

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

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**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 12th of May 2003 indicates that there is now only 1 recommendation still to be implemented by the IT department from the Second Interim Management Letter 2000/2001. This recommendation concerned the preparation of an IT disaster recovery plan. The IT Head of Service, Mr Gerry Wilson, has assured Internal Audit that this remaining recommendation is close to being fully implemented by the 30th of May 2003 and therefore does not anticipate any need to further report to the Audit Committee.

3.2 A review by Internal Audit as at the 12th of May 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 and they are now awaiting approval from the HM Customs & Excise to agree to their recommendations. (See Appendix 2).

**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 the Audit Committee and where requested reports have been provided by the appropriate officials.

**5. IMPLICATIONS**

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| 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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