

Meeting:	Audit and governance committee
Meeting date:	Wednesday 29 November 2017
Title of report:	Tracking of internal audit recommendations
Report by:	Directorate service team leader

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards);

Purpose and summary

To review progress in implementation of audit recommendations.

Recommendation(s)

That:

- (a) the status of the current audit recommendations, detailed at appendices 1 and 2, be reviewed and the committee determine any recommendations it wishes to make in order to provide further assurance that risks identified by audit activity are being actively managed.**

Alternative options

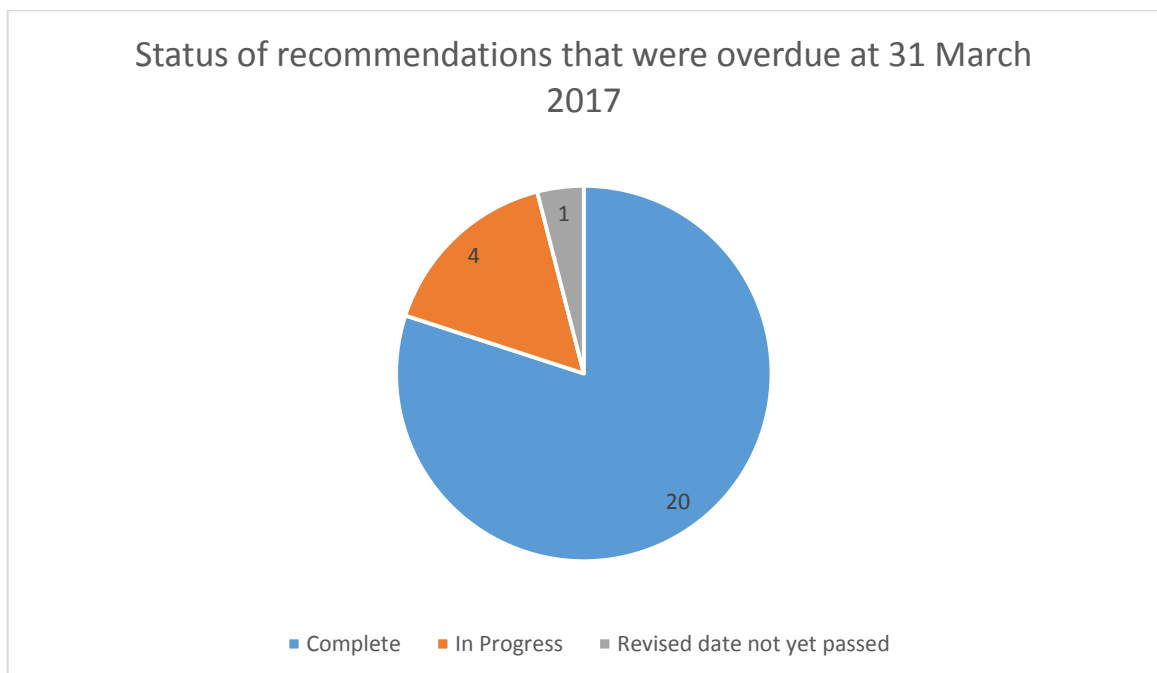
1. The committee could choose to 'not monitor'; this would not be recommended as this would not provide assurance that actions arising from internal audits were being implemented.
2. Should further assurance on issues relating to the remit of the committee be required, it is open to the committee to call the responsible officer to account in order to gain that further assurance.

Key considerations

3. South West Audit Partnership (SWAP) provides the internal audit service for Herefordshire Council. SWAP is required to deliver an annual audit plan of work, which is scoped using a risk-based assessment of council activities. Additional audits are added to the plan as necessary to address any emerging risks and issues identified during the year.
4. Upon completion of each audit review, a formal report is drafted for discussion with service managers. These detail the main conclusions of the review, including the opinion, individual findings, as well as the potential risk exposure and an action plan for addressing the risk.
5. Management responses to each audit recommendation are obtained and recorded, along with details of the person responsible and the target date for implementation that has been agreed by management.
6. A report was presented to Audit and Governance Committee (A&GC) in May, providing an update on progress against the highest priority recommendations (4s and 5s) that were due for completion, along with all priority 3 recommendations made since April 2016.
7. All managers within the council directorates, responsible for audit recommendations, have been contacted to review progress on the implementation of these recommendations. Managers were asked to 'self-certify' the action which had been taken in respect of Internal Audit's recommendations.

Recommendations prior to 31 March 2017

8. At the end of March 2017, there were 25 recommendations that were overdue, as reported to A&GC in May. Currently five of these recommendations have still to be completed, 4 of which had revised completion dates that fell between 1 April – 30 September (appendix 1).



Total			
	Complete	In Progress	Revised date not yet passed
Priority 3	7	1	-
Priority 4	11	3	1
Priority 5	2	-	-

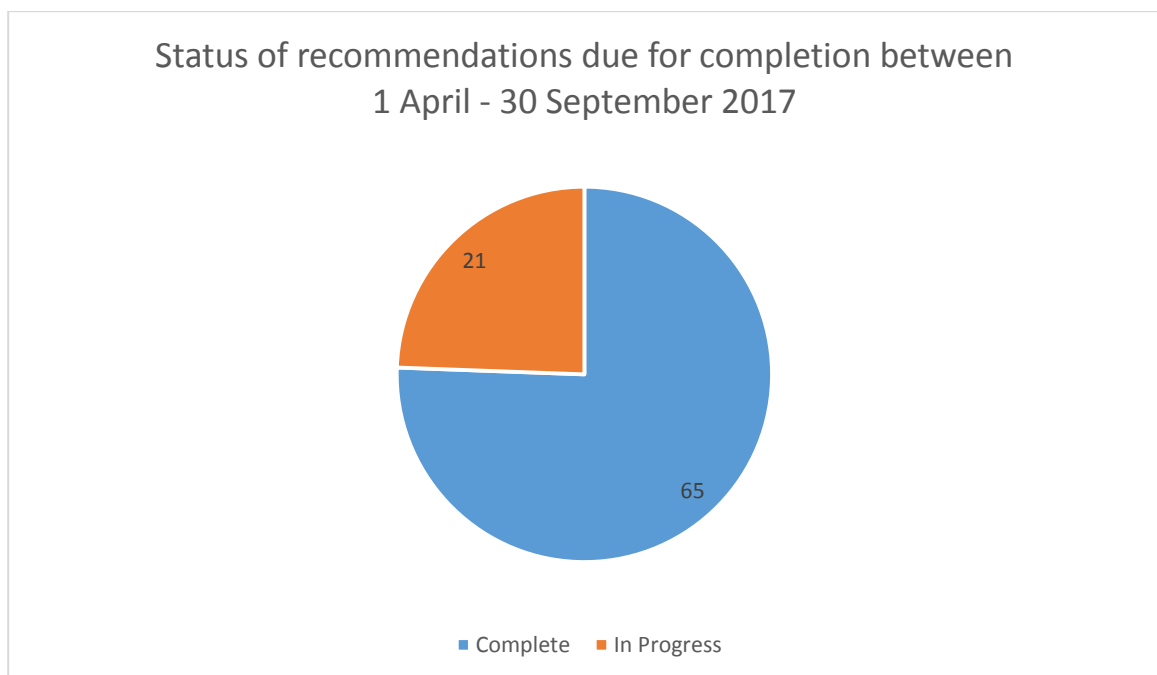
AWB			
	Complete	In Progress	Revised date not yet passed
Priority 3	-	-	-
Priority 4	7	3	1
Priority 5	2	-	-

ECC			
	Complete	In Progress	Revised date not yet passed
Priority 3	7	1	-
Priority 4	4	-	-
Priority 5	-	-	-

There were no overdue recommendations for Children's Wellbeing.

Recommendations due between 1 April – 30 September 2017

9. The following chart and table provides an update as to the current status of priority 3, 4 and 5 recommendations that were due to be completed between 1 April – 30 September 2017. Further details of each of the outstanding recommendations are in appendix 2.



Total		
	Complete	In Progress
Priority 3	56	17
Priority 4	9	4
Priority 5	-	-

AWB		
	Complete	In Progress
Priority 3	5	4
Priority 4	1	3
Priority 5	-	-

CWB		
	Complete	In Progress
Priority 3	6	-
Priority 4	-	-
Priority 5	-	-

Progress of school audits is not included in this report; it's the responsibility of the particular school's governing body.

ECC		
	Complete	In Progress
Priority 3	45	13
Priority 4	8	1
Priority 5	-	-

Community impact

10. By monitoring the implementation of audit recommendations, assurance is given that risks are being managed effectively, and that the council is taking action to meet its corporate plan priority to secure better services, quality of life and value for money.
11. In accordance with the council's adopted code of corporate governance, the council must ensure that those making decisions and delivering services are accountable for them. To support effective accountability the council is committed to reporting on actions completed and outcomes achieved; internal audit contributes to effective accountability

Equality duty

12. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
13. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. As this is a decision on back office functions, we do not believe that it will have an impact on our equality duty.

Resource implications

14. There are no specific financial implications associated with the recommendations.

Legal implications

15. There are no specific legal implications associated with the recommendations.

Risk management

16. If internal audit recommendations are not implemented, the council will be exposed to the risks set out in the relevant detailed internal audit reports. Internal audit recommendations are raised as a result of control gaps or deficiencies identified during reviews therefore overdue items inherently impact upon compliance and governance.

Consultees

17. None.

Appendices

Appendix 1 Recommendations that were due to have been completed by 31 March 2017 (previously reported to A&GC on 10 May 2017)

Appendix 2 Recommendations that were due to have been completed between April – September 2017

Background papers

None identified.