

REPORT TO THE Final Accounts and Audit Committee

Report No.14

Date of Meeting	26/09/2006
Title of Report	Internal Audit Progress Report
Link to Corporate Priorities	No links to corporate priorities, however links to corporate aims: 2. To ensure high quality, cost effective services. 4. To safeguard and enhance the assets and resources of North Wiltshire and the wider community.
Public Report	Yes

Summary of Report

To update the Final Accounts and Audit Committee on progress against the 2006/2007 Internal Audit Plan.

Officer Recommendations

That the update is noted.

Other than those implications agreed with the relevant Officers and referred to below, there are no other implications associated with this report.

Financial Implications	Legal Implications	Community & Environmental Implications	Human Resources Implications	Equality & Diversity Implications
NONE	NONE	NONE	NONE	NONE

Contact Officer

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1. Introduction

- 1.1 This report details progress made by the Internal Audit section against the approved 2006/2007 internal audit plan

2. Options and Options Appraisal

- 2.1 Option 1: The report be noted.

- 2.2 Option 2: N/A

3. Background Information

- 3.1 At its meeting on the 29th of June 2006 the Final Accounts and Audit Committee approved the Internal Audit Plan for 2006/2007. This report will detail the progress made against this plan.

- 3.2 As at the end of September work has been completed against 10 of the 38 audits in the plan.

- 3.3 Eight of the audits have been completed in the standard format, with reports being issued and opinions given on the control environments tested.

- 3.4 In order to expedite the external audit of the Council's NNDR claim, for which the Council stood to received £1.6m, the internal audit section undertook a significant amount of audit testing on the claim on behalf of external audit. This lead to an early certification of the claim, which has cash-flow implications for the Council, as well as a relatively modest saving of £1200 on the audit fee for the grant claim

- 3.5 Additionally, at the request of the Performance Officer the audit section undertook audit work on the nine highest risk performance indicators identified by the Council. Reports were produced for each of these PIs, identifying potential weaknesses in controls or management trail prior to the visit of external audit.

- 3.6 To date two investigations have been undertaken by the audit section into allegations of financial impropriety. One of these was as a result of concerns raised by a member of staff, the other by a member of the public. Both of these investigations found no evidence of impropriety, and the results were communicated to the individuals concerned.

- 3.7 The position as at the end of September does however show a lack of progress against the plan, with only a quarter of the programmed audits being completed halfway through the year. The difficulties experienced in recruiting a second member of staff to the section meant that the post was not filled until the end of June 2006. The corresponding training period and "learning curve" have impacted on productivity for both members of the section, however this initial period is coming to an end and audit reports are now being produced on a regular basis. In addition a significant number of documents had to be produced to ensure full compliance with CIPFA's Code of Practice for Internal Audit in Local Government.

- 3.8 In order to deliver the audit plan it will be necessary to deliver 5 audits a month for the remainder of the year, or 4 per month to hit the performance indicator of 90% completion of the audit plan as set out in the Internal Audit strategy.

Implications

N/A

Risk Analysis

N/A

Appendices:	<ul style="list-style-type: none">• None
Background Documents Used in the Preparation of this Report:	<ul style="list-style-type: none">• None

Previous Decisions Connected with this Report

Report	Committee & Date	Minute Reference
None	N/A	N/A