

**EXTERNAL AUDIT ISSUED REPORTS 2010**

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**1. SUMMARY**

This report introduces 3 reports issued by Grant Thornton since the last Audit Committee. (See Appendix 1). The recommendations contained in the attached reports will be incorporated into the internal audit database for follow up.

**2. RECOMMENDATIONS**

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

**3. DETAILS**

3.1 On 30 September 2010, Grant Thornton issued a report entitled "Governance Arrangements". The audit reviewed the effective operation of both internal audit and the audit committee; the 2008-09 National Fraud Initiative exercise and the restructure of the Council's senior management team and services. The review confirmed that internal audit generally operates to a good standard and the audit committee was found to be operating effectively. The report commented on the council participation in NFI 2008/09 national exercise noting progress with improvements in hand for the next exercise. The Council's programme to restructure the Strategic Management Team and service heads was noted as having been carried out in line with relevant policies and procedures. The report is provided in Appendix 1.

3.2 Grant Thornton on 24 November 2010 issued a report entitled "Best Value and Community Planning Follow up Report". The report summarises the findings of their follow up review of this council's arrangements to deliver Best Value and Community Planning. The report recognises that the Council has been on a significant and rapid improvement journey since the appointment of the Chief Executive in June 2008. There is evidence that the new management team are working well together and showing the necessary leadership, enthusiasm and commitment required to embed a performance culture across the organisation. The report is provided in Appendix 2.

3.3 The third report issued by Grant Thornton in November 2010 is entitled "Annual Report to Members and the Controller of Audit". Grant Thornton planned and performed their 2009 -10 audit in accordance with their audit plan issued in February 2010. The Grant Thornton audit covered both the financial position and financial statements of the Council and issued an unqualified report on the Council's financial statements for 2009 – 10. In addition they have provided comment from their audit of governance and performance. The report is provided in Appendix 3.

**4. CONCLUSIONS**

Implementation of recommendations will 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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