

Report to Audit Committee

Subject: Follow-up of Audit Recommendations

Date: 15th December 2015

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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 October – December 2015.

- IAR1415-06 Debtors
- IAR1415-15 Waste Income

IAR1415-06 Debtors

The report, issued in October 2015, 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 October 2015. The review confirmed that two recommendations had been fully implanted and two had been partially implemented. The two partially implemented recommendations, relating to the requirement to undertake an annual review of procedure documentation and the timely preparation and review of reconciliations have been reiterated in recommendations one and two of the current report (IAR1516-06).

IAR1415-15 Waste Income

The report, issued in June 2015, provided **limited assurance** with respect to the adequacy and effectiveness of controls deployed to mitigate the risks associated with the areas reviewed. One high, three medium and one low risk recommendations were made.

A review of progress of management action against these recommendations was undertaken in October 2015. The review confirmed that four recommendations had been fully implemented, including the high risk recommendation in respect of duty of care waste transfer notes. The medium risk recommendation relating to the development of a management information reporting suite has been partially implemented. A draft set of performance indicators and management reporting arrangements have been developed and will be included in the Waste Service Plan for 2016-17.

4. Resource Implications

To be delivered within existing budgets.

5. Recommendation

Members are requested to note the report.