are better placed to provide advice to clients prior to issues arising. Appraisals – monitoring of officer skills.

Client Satisfaction with level /type  
of service.

Potential for financial savings from  
sharing resource. Budget  
monitoring

of time for internal audit  
consultancy services (including  
quality assurance on major  
projects).      Scope of Audit Plan

# Client Satisfaction with level /type of service

~~was implemented through sharing~~

of best practice in service areas identified through Internal Audit teams at either council. Client Satisfaction with level /type of service



with little impact on the services being audited i.e. auditors become more experienced. Greater proportion of audit plan being completed.

# Client Satisfaction with level /type of service

more closely in other areas of  
shared responsibility (Corporate  
Fraud, Risk, Corporate  
Governance, VfM etc). Shared  
practice



# **Constraints and Dependencies**

# Potential Constraints to the project progressing

- **Organisational Constraints**
  - There will need to be agreement between the two councils on the viability of a joint working or shared service arrangement.

there will need to be agreement  
between the two councils on the  
scope/type of joint working or  
shared service arrangement.

the Members at the two councils  
for the progression of a joint  
working or shared service  
arrangement.



Legal requirements/obligations  
may need to be met in progressing  
any option.

- **Resource Constraints**

- Resistance from team members to change.

issues regarding the equipment or systems utilised at each site and the compatibility with each authority's own systems.

Availability of skill sets across the two authorities and their suitability to meet the needs of each authority.

- Issues relating to service provision at each authority that could lead to a contracting audit need
  - Issues regarding the role(s) of management at either authority.
- **Time Constraints**
    - Conflicting timescales/deadlines required by either authority.



# **Dependencies for the project progressing**

- Development of a sound business case with the needs of both authorities being met
- Continued viability of the project over time.

~~uncertainties, risks and issues that~~  
may affect viability/timing of the  
achievement of this project to all  
key project officers and senior  
managers involved.

Good communication of project milestones to internal audit team members at each council.





# Risks



**‘Do Nothing’ Risks – if there is no change to existing arrangements**

# **Risk identified Action**

vacancy, being drafted to other projects etc. this could have an adverse effect on the quality and quantity of outputs of the team.

Build resilience with other authorities to help ensure that the quality and quantity of outputs can be maintained should this occur.

... ~~with working arrangements across~~  
the county, which in turn could lead  
to arrangements being ‘forced’ onto  
each authority. Explore options for  
joined-up working between the two  
authorities that meet the need of  
both authorities.

to adapt to changes in the audit world due to capacity issues and/or not necessarily having access to the right skills. As above.







# **Cost/Benefit Evaluation of Options and Recommendation**



possible shared service/joint  
working models, initial evaluations  
and discussions between the two  
authorities indicated that one option  
was preferred.



the requirements of both authorities. As such, available resource has been utilised to further develop and progress this option, rather than wasting resource in exploring other, less favourable options.

