

Committee: PERFORMANCE & AUDIT COMMITTEE

Agenda Item

Date: 22 July 2014

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**Title: Internal Audit Progress Report,
03 May - 11 July 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 15 May 2014 and to provide an update on implemented and outstanding internal audit recommendations.

Recommendations

2. That the Internal Audit Progress Report (03 May - 11 July 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 Programme 2014/15 referred to in this report has 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 15 May 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 2014/15;
 - iv) Details of risk level 3 and 4 highest priority recommendations implemented since the last report to Members;
 - v) Details of any recommendations not implemented within the agreed timescale.

Work Undertaken by Internal Audit 03 May - 11 July 2014

7. Since the last report to the Committee:
- i) The remaining audit from the 2013/14 Internal Audit Work Programme was completed and the final report issued on 14 May 2014 with one recommendation made.
 - ii) Between 03 May - 11 July 2014, 5 audits from the 2014/15 Internal Audit Work Programme were completed and final reports issued with a total of 3 recommendations made. All final audit reports have been copied to Performance & Audit Committee members and are available on the Council's Intranet. A summary of final reports issued is presented at Appendix A(i);
 - iii) Between 03 May - 11 July 2014 work has started on a further 4 audits from the 2014/15 Audit Programme; progress on the 2014/15 programme is presented at Appendix A(ii).

Audit Work Programme 2014/15

8. As of 11 July 2014 work against the audit programme is:
- i) 5 audits have been completed or Final Reports Issued
 - ii) 4 audits are currently work in progress

Recommendations Implemented 03 May - 11 July 2014

9. There are 5 risk level 4 & 3 recommendations which have been implemented; a summary is presented at Appendix A (iii).

Recommendations Not Implemented by due date at 11 July 2014

10. At 11 July 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 A (iv).

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.