

Report to: Audit Committee

Subject: Follow-Up of Audit Recommendations

Date: 27th March 2012

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1. PURPOSE OF REPORT

To monitor departmental progress in the implementation of Internal Audit recommendations.

To identify to members where additional action needs to be considered in relation to any outstanding recommendations.

2. BACKGROUND

Internal Audit follow-up on the implementation of recommendations on a quarterly basis. The results of the initial follow-up are reported to the Head of Corporate Services, who requests any outstanding recommendations are actioned immediately.

Any recommendations remaining outstanding following this instruction are reported to this committee.

3. SUMMARY FINDINGS

Recommendations made in the following audit reports were followed-up during the period January – March 2012.

- IAR1011-06 Creditors
- IAR1011-13 Banking
- IAR1011-17 Officer & Member Disbursements

IAR1011-06 Creditors

The report, issued in February 2011, provided **substantial assurance** with respect to the adequacy and effectiveness of controls deployed to mitigate the risks associated with the areas reviewed. Five low risk recommendations were made.

A review of progress of management action against these recommendations was undertaken in December 2011. The review confirmed that four recommendations had been fully implemented. The remaining recommendation, relating to the maximising the use of Purchase Orders has been partially implemented and reiterated in the current review (IAR1112-16).

IAR1011-13 Banking

The report, issued in February 2011, provided **substantial assurance** with respect to the adequacy and effectiveness of controls deployed to mitigate the risks associated with the areas reviewed. Three low risk recommendations were made.

A review of progress of management action against these recommendations was undertaken in January 2012. The review confirmed that all three recommendations had been fully implemented.

IAR1011-17 Officer & Member Disbursements

The report, issued in May 2011, provided **substantial assurance** with respect to the adequacy and effectiveness of controls deployed to mitigate the risks associated with the areas reviewed. Two low risk recommendations were made.

A review of progress of management action against these recommendations was undertaken in January 2012. The review confirmed that both recommendations had been fully implemented.

4. RECOMMENDATION

Members are requested to note the report.