

AUDIT TRACKER

1 Purpose

- 1.1 To consider how Members of the Audit Committee can be effectively informed of the implementation of previous Audit recommendations.

2 Recommendations/for decision

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| 2.1 The Committee is asked to discuss the proposals and agree on the format of future reports. |
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3 Executive summary

- 3.1 The Audit Committee has received various different formats of Tracker reports at recent meetings. Following discussion at the meeting in February 2008 it is believed that it would be useful for the Committee to examine the reasons for the Tracker and what should be included.
- 3.2 External and Internal Audit reports will include recommendations for improving existing controls or introducing new controls. At the conclusion of each Audit review management is asked to agree to an action plan, which stipulates a responsible officer and an agreed date for each identified improvement to be implemented.
- 3.3 Recommendations from the action plans are recorded within the Audit Management system. Updates on action taken by management can also be recorded in the system. Reports which show the recommendations and subsequent management actions can then be produced from the system when required.
- 3.4 Occasionally external changes mean that the previously agreed actions are no longer appropriate, for example because of changes in the Council's aims and objectives, new Government initiatives or legislation. In these circumstances recommendations may be closed. They will then be removed from the Tracker and not followed up again.
- 3.5 In the majority of cases management will implement the audit recommendations within the agreed timescales. When the management action is reported to Internal Audit the system will be updated and the recommendation closed on the Tracker. If the item was considered a particularly high risk area Internal Audit may require additional evidence to confirm that the new or amended controls are fully implemented before updating the system. In all cases the implementation of previous recommendations will be checked at the next Audit review of the area.
- 3.6 In certain circumstances management may be unable or unwilling to implement the agreed recommendations. In these circumstances the Audit Committee has a role to play in assisting Audit to ensure that the appropriate action is taken. The reports to Committee need to show where recommendations are not being implemented to time.
- 3.7 The Audit Committee needs to be aware of new and high risk areas identified during audit reviews. However placing full details into the public domain

immediately they have been identified may increase the risk to AVDC. Therefore a separate report on recent Audit reports issued is needed, including the name of the Audit and summary information, eg number of high, medium, low recommendations only.

- 3.8 If the Audit Committee have particular concerns about an area which has been subject to a recent review then the full Audit report can be made available to the Committee on request, but outside the formal meeting.
- 3.9 This proposal is therefore that two reports should be presented to the Audit Committee meeting at its main quarterly meetings:
- a) List of Audit reports issued since the last quarterly meeting, showing for each report the area reviewed, the audit opinion, no. of recommendations, priority of all recommendations.
 - b) Report of all recommendations outstanding which have not been implemented and have exceeded their target dates by more than three months.
- 3.10 In order to produce these reports efficiently, it may be necessary to purchase external consultancy support from the software supplier of the Audit Management system. As this will be expensive, it would be preferable to ensure that the format and contents of the report are acceptable to the Committee before incurring this expenditure.
- 3.11 Samples of the two proposed reports and a set of principles to govern the reporting arrangements are included at Appendix A for discussion at the meeting.

4 Resource implications

- 4.1 Resources required to complete the Tracker and report to Committee are included in the annual Internal Audit Plan.
- 4.2 Resources to pay for the commissioning of additional reports from the Audit Management System will be found from within the existing budget for the Internal Audit Service.

5 Response to Key Aims and Outcomes

- 5.1 Internal Audit is a key part of the governance, performance management and assurance framework for the Council. This framework is designed to ensure optimum delivery of the Council's key aims and outcomes.

Principles of Audit Tracker document

The data base behind the Audit Tracker will include all formal recommendations made by External and Internal Audit.

All recommendations will be agreed with management before the report is accepted onto the data base.

All recommendations will name a responsible officer and include an agreed target action date.

All recommendations will be given a priority as follows:

High priority	Target Action date to be no later than three months after the issue of the Audit report.
Medium priority	Target Action date to be no later than six months after the issue of the Audit report.
Low priority	Target Action date to be no later than one year after the issue of the Audit report.

Reports will be prepared once a quarter for the Audit Committee.

Reports will be produced on an exception basis.

Reports will be limited to High and Medium priority recommendations.

Reports will include those recommendations where the agreed target action date has been exceeded and the action has not been implemented.

The data base will be reviewed by Internal Audit on a quarterly basis and updates sought from those managers responsible for an action which has reached its target date.

Where an action has been completed the recommendation will be closed and will not appear on further Tracker reports. Note that Internal Audit may require additional evidence from managers to confirm that actions have been fully completed before agreeing to close the item.

Where an action which has reached its target date has not been implemented to the satisfaction of Internal Audit the item will be included in the next Tracker report produced for the Audit Committee.

Val Hinkins
3rd March 2008



**Internal
Audit**

Date Between 01/04/2006 & 30/04/2007
Business Unit ALL

AUDIT SUMMARY

Risk Category ALL

ALL
ALL

**Risk Category
Audit Code / Name**

David Lamb
009.1/2007.bf

**Data Protection &
FOI - Audit for 2007**

Audit Status:

02-April-2007

Opinion (At Final Report Stage)

Recommendation Analysis:

Overall Audit Opinion Limited

	In progress	Total
High	1	1
Medium	4	4
Total	5	5

Conclusion

The Council provides financial support and advice to voluntary sector organisations and community projects that directly benefit the residents of the Aylesbury Vale area. Examples of organisations which receive significant funding from the Council include the Aylesbury & Buckingham Citizens Advice and Aylesbury Vale Dial-a-Ride.

Internal Audits review has made two recommendations; to improve the Grants Framework document by setting out the services priorities and how they help towards meeting the Councils Key Aims. The second recommendation is to ensure that the meetings of the Informal Grants Panel are formally minuted so that the decision making process is transparent and that declarations of interest of the panel members are documented.

Overall there are robust control processes being operated. In particular, there is regular and routine monitoring to ensure the Councils funds are properly used and its interests protected, applications are well supported, applications are thoroughly vetted and the budget is well controlled.

Risk Category

Medium
Doug Gray
036.1/2007

**Grants - Audit for
2007**

Audit Status:

12. Survey Issued
27-September-2006

Opinion (At Final Report Stage)

Recommendation Analysis:

Overall Audit Opinion Substantial

	In progress	Total
Medium	2	2
Total	2	2

Conclusion

AYLESBURY VALE DISTRICT COUNCIL
 GALILEO ACTIONS REPORT - BY REVISED TARGET DATE
 29 FEBRUARY 2008

Revised Target Date	Business Unit	Name	Recommendation Desc	Priority	Completion Responsibility	Management Comment	Updated Management Response
12+ MONTHS OVERDUE							
31/01/2007	02.32 - Chief Executive/Support Services	036.1/2007 - Grants - Audit for 2007	Members should decline from assessing applications from organisations that they have any interest in.	Medium	Tracey Aldworth Head of Chief Executive's Support Services	1) Agreed and need to put this in place as soon as possible. 2) Ensure that declarations of interest is included on the agenda for all future meetings and a log of them maintained as part of the minutes. 3) Need to discuss and agree this with the panel first.	
9-12 MONTHS OVERDUE							
31/03/2007	02.32 - Chief Executive/Support Services	036.1/2007 - Grants - Audit for 2007	There should be a strategic document for the community grants service.	Medium	Tracey Aldworth Head of Chief Executive's Support Services	To prepare an over-arching Policy Framework for Community Grants, taking into account the actions listed under objective 1 and also to reflect the approach to the Community Chest.	