

REPORT ON INTERNAL AUDIT RECOMMENDATIONS OUTSTANDING

Audit Committee – 10 June 2014

Report of the: Chief Finance Officer

Status: For Consideration

Key Decision: No

This report supports the Key Aim of Effective Management of Council Resources

Portfolio Holder Cllr. Ramsay

Contact Officer(s) Bami Cole Ext. 7236

Recommendation to Audit Committee: That Members:

- a) review the information in Appendix A and request further information or explanation as appropriate; and
 - b) note the reasons for delayed implementation and endorse the revised dates for implementation provided by management, as noted in Appendix B to the report.
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Introduction

- 1 Members agreed at the meeting on 18 March 2014 to include in the meeting agenda of the Committee, a report on the implementation of Internal Audit recommendations. This report is to update Members on progress of the implementation of recommendations agreed with management, and to report on outstanding recommendations due for implementation by 30 April 2014.
- 2 The report will be presented to each future meeting of the Committee and will provide details to Members regarding Internal Audit recommendations, which have not been completed by management within the implementation due date. The report will also include any relevant explanations regarding the justification for the delay, or cancelation of recommendations. Where appropriate, Members may request responsible management to attend the meeting, or a future meeting of the Committee, to provide further information regarding the reasons for the delay and its implications.

Summary of Issues Raised Within the Report

- 3 Appendix A provides a summary of the reports for which relevant management had agreed recommendation implementation dates for the period to 30 April 2014. Internal Audit has obtained the current status from the responsible managers, but it should be noted that, where implementation has been confirmed, Internal Audit has not yet undertaken any additional testing to verify this. Implementation

checks will be carried out in due course, usually between 3 to 6 months of the agreed implementation date.

- 4 Appendix B provides details of recommendations where management have advised Internal Audit that implementation of agreed actions has initially been delayed from the date originally stated. Enquires with management indicates that satisfactory progress is being made, or proposed; and that there are no major concerns arising as a result of the change in implementation date. However Internal Audit will continue to monitor progress where appropriate and report back to the Audit Committee as necessary.
- 5 Appendix C will provide details of recommendations where implementation is no longer intended. However, there is none to report at this time.

Key Implications

Financial

This report has no financial implications.

Legal Implications and Risk Assessment Statement

The purpose of Internal Audit recommendations is to manage identified risks and improve internal controls and value for money in service provision. Consequently risk profiles may increase in areas where the implementation of recommendations is delayed, if there are no compensating mitigating controls in place. This may have potential financial and legal consequences for the Council. This report will facilitate the Council's ability to manage such risks.

Value for Money and Asset Management

Timely implementation of Internal Audit recommendations would facilitate the Council's ability to obtain greater value for money and guard against waste and inefficiency.

Equality Impacts

Consideration of impacts under the Public Sector Equality Duty:		
Question	Answer	Explanation / Evidence
a. Does the decision being made or recommended through this paper have potential to disadvantage or discriminate against different groups in the community?	No	
b. Does the decision being made or recommended through this paper have the potential to promote equality of opportunity?	No	

Consideration of impacts under the Public Sector Equality Duty:		
Question	Answer	Explanation / Evidence
c. What steps can be taken to mitigate, reduce, avoid or minimise the impacts identified above?		N/A

Conclusions

The report on recommendations outstanding enables Members to review the timeliness of implementation of Internal Audit recommendations. When recommendations have not been implemented, it enables Members to seek explanations, or agree revised dates. If management propose not to action recommendations and accept the risk, Members can review this action to determine if it meets the objectives of the Committee and the Council's risk appetite. Where appropriate, Members may request responsible management to attend the Committee and provide further explanations as necessary.

Appendices

Appendix A – Summary of recommendations followed up

Appendix B – 'Overdue' recommendations where implementation delayed

Background Papers:

None

Adrian Rowbotham
Chief Finance Officer