

**PROGRESS REPORT on EXTERNAL AUDIT REPORTS FROM
PRICEWATERHOUSECOOPERS (PwC) TO THE COUNCIL FOR 2000/2001**

1. SUMMARY

Internal Audit has prepared a list of all external audit management letters where recommendations still remain outstanding. (See Appendix 1). Management progress regarding the implementation of these recommendations has been reviewed by Internal Audit the results of which are detailed below.

2. RECOMMENDATIONS

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

3. DETAILS

3.1 A review by Internal Audit as at the 9th January 2003 indicated that only one recommendation from the Interim Management Letter 2000/2001 remains to be implemented. This has a long-term implementation date of March 2003 but we can report that good progress is being made. (See Appendix 2).

3.2 A review by Internal Audit as at the 9th January 2003 indicates that there are now only 2 recommendations still to be implemented by the IT department from the Second Interim Management Letter 2000/2001. The IT Head of Service, Mr Gerry Wilson, has submitted a report covering progress for review by the Audit Committee. (See Appendix 3).

3.3 A review by Internal Audit as at the 9th January 2003 indicates that there are 2 recommendations yet to be fully implemented from the Audit Management Letter 2000/2001. Both recommendations are inter related with the completion of (9.02) dependent on the completion of (9.01) where external agencies have been appointed but have still to complete their assignment. (See Appendix 4).

3.4 With regard to the above management letters, Internal Audit has carried out testing in order to confirm the assurances obtained from management.

4. CONCLUSIONS

Implementation of recommendations will continue to be monitored by Internal Audit as part of the annual audit plan. Those action points remaining to be implemented have been reported to committee with reports provided by the appropriate officials.

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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