

## AUDIT COMMITTEE – 26 NOVEMBER 2015

### PART I – DELEGATED

#### 8. INTERNAL AUDIT PROGRESS REPORT 2015/16 (DoF)

##### 1. Summary

1.1 This report gives details of the progress made in implementing the recommendations of the internal auditor.

##### 2. Details

2.1 Details of progress against the Internal Audit Plans for 2015/16 are attached at Appendix 1. The update status of individual audits is attached at Appendix 2.

2.2 Appendix 3 provides information on recommendations which remain outstanding from audits carried out in 2009/10, 2010/11, 2011/12, 2012/13, 2013/14, 2014/15 and 2015/16 and detail only those recommendations which were not resolved at the time of the last report together with new audit reports issued since that time. New reports and new comments are shown in bold.

2.3 The table below summarises progress in implementation of the recommendations:

Year	Recommendations made	Implemented	Not yet due	Outstanding & Request made for Extended Time	Percentage implemented %
2009/10	144	141	0	3	98
2010/11	180	179	0	1	99
2011/12	102	99	0	3	97
2012/13	36	35	0	3	97
2013/14	79	72	4	5	91
2014/15	67	47	7	13	70
2015/16	8	3	5	0	38

##### 3. Options/Reasons for Recommendation

3.1 The recommendation is made in order to give members the opportunity to raise questions about the internal auditors' recommendations and monitor the progress being made in their implementation.

##### 4. Policy/Budget Reference and Implications

4.1 The recommendations in this report are within the Council's agreed policy and budgets.

##### 5. Legal, Equal Opportunities, Staffing, Environmental, Community Safety, Customer Services Centre and Communications & Website Implications

5.1 None specific.

##### 6. Financial Implications

6.1 There are no changes to the budget or the efficiency gains already agreed by Members as a result of this report.

**7. Risk Management and Health & Safety Implications**

7.1 The Council has agreed its risk management strategy which can be found on the website at <http://www.threerivers.gov.uk>. In addition, the risks of the proposals in the report have also been assessed against the Council’s duties under Health and Safety legislation relating to employees, visitors and persons affected by our operations. The risk management implications of this report are detailed below.

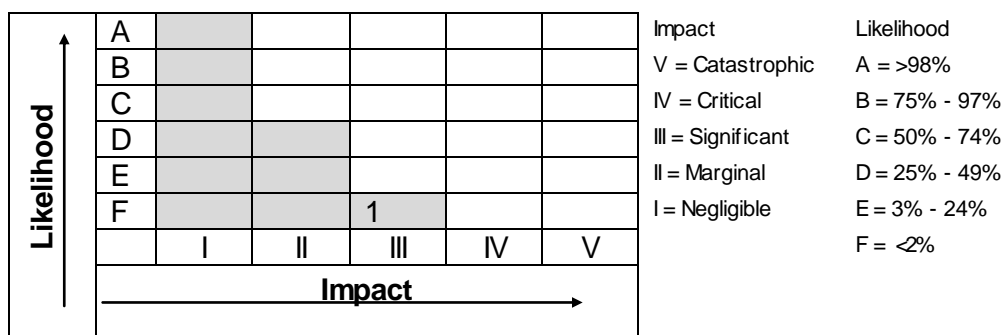
7.2 The subject of this report is covered by the Shared Services Finance service plan. Any risks resulting from this report will be included in the risk register and, if necessary, managed within this plan.

7.3 There are no risks to the Council in agreeing the recommendations.

7.4 The following table gives the risks that would exist if the recommendation is rejected, together with a scored assessment of their impact and likelihood:

Description of Risk		Impact	Likelihood
1	Progress against audit recommendations are not monitored, recommendations are not therefore implemented and internal controls are consequently weakened	III	F

7.5 The above risks are plotted on the matrix below depending on the scored assessments of impact and likelihood, detailed definitions of which are included in the risk management strategy. The Council has determined its aversion to risk and is prepared to tolerate risks where the combination of impact and likelihood are plotted in the shaded area of the matrix. The remaining risks require a treatment plan.



**8. Recommendations**

8.1 That progress in completion of the audit plans is noted.

8.2 That amendments to the Audit Plan be approved.

8.3 That progress in implementing the internal auditor’s recommendations is noted.

Report prepared by: Nigel Pollard – Acting Head of Finance

## Data Quality

Data rating:

1	Poor	
2	Sufficient	
3	High	✓

## Background Papers

### APPENDICES

Appendix 1: Progress against the Internal Audit Plans

Appendix 2: Updates Status of Individual Audits

Appendix 3: Progress on Implementing Internal Audit Recommendations