

Committee: PERFORMANCE & AUDIT COMMITTEE

Agenda Item

Date: 12 February 2015

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**Title: Internal Audit Progress Report,
08 November 2014 to 31 January 2015**

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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 20 November 2014 and to provide an update on implemented and outstanding internal audit recommendations.

Recommendations

2. That the Internal Audit Progress Report (08 November 2014 to 31 January 2015) 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 20 November 2014;
 - ii) Performance against the Internal Audit Work Programme 2014/15;
 - iii) Details of risk level 3 and 4 highest priority recommendations implemented since the last report to Members;
 - iv) Details of any recommendations not implemented within the agreed timescale.

Work Undertaken by Internal Audit 08 November 2014 to 31 January 2015

7. Since the last report to the Committee:
- i) Between 08 November 2014 to 31 January 2015, 4 audits from the 2014/15 Internal Audit Work Programme were completed and final reports issued with a total of 0 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);
 - ii) Between 08 November 2014 to 31 January 2015 work has started on a further 3 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. The Internal Audit Work Programme is a rolling programme of audit work expected to be undertaken during 2014/15 and, in accordance with the Internal Audit Strategy, was reviewed and updated in October 2013 to identify the scope of the key financial and other audit work to be undertaken in quarters 3 and 4 of 2014/15.
- 9. The revised programme has been agreed with CMT at its meeting 14 January 2015 and is presented in Appendix A(ii).
- 10. There are 5 audits initially planned for 2014/15 which will be carried forward to the 2015/16 audit programme
 - Housing Repairs;
 - Information Management;

- Elections;
- Members & Allowances & Expenses and
- Community Health & Fitness.

The Planning - Housing Strategy Local Plan audit will be carried forward to 2016/17 or later.

11. As of 31 January 2015, work has been undertaken on 30 out of the 31 planned audits, of these:
- 15 audits have been completed and Final Reports issued and
 - 15 audits are currently work in progress

Recommendations Implemented 08 November 2014 to 31 January 2015

12. There is 1 risk level 4 recommendations which has been implemented in this period; a summary is presented at Appendix A (iii).

Recommendations Not Implemented by due date at 31 January 2015

13. At 31 January 2015 there is 1 recommendation reported in Covalent as not being implemented in accordance with its agreed due dates; a summary is presented at Appendix A (iv).

Risk Analysis

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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.