

INTERNAL AUDIT REPORTS TO AUDIT COMMITTEE 2007 - 2008

1. SUMMARY

The Code of Practice for Internal Audit in Local Government (the Code) issued by CIPFA in 2000 sets out good practice in delivering internal audit services. The Code was recently revised to reflect the changing requirements and expectations of internal audit in local government. Grant Thornton UK LLP, in May 2007 carried out a Code compliance review and produced a report. One resultant recommendation for the section to become fully compliant with the Code, requested that findings from internal audit work should be reported to the Audit Committee. Attached are findings and summaries from recent audits. See Appendix 1.

2. RECOMMENDATIONS

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

3. DETAILS

3.1 Set out below and in the attached Appendix is the Executive Summaries and Action Plans where applicable from finalised audit work. The Action Plans detail only those recommendations where Internal Audit in agreement with management have classified the finding either Fundamental or Material. Therefore Minor findings and recommendations have been removed. The contents of this report will therefore complement the External & Internal Audit Follow Up report provided to the Audit Committee on a quarterly basis.

3.2 As at the 16th of November 2007, of 18 core financial systems audits set out in the audit plan, 7 have been completed. Three final reports were presented to the Audit Committee in September 2007. A further 3 final reports are included for this reporting period for the following audit areas:

- Payments to Voluntary Bodies (Following the Public Pound),
- Creditor Payments; and
- Council Tax & Non Domestic Rates.

The remaining audit, Contract Hire & Operating Leases is at a final draft stage and the report will be presented after a final meeting with management.

3.3 Of 15 non-financial audit areas identified for this years audit plan, as at the 16th of November 2007, 6 audits have been completed. Three final reports were presented to the Audit Committee in September 2007. A further 2 final reports are included for this reporting period for the following audit areas:

- Social Work – Legislative Compliance; and
- Roads and Amenity Services – Waste Management Administration.

The remaining audit, Community Services - Disclosure Scotland is at a final draft stage, and a paper is currently being prepared for the Strategic Management Team (SMT). The report will be presented to the Audit Committee when the SMT has agreed the paper.

4. CONCLUSIONS

Executive summaries and action plans from final reports will be submitted to the Audit Committee.

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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