

Audit and Governance Committee

13 January 2009

Report of the Assistant Director (Customer Service and Governance)

Follow Up of Audit Commission Recommendations

Summary

- 1 This report sets out the action the Audit and Fraud Service is taking to follow up Audit Commission Recommendations and details of the progress made to date.

Background

- 2 Prior to September 2008, there was no overall system in place to monitor the progress made by services in addressing areas of weakness raised in Audit Commission reports. This has led to a situation where the council as a whole cannot be certain that such issues are being addressed. In September 2008 the Audit and Governance Committee asked that Internal Audit take on responsibility for following up action taken in response to Audit Commission recommendations and provide reports on progress to the committee.
- 3 Historically, Audit Commission reports have been issued directly to individual responsible officers and no central record of reports was held. Work has therefore had to be undertaken to identify all recent reports received, and obtain copies of them. For the future, the Performance & Business Assurance Team within Resources Group will be involved in liaising with the Audit Commission when reports are being finalised, and will maintain a record of reports and recommendations agreed. This will simplify further follow up work.

Follow up

- 4 The current exercise covers all Audit Commission reports issued since 2005/06. Each report has been reviewed to identify whether it contains recommendations requiring follow up. Where follow up work has already been undertaken by the Audit Commission, and updated recommendations have been issued, only the latest relevant recommendation has been followed up.

- 5 To date, 14 reports requiring follow up have been identified, containing a total of 86 recommendations. A broad overview of results to date are contained in Annex 1.
- 6 Work is ongoing to identify what action has been taken in relation to each individual recommendation. Internal Audit are in the process of reviewing the responses received and will be undertaking further testing where necessary to confirm the action taken.
- 7 A further detailed update on progress will be brought to the next meeting of this committee in late March 2009, as part of the regular six monthly internal audit follow up report. This will highlight any cases where it is found that the action taken in response to the original recommendation has been inadequate.

Consultation

- 8 Not relevant for the purpose of the report.

Options

- 9 Not relevant for the purpose of the report.

Analysis

- 10 Not relevant for the purpose of the report.

Corporate Priorities

- 11 Effective follow up of Audit Commission recommendations will help to enhance governance arrangements at the council and thereby contributes to improving organisational effectiveness priorities.

Implications

- 12 There are no implications to this report in relation to:

- **Finance**
- **Human Resources (HR)**
- **Equalities**
- **Legal**
- **Crime and Disorder**
- **Information Technology (IT)**
- **Property**

Risk Management Assessment

- 13 If the council does not address areas of weakness highlighted by the Audit Commission it will be failing in its responsibility to ensure effective governance arrangements and systems of control are in place, and this will have an adverse impact on the opinion of the Audit Commission as the council's external auditor.

Recommendation

- 14 Members are asked to:

- Note the progress made and the results of the follow up of Audit Commission recommendations.

Reason

To enable members to monitor the implementation of Audit Commission recommendations as part of their responsibility for governance arrangements at the council.

Contact Details

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Report Approved



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Specialist Implications Officers

Not applicable

Wards Affected: Not applicable

All



For further information please contact the author of the report

Background Papers

- None

Annexes

Annex 1 – List of Audit Commission reports and progress to date.