

Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date	Progress as at 31/03/2007
<i>R1 Raise the status of the Audit Manager to ensure he has sufficient status within the council structure to fully facilitate effective discussion and implementation of audit work.</i>	3	Chief Executive and CMB	Yes	Senior managers will continue to work with the Audit Manager to raise the profile of Internal Audit across the organisation. The position of the Audit Manager will be reviewed in light of any changes to the organisation's structure.	Ongoing	The Audit Manager has full access to CMB and the support of the Section 151 Officer. The restructure should enhance the position of the Audit Manager.
<i>R2 The FA+AC should approve IA's new strategy and terms of reference. Members of this committee then need to consider what information they require from the Audit Manager to enable them to discharge their responsibilities.</i>	3	Audit Manager	Yes	The Terms of Reference has been approved by CMB and will be presented to the September meeting of the Final Accounts and Audit committee. The Audit Manager has been in contact with the Chairman to discuss information requirements and will progress the issue.	September 2006	Terms of reference were approved by stated deadline.
<i>R3 Ensure IA work is drawn together annually to arrive at an overall view of the system of internal control operating within the Council.</i>	3	Audit Manager	Yes	The report by the Audit Manager to the April 2007 Final Accounts and Audit committee will provide an overall view of the system of internal control, which will then be fed into the Council's Statement on Internal Control	April 2007	Audit Manager's annual report was presented to the April meeting of the Final Accounts and Audit Committee.
<i>R4 Ensure an annual IA report is produced that details not only progress against the audit plan but also information on compliance with standards, controls and qualifications.</i>	3	Audit Manager	Yes	A report on the position as at the end of the year will be presented to the April 2007 Final Accounts and Audit Committee, which will contain the information set out in the Code.	April 2007	Audit Manager's annual report was presented to the April meeting of the Final Accounts and Audit Committee.

R5	<i>Ensure training and development for IA staff is informed by periodical appraisals and that budgets are allocated to enable external training to be provided. A training record then needs to be maintained for audit staff.</i>	2	Finance Team Leader and Audit Manager	Yes	1-2-1s and appraisals will identify training needs which will then be addressed through available funds. Training records are already maintained for individual auditor's CPD requirements.	Ongoing	Monthly 1-2-1s held for both audit Manager and Auditor, and formal appraisals have been conducted for both Officers.
R6	<i>Ensure IA are consulted when draft contracts/SLAs are being drawn up with 3rd parties to ensure adequate access rights are provided for within such agreements.</i>	2	Strategic Managers and Team Leaders	Yes	Any major contracts or SLAs, as well as new policies and procedures, will be circulated to Internal Audit for their comments.	Ongoing	Procedures are in place to address this.
R7	<i>Ensure relationships between the HB investigations unit for preventing and investigating fraud and IA are clearly defined in new HB anti benefit fraud policy currently being drafted.</i>	1	Interim Benefits Team Leader and Audit Manager	Yes	The Investigation Team are responsible for the prevention, detection and investigation of benefit fraud only. All other instances of fraud will be referred to Internal Audit. In the event of internal benefit fraud Internal Audit will be responsible for leading investigations but will seek advice and assistance from the Investigations Team Leader where appropriate.	Ongoing	Agreements are in place for sharing of information and training skills.
R8	<i>Ensure formal supervisory arrangements are established for monitoring the work of the audit manager. This should include the establishment of objectives and targets.</i>	2	Strategic Manager – Corporate Services and Finance Team Leader	Yes	Line management, including responsibility for appraisals and 1-2-1s, has passed to the Corporate Services Strategic Manager during the absence of the Finance Team Leader.	Ongoing	Audit Manager continues to be line managed by the Deputy Chief Executive, pending appointment of the Head of Governance.

<p><i>R9 Refine the basket of local performance indicators established by the new Audit Manager to manage IA performance to include a cost indicator.</i></p>	2	Audit Manager	Yes	A cost per productive day indicator will be produced and reported at year-end alongside other indicators.	April 2007	A cost per productive audit day indicator has been introduced, which will be based around the criteria set out by the Daventry benchmarking Internal Audit for Success Group.
<p><i>R10 Ensuring that future audit plans provide additional information on non-audit activities such as training, appraisals, liaison etc.</i></p>	1	Audit Manager	Yes	The information is currently built into the number of available days when producing the audit plan. In future training and other non-productive time will be shown on the face of the audit plan.	September 2006	Audit plans have been revised to show non-productive time more clearly.