

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Implementation of Audit Actions
Meeting/Date: Corporate Governance Panel – 26 November 2014
Executive Portfolio: Resources: Councillor J A Gray
Report by: Internal Audit and Risk Manager
Ward(s) affected: All Wards

Executive Summary:

Performance information for the implementation of agreed internal audit actions for the year ending 31 October 2014 is shown below (and in detail at Appendix 1).

108 actions were due in the period.
49% have been introduced on time.
79% have been introduced on time and late.

23 actions have not been introduced, and of these 9 are more than 3 months late.

The performance information has been prepared from the audit actions e-database. This sits on the Council's intranet and is managed by Internal Audit. It is designed to be accessed and updated by Managers who have been allocated actions (through the agreed final internal audit report).

The performance information is produced monthly. Managers are reminded at the mid-point of each month to review any outstanding actions, to update the progress / implementation status or to contact the Internal Audit team if they consider that they are unable to achieve the agreed date.

Recommendation(s):

It is recommended that the Panel note the report.

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1. WHAT IS THIS REPORT ABOUT/PURPOSE?

- 1.1 The report provides the Panel with details of the implementation rates achieved by Managers in respect of agreed internal audit actions.

2. WHY IS THIS REPORT NECESSARY/BACKGROUND

- 2.1 The continued poor performance with the introduction of agreed internal audit actions remains a matter of concern for the Panel. Whilst the Managing Director has reported to the Panel that delivery of the actions is to be a priority for the Management Team, the Panel felt that it needed to take positive action to support them in improving performance and requested that a report on performance be presented to each Panel meeting until such time that performance was considered 'satisfactory'.

3. ANALYSIS

- 3.1 Chief Officers' Management Team have set a target of 100% of agreed internal audit actions should be introduced on time.
- 3.2 The performance for the year ending (insert date) shows that target has not been achieved, with 49% of agreed audit actions introduced on time. A further 30% of the agreed audit actions have been introduced, but late. There remains 21% outstanding. A detailed breakdown is available at Appendix 1.

4. KEY IMPACTS/RISKS? HOW WILL THEY BE ADDRESSED?

- 4.1 Monitoring the introduction of agreed audit actions is an important management responsibility. The Panel need to have confidence that action is being taken by the agreed deadline to improve the governance and internal control framework and/or further mitigate unacceptable levels of risk.
- 4.2 The successful implementation of agreed internal audit actions is an indicator of the control tone across the Council and enables it to demonstrate that it maintains high standards of governance and internal control.

5. LINK TO THE CORPORATE PLAN

- 5.1 The Internal Audit Service provides independent, objective assurance to the Council by evaluating the effectiveness of risk management, control, and governance processes. It identifies areas for improvement across these three areas such that Managers are able to deliver the Corporate Plan objectives as efficiently, effectively and economically as possible.

6. LEGAL IMPLICATIONS

- 6.1 There are no legal implications arising from this report.

7. RESOURCE IMPLICATIONS

- 7.1 There are no financial implications arising from this report.

8. REASONS FOR THE RECOMMENDED DECISIONS

- 8.1 The report is for information only. It contributes to the Panels understanding of the improvements being made to the Council's governance and internal control framework.

13. LIST OF APPENDICES INCLUDED

Appendix 1 – Implementation of Agreed Internal Audit Actions as at 31 October 2014.

BACKGROUND PAPERS

Agreed audit actions database

CONTACT OFFICER

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Implementation of Agreed Internal Audit Actions as at 31 October 2014.

Head of Service	Actions Introduced on Time	Actions Introduced on Time	Actions Introduced on Time and Late	Actions Introduced on Time and Late	Not Introduced		Total Actions Due in 12 Month Period
	Number	Percentage	Number	Percentage	Red	Amber	
Managing Director	1	14%	5	71%		2	7
Corporate Team Manager	9	33%	20	74%		7	27
Corporate Director, Services							
Head of Customer Services	10	59%	12	71%	3	2	17
Head of Resources	12	50%	20	83%	1	3	24
Head of Operations	7	50%	13	93%		1	14
Corporate Director, Delivery							
Head of Community	1	100%	1	100%			1
Head of Leisure & Health	11	79%	12	86%	2		14
Head of Development	2	50%	2	50%		2	4
Total	53	49%	85	79%	6	17	108
Target		100%					