

**Committee: PERFORMANCE & AUDIT COMMITTEE**

**Agenda Item**

**Date: 15 May 2014**

**9**

**Title: Internal Audit Progress Report,  
01 February – 02 May 2014**

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Item for Information

## **Summary**

1. To report to the Performance & Audit Committee details of work undertaken by Internal Audit since the last report to the Performance & Audit Committee on 13 February 2014 and to provide an update on implemented and outstanding internal audit recommendations.

## **Recommendations**

2. That the Internal Audit Progress Report (01 February – 02 May 2014) be noted

## **Financial Implications**

3. None. There are no costs associated with the recommendations.

## **Background Papers**

4. None

## **Impact**

- 5.

Communication/Consultation	The Internal Audit Work Programmes 2013/14 and 2014/15 referred to in this report has been have been approved by the Corporate Management Team and endorsed by the Performance & Audit Committee.
Community Safety	none
Equalities	none
Health and Safety	none
Human Rights/Legal Implications	none
Sustainability	none

Ward-specific impacts	none
Workforce/Workplace	none

### **Situation**

6. The purpose of this report is to provide management and members with:
- i) Details of the work completed by Internal Audit since the last report to the Performance and Audit Committee at its meeting 13 February 2014;
  - ii) A summary of the risk level 3 and 4 highest priority recommendations made and agreed;
  - iii) Performance against the Internal Audit Work Programme 2013/14;
  - iv) Performance against the Internal Audit Work Programme 2014/15;
  - v) Details of risk level 3 and 4 highest priority recommendations implemented since the last report to Members;
  - vi) Details of any recommendations not implemented within the agreed timescale.

### **Work Undertaken by Internal Audit 01 February – 02 May 2014**

7. Since the last report to the Committee:
- i) Audit work on 28 of the 29 audits on the revised Internal Audit Work Programme 2013/14 was completed by 02 May 2014. The remaining audit is awaiting auditee agreement on the draft Report recommendation and management action; the final report is expected to be issued for this audit by 31 May 2014.
  - ii) Between 01February – 02 May 2014, 12 audits from the 2013/14 audit programme were completed and Final Reports issued with a total of 13 recommendations made. All final audit reports issued have been copied to Performance & Audit Committee members and are available on the Council's Intranet. Audit work on two audits has been suspended and will recommence as part of the 2014/15 audit programme. A summary of final reports issued together with an analysis of overall progress on the 2013/14 programme are presented at Appendix A(i) & (ii);
  - iii) Between 01February – 02 May 2014, work has started on 5 audits from the 2014/15 Audit Programme; progress on the 2014/15 programme is presented at Appendix A(iii).

## Audit Work Programme 2014/15

8. As of 02 May 2014 work against the audit programme is:
- 0 audits have been completed or Final Reports Issued
  - 5 audits are currently work in progress

### Recommendations Implemented 01 February – 02 May 2014

9. There are 2 risk level 4 & 3 recommendations which have been implemented; a summary is presented at Appendix B.

### Recommendations Not Implemented by due date at 02 May 2014

10. At 02 May 2014 there were 4 recommendations reported in Covalent as not being implemented in accordance with their agreed due dates, a summary is presented at Appendix B

## Risk Analysis

11.

Risk	Likelihood	Impact	Mitigating actions
The issues highlighted in the internal audit reports are not acted upon	1 Action is already being taken towards the implementation of the recommendations contained in the reports.	2 There would be varying levels of impact from non-implementation of recommendations given the significance of the control risks identified.	Internal audit reports are followed up to ensure compliance.  There are escalation procedures in the event of non compliance

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.