

Report of the Chief Auditor

Audit Committee – 12th March 2015

FUNDAMENTAL AUDITS 2013/14 – RECOMMENDATIONS TRACKER UPDATE

Purpose:	This report provides an update on the recommendations made following the fundamental audits 2013/14 which had not been fully implemented when the Recommendations Tracker report was presented to the Audit Committee on 27 th November 2014.
Policy Framework:	None
Reason for Decision:	To allow the Audit Committee to fulfil its role in monitoring the implementation of audit recommendations
Consultation:	Legal, Finance, Access to Services
Recommendation(s):	It is recommended that Committee review and discuss the progress in implementing the recommendations made following the fundamental audits 2013/14
Report Author:	Paul Beynon
Finance Officer:	Paul Beynon
Legal Officer:	Sharon Heys
Access to Services Officer:	Sherill Hopkins

1. Introduction

- 1.1 The Recommendations Tracker report which identifies whether the recommendations which management had agreed to implement following the fundamental audits 2013/14 had been implemented was presented to the Audit Committee on 27th November 2014.
- 1.2 The report identified that around 97% of agreed recommendations which were due to be implemented by 31st August 2014 had been implemented.

- 1.3 However it was also noted that a further 29 recommendations had implementation dates which were after 31st August 2014 and it was recommended that a further update be provided to the Audit Committee showing the position as at 31st January 2015.
- 1.4 This report provides the update on implementation as at 31st January 2015.

2. Recommendations Tracker 2013/14 - Update

- 2.1 The November 2014 report identified the recommendations which had not been fully implemented as either partly implemented, not implemented or not yet due.
- 2.2 Appendix 1 shows, for each fundamental audit, the number of recommendations made following the 2013/14 audits and whether they have been implemented, partly implemented or not implemented as at 31st January 2015.
- 2.3 The following table provides a summary of the position on each of the 71 agreed recommendations as at 31st August 2014 and 31st January 2015

Recommendations	31 st August 2014		31 st January 2015	
	Number	%	Number	%
Implemented	40	57	63	89
Partly Implemented	1	1	0	0
Not Implemented	1	1	3	4
Not Yet Due	29	41	5	7
Total	71	100	71	100

- 2.4 The table shows that good progress has been made since the last report with a further 23 recommendations being implemented. If you exclude the recommendations which are not yet due for implementation at the end of January, the overall implementation rate is now 95% with the only area where recommendations are outstanding is Payroll.
- 2.5 An analysis of the recommendations which have been partly or not implemented over the classification of audit recommendations used by the Internal Audit Section is attached in Appendix 2.
- 2.6 Appendix 3 provides the management explanation for the 3 recommendations which had not been implemented by 31st January 2015. This shows that the Payroll recommendations are all medium risk but implementation of the recommendation is linked to the increased use of self service functions on the Payroll System or the purchase of new equipment, both of which are ongoing. Revised implementation dates have been provided which will be monitored as part of the Recommendations Tracker exercise for 2014/15

3. Conclusion

- 3.1 Overall, the results of the Recommendations Tracker exercise at the 31st January 2015 are extremely positive with 95% of recommendations due for implementation by the end of January being implemented.
- 3.2 The explanations provided by Management for the 3 recommendations which had not been fully implemented show that the delay has been caused by the need to adopt a technical solution which is taking longer to implement than originally anticipated.
- 3.3 Any outstanding recommendations will be picked up during the 2014/15 fundamental audits and monitoring of their implementation will form part of the Recommendations Tracker exercise for next year.

4. Equality and Engagement Implications

- 4.1 There are no equality and engagement implications associated with this report

5. Financial Implications

- 5.1 There are no financial implications associated with this report.

6. Legal Implications

- 6.1 There are no legal implications associated with this report.

Background Papers: Fundamental Audit Reports 2013/14

Appendices:

Appendix 1 – Fundamental Audits 2013/14 – Implementation of Recommendations

Appendix 2 – Fundamental Audits 2013/14 – Classifications of Recommendations

Appendix 3 – Fundamental Audits 2013/14 – Recommendations Tracker