

Report to Audit Committee

Subject: Follow-up of Audit Recommendations

Date: 23rd June 2015

Author: Service Manager – Audit & Asset Management

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 2015.

- IAR1213-17 Cash Receipting
- IAR1314-14 Payroll
- IAR1314-19 Officer & Member Disbursements
- IAR1314-20 Financial Management System (FMS)

IAR1213-17 Cash Receipting

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. One medium and four low risk recommendations were made. The medium risk recommendation relating to the use of user i.d. and passwords was implemented immediately.

A review of progress of management action against the four remaining low risk recommendations was undertaken in December 2014. Two were deemed no longer relevant as a consequence of revised procedures following the implementation of Automated Cash till. The remaining two recommendations were refined giving consideration to revised procedures and reiterated in the current report.

IAR1314-14 Payroll

The report, issued in April 2014, 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 February 2015. The review confirmed that both recommendations had been fully implemented.

IAR1314-19 Officer & Member Disbursements

The report, issued in March 2014, 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 February 2015. The review confirmed that both recommendations had been fully implemented.

IAR1314-20 FMS

The report, issued in March 2014, provided **substantial assurance** with respect to the adequacy and effectiveness of controls deployed to mitigate the risks associated with the areas reviewed. Two medium and five low risk recommendations were made.

A review of progress of management action against these recommendations was undertaken in February 2015. The review confirmed that both recommendations, relating to removal of user access rights and review of reporting tools had been partially implemented. Both recommendations were reiterated in the current report, however, both have been subsequently fully implemented.

4. Resource Implications

To be delivered within existing budgets.

5. Recommendation

Members are requested to note the report.