

Committee: PERFORMANCE & AUDIT COMMITTEE

Agenda Item

Date: 30 July 2015

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Title: Internal Audit Progress Report,
01 February to 17 July 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 12 February 2015 and to provide an update on implemented and outstanding internal audit recommendations.

Recommendations

2. That the Internal Audit Progress Report (01 February to 17 July 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 Programmes 2014/15 and 2015/16 referred to in this report 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 12 February 2015;
 - ii) Performance against the Internal Audit Work Programme 2014/15;
 - iii) Performance against the Internal Audit Work Programme 2015/16;
 - 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 01 February to 17 July 2015

7. Since the last report to the Committee:
- i) All Audit work on the 31 audits on the revised Internal Audit Work Programme 2014/15 was completed on 27 May 2015.
 - ii) Between 01 February – 27 May 2015, 15 audits from the 2014/15 audit programme were completed and Final Reports issued with a total of 30 recommendations made. All final audit reports issued have been copied to Performance & Audit Committee Members and are available on the Council's Intranet. A summary of 2014/15 final reports issued is presented at Appendix A(i);
 - iii) Between 01 April to 17 July 2015, 1 audit from the 2015/16 Internal Audit Work Programme was completed and final report issued with a total of 2 recommendations made. The final audit report has been copied to Performance & Audit Committee members and is available on the Council's Intranet. A summary of 2015/16 final reports issued is presented at Appendix A(ii);
 - iv) Between 01 April to 17 July 2015 work has started on 12 audits from the 2015/16 Audit Programme; progress on the 2015/16 programme is presented at Appendix A (iii).

Audit Work Programme 2015/16

8. As of 17 July 2015, work has been undertaken on 12 out of the 40 planned audits, of these:
- i) 1 audit has been completed and Final Reports issued
 - ii) 6 audits are at draft report stage
 - iii) 5 audits are currently work in progress

Recommendations Implemented 01 February to 17 July 2015

9. There are no risk level 4 & 3 recommendations which have been implemented in this period

Recommendations Not Implemented by due date at 17 July 2015

10. As of 17 July 2015, there are no recommendations reported in Covalent as not being implemented in accordance with their agreed due dates.

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.