

# REPORT TO GOVERNANCE AND AUDIT COMMITTEE

**REPORT OF: CORPORATE HEAD, FINANCE & CUSTOMER SERVICES**

**REPORT NO: CHFCS64**

**DATE: 24 September 2009**

<b>TITLE:</b>	<b>Internal Audit Tracking Report - Position as at 31 August 2009</b>	
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	None	
<b>PORTFOLIO HOLDER: NAME AND DESIGNATION:</b>	Cllr Mike Taylor Assets and Resources Portfolio Holder	
<b>CONTACT OFFICER:</b>	Malcolm Gorringe Interim Service Manager <a href="mailto:m.gorringe@southkesteven.gov.uk">m.gorringe@southkesteven.gov.uk</a> Telephone (01476) 406511	
<b>INITIAL IMPACT ASSESSMENT:</b>	Carried out and Referred to in paragraph (7) below:	Full impact assessment Required:
<b>Equality and Diversity</b>	N/A	No
<b>FREEDOM OF INFORMATION ACT:</b>	This report is publicly available via the Local Democracy link on the Council's website: <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a>	
<b>BACKGROUND PAPERS</b>	Final Internal Audit Reports for 2007/08, 2008/09 and 2009/10	

## 1. RECOMMENDATIONS

It is recommended that the Committee review the contents of this report and identify any areas of concern.

## 2. PURPOSE OF THE REPORT

This is the regular tracking report presented to the Committee detailing progress made by management in implementing internal audit recommendations. The report sets out the number of recommendations at each stage of the process as at 31 August 2009.

## 3. DETAILS OF REPORT

Appendix A to this report details the reviews finalised by internal audit during 2008/09 and 2009/10, together with the number of recommendations. For the current year

(2009/10), with the exception of the Cash Security audit, none of the recommendations have been followed-up and in the majority of cases, are not due for implementation until after 31<sup>st</sup> August 2009.

The following is a summary of the status of the recommendations under each risk rating.

Year	Risk Category			Total	High Risk Implementation Rate	All Risks Implementation Rate
	High	Medium	Low			
2007/08	11	28	22	61	100%	100%
2008/09	13	31	20	64	69%	69%
2009/10	0	14	14	28	N/A	11%*
Total	24	73	56	153		

\* Relates to Cash Security audit only

Appendix B details the changes in status for the risk shown in the last report (May 2009) along with any new recommendations finalised as at 31 August.

In summary, of the 125 recommendations that have been followed up in respect of 2007/08 and 2008/09, 105 (84%) have been implemented in full. Of the 24 high risk recommendations, 20 (83%) have been fully implemented and 4 are partially implemented. Appropriate management action is being taken to ensure that all outstanding recommendations are implemented by the due dates.

The next round of follow-up reviews will be undertaken by internal audit during quarters 3 and 4. The information/ recommendations arising from these reviews will be included in subsequent tracking reports.

#### **4. OTHER OPTIONS CONSIDERED**

None

#### **5. RESOURCE IMPLICATIONS**

This report has no direct impact on the Council's resources, including finance/ budget, people, land/property etc.

#### **6. RISK AND MITIGATION (INCLUDING HEALTH & SAFETY AND DATA QUALITY)**

None

#### **7. ISSUES ARISING FROM EQUALITY IMPACT ASSESSMENT**

None

#### **8. CRIME AND DISORDER IMPLICATIONS**

None

## **9. COMMENTS OF SECTION 151 OFFICER**

This report summarises the position relating to outstanding recommendations from internal audit reports. As well as keeping members informed, it gives members the opportunity to query progress and outcomes in accordance with the committee's terms of reference.

## **10. COMMENTS OF THE MONITORING OFFICER**

This report shows an overview of the internal audit follow-up activity. It is essential that those actions not carried out are completed and included in reports of future tracking of audit activity.