

Report to Audit Committee

Subject: Follow-up of Audit Recommendations

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1. Purpose of the 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 Corporate Director & Chief Financial Officer, who requests any outstanding recommendations are actioned immediately.

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

3. Summary of Findings

Recommendations made in the following audit report were followed-up during the period April – June 2014.

- IAR1213-13 Payroll
- IAR1213-16 Financial Management System (FMS)

IAR1213-13 Payroll

The report, issued in June 2013, provided **substantial assurance** with respect to the adequacy and effectiveness of controls deployed to mitigate the risks associated with the areas reviewed. Four low risk recommendations were made.

A review of progress of management action against these recommendations was undertaken in February 2014. The review confirmed that two of the recommendations had been fully implemented. The remaining two recommendations had been partially implemented and were reiterated in the current report (IAR1314-18). However, Internal Audit a further review of these recommendations confirmed that they have now both been fully implemented.

IAR1213-16 Financial Management System (FMS)

The report, issued in May 2013, provided **substantial assurance** with respect to the adequacy and effectiveness of controls deployed to mitigate the risks associated with the areas reviewed. Four low risk recommendations were made.

A review of progress of management action against these recommendations was undertaken in February 2014. The review confirmed that three of the recommendations had been fully implemented. The remaining recommendation, relating to the removal of user access arrangements, has been partially implemented and reiterated in recommendation 1 of the current report (IAR1314-20).

4. Resource Implications

To be delivered within existing budgets.

5. Recommendation

Members are requested to note the report.