

WEST DUNBARTONSHIRE COUNCIL

Report by Chief Executive

Audit and Performance Review Committee: 11 March 2009

Subject: Review of Progress in Implementing Recommendations Contained Within Internal Audit and External Audit Reports

1. Purpose

- 1.1 To present to the Committee the Internal Audit Section system action plans issued to directorates from 1 December 2008 to 31 January 2009.
- 1.2 To advise Members of the progress being made in actioning recommendations contained within key Internal Audit and External Audit reports which management have committed to implementing.

2. Background

- 2.1 When audit reports are issued by the Internal Audit Section departmental management are provided with an action plan. Copies of action plans agreed and issued during the period are contained in Appendix A.
- 2.2 Internal Audit has asked departmental management to provide an update on progress made in addressing recommendations made by Internal Audit and External Audit. Progress is summarised in Appendix B for Internal Audit and Appendix C for External Audit.

3. Main Issues

Agreed action plans issued

- 3.1 Table 1 shows the number of Internal Audit reports issued and recommendations made between 1 December 2008 to 31 January 2009 along with the year to date cumulative totals.

Table 1

Directorate	No. of Audits	No. of Rec.
Corporate Services	1	4
HEEDS	1	3
Total	2	7

Year to Date Cumulative Totals

Directorate	No. of Audits	No. of Rec.
Corporate Services	11	43
HEEDS	4	33
Total	15	76

- 3.2 Numbers of prioritised recommended actions for the Council per directorate are shown in Table 2 for the period between 1 December 2008 and 31 January 2009 along with year to date cumulative totals.

Table 2

Directorate	High	Medium	Low	Total
Corporate Services	0	2	2	4
HEEDS	0	0	3	3
Total	0	2	5	7

Year to Date Cumulative Totals

Directorate	High	Medium	Low	Total
Corporate Services	3	28	12	43
HEEDS	6	17	10	33
Total	9	45	22	76

- 3.3 Numbers of audits and prioritised recommended actions per Corporate Services department sections for the period between 1 April 2008 and 31 January 2009 are shown in Table 3 below.

Table 3

Year to Date Cumulative Totals

Section	Audits		High	Medium	Low	Total
Finance & ICT	9		3	22	10	35
Legal & Regulatory Services	2		0	6	2	8
Total	11		3	28	12	43

Progress on implementation of recommendations

- 3.4 As can be seen from Appendix B (Internal Audit), 15 reports are listed for which progress on 44 individual recommendations has been sought. Departmental management have confirmed that 10 recommendations have been implemented. Of the 34 outstanding actions, 17 have passed their scheduled implementation date. 12 of these 17 recommendations relate to the audit of Energy Management. HEED management have been asked to nominate an officer to attend the

committee to update Members on the issues surrounding the delays in implementation.

- 3.5** As can be seen from Appendix C (External Audit), 4 reports are listed for which progress on 11 individual recommendations has been sought. Departmental management have confirmed that none of these recommendations have as yet been implemented with 4 of them having passed their scheduled dates. Arrangements are in hand for implementation of the 4 actions which have passed their scheduled dates as soon as is practical.

4. Personnel Issues

- 4.1** There are no personnel issues.

5. Financial Implications

- 5.1** There are no financial implications.

6. Risk Analysis

- 6.1** The key areas of work performed by both Internal Audit and External Audit are carried out according to a risk based approach that determines the nature, extent and timing of the required audit assignments.
- 6.2** In addition, action plans for individual reports tend to prioritise recommendations in terms of how promptly they should be implemented, i.e.:
- High: up to three months
 - Medium: between three and six months
 - Low: between six months and one year

Therefore, any delay in the implementation of report recommendations may lead to key Council activities being exposed to a greater level of risk.

- 6.3** Recommended actions for the Council were prioritised as 0% high risk, 29% medium and 71% low for the period between 1 December 2008 and 31 January 2009.

Year to date cumulative totals are prioritised as 12% high risk, 59% medium and 29% low.

7. Conclusion

- 7.1** Satisfactory progress has been made in addressing the actions contained in Internal Audit and External Audit Reports.

8.1 The Committee is asked to note the contents of this report.

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Appendices: **A** - Agreed Action Plans issued 1 December 2008 to
31 January 2008
B - Review of Internal Audit Reports
C - Review of External Audit Reports

Background Papers: Internal Audit Reports
External Audit Reports

Wards Affected: All Wards