

Committee: PERFORMANCE & AUDIT COMMITTEE

Agenda Item

Date: 11 February 2016

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**Title: Internal Audit Progress Report,
07 November 2015 to 29 January 2016**

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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 19 November 2015 and to provide an update on implemented and outstanding internal audit recommendations.

Recommendations

2. That the Internal Audit Progress Report (07 November 2015 to 29 January 2016) 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 2015/16 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 19 November 2015;
 - ii) Performance against the Internal Audit Work Programme 2015/16;
 - 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 07 November 2015 to 29 January 2016

7. Since the last report to the Committee:
- i) Between 07 November 2015 to 29 January 2016, 7 audits from the 2015/16 Internal Audit Work Programme were completed and final reports issued with a total of 11 recommendations made. The final audit reports have been copied to Performance & Audit Committee members and are available on the Council's Intranet. A summary of 2015/16 final reports issued is presented at Appendix A(i).
 - ii) Between 07 November 2015 to 29 January 2016 work has started on a further 7 audits from the 2015/16 Audit Programme; progress on the 2015/16 programme is presented at Appendix A(ii).

Audit Work Programme 2015/16

8. The Internal Audit Work Programme is a rolling programme of audit work expected to be undertaken during 2015/16 and, in accordance with the Internal Audit Strategy, was reviewed and updated in January 2016 to identify the scope of audit work to be undertaken during the final quarter of 2015/16.
9. The revised programme has been agreed with CMT at its meeting 27 January 2016 and is presented in Appendix A(ii).
10. There are 9 audits initially planned for 2015/16 which will be carried forward to the 2016/17 audit programme
- Fraud (non-corporate);
 - Recovery;
 - Treasury Management;
 - Business Continuity;

- Elections;
- Electoral Registration;
- Members' Allowances & Expenses;
- Partnerships;
- Equality & Diversity.

11. As of 29 January 2016, work has been undertaken on 28 out of the 31 planned audits, of these:

- 16 audits have been completed and Final Reports issued
- 1 audit is at draft report stage
- 11 audits are currently work in progress

Recommendations Implemented 07 November 2015 to 29 January 2016

12. There have been no level 3 or level recommendations implemented in this period.

Recommendations Not Implemented by due date at 29 January 2016

13. As of 29 January 2016, there are no recommendations reported in Covalent as not being implemented in accordance with their agreed due dates.

Risk Analysis

14.

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.