

**EXTERNAL AUDIT REPORTS 2002 – 03.**

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**1. SUMMARY**

Internal Audit has prepared a list for all external audit management letters/reports produced by Audit Scotland for 2002/03. (See Appendix 1). Internal Audit has performed a review of the progress being made by management in implementing the recommendations arising from these letters/reports, the results are detailed below.

**2. RECOMMENDATIONS**

2.1 The contents of this report are noted and to be followed up by Internal Audit.

**3. DETAILS**

3.1 The Council received an Audit Scotland management report entitled Regularity & Governance (1) 2002/2003. This report covers the nature and extent of the Council's involvement with external funding bodies. A review by Internal Audit of this reports recommendations as at 31 October 2003 indicates that there are 2 recommendations to be implemented. (See Appendix 2).

3.2 Audit Scotland issued a report August 2003 entitled Management Report, Regularity & Governance (2) 2002/03. Appendix 3 covers both the reports executive summary and action plan. The report generated 22 recommendations and as at 31 October 2003 based on management responses 9 have been implemented. This leaves 13 to be implemented, 5 have implementation dates before the end of 2003, the remaining 8 recommendations fall into 2004, management comments have been obtained and appended.

3.3 Audit Scotland issued a Performance Audit Report in July 2003 entitled Management of Community Equipment and Adaptations. Appendix 4 covers both the reports executive summary and action plan. The report generated 24 recommendations and as at 31 October 2003 based on management responses, 3 have been implemented. This leaves 21 with implementation dates stretching from December 2003 to August 2004. Management have reported ongoing progress towards the agreed implementation dates.

3.4 As part of external audit duties Audit Scotland completed an annual return to the Local Government Studies Directorate covering the Councils Performance Indicators (PIs). Appendix 5 covers the letter sent by Audit Scotland to the Portfolio Manager at Audit Scotland and details the findings of their review. The audit of this Councils PIs is a joint exercise between Audit Scotland and Internal Audit. As a result Internal Audit has produced a report and the findings from the Audit Scotland letter have been incorporated into an action plan for management.

**4. CONCLUSIONS**

Implementation of recommendations will continue to be monitored by Internal Audit.

**5. IMPLICATIONS**

5.1	Policy:	None
5.2	Financial:	None
5.3	Personnel:	None
5.4	Legal:	None
5.5	Equal Opportunities:	None

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