

**Committee: PERFORMANCE & AUDIT COMMITTEE**

**Agenda Item**

**Date: 28 July 2016**

**6**

**Title: Internal Audit Progress Report,  
07 May to 15 July 2016**

**Author: Sheila Bronson, Internal Audit Manager  
01799 510610**

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 May 2016 and to provide an update on implemented and outstanding internal audit recommendations.

## **Recommendations**

2. That the Internal Audit Progress Report (07 May to 15 July 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 Programmes 2015/16 and 2016/17 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 19 May 2016;
  - ii) Performance against the Internal Audit Work Programme 2015/16;
  - iii) Performance against the Internal Audit Work Programme 2016/17;
  - 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 07 May to 15 July 2016**

7. Since the last report to the Committee:
- i) Between 07 May to 15 July 2016, 5 audits from the 2015/16 audit programme were completed and Final Reports issued with a total of 11 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 2015/16 final reports issued is presented at Appendix A(i);
  - ii) There is 1 audit from the 2015/16 audit programme to be completed, Street Services - Fleet & Fuel Management and Transport Maintenance. The delay has been due to obtaining final agreement on recommendations and sign off from corporate management. It is expected to be completed by 31 July 2016
  - iii) Between 07 May to 15 July 2016 1 audit from the 2016/17 audit programme has been completed and Final Report issued with a total of 3 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 2016/17 final reports issued is presented at Appendix A(i);
  - iv) Between 07 May to 15 July 2016 work has started on 9 audits from the 2016/17 Audit Programme; progress on the 2016/17 programme is presented at Appendix A (ii).

## Recommendations Implemented 07 May to 15 July 2016

8. There are 2 risk level 3 recommendations which have been implemented in this period; a summary is presented at Appendix A (iii).

## Recommendations Not Implemented by due date at 15 July 2016

9. As of 15 July 2016, there are no recommendations reported in Covalent as not implemented in accordance with their agreed due dates.

## Risk Analysis

10.

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.