

ANGUS COUNCIL

SCRUTINY & AUDIT SUB-COMMITTEE – 6 April 2010

INTERNAL AUDIT ACTIVITY UPDATE

REPORT BY HEAD OF FINANCE

**ABSTRACT**

This report and [appendix](#) provide the Chief Internal Auditors update on the progress of the 2009-10 internal audit plan and summarises the main findings of internal audit reports issued since the date of the last Scrutiny and Audit Sub-Committee.

**1. RECOMMENDATIONS**

It is recommended that the Scrutiny & Audit Sub-Committee:-

- a) Note the progress of the 2009-10 internal audit plan and the amendments thereto
- b) Note the summaries of the audit reports and follow-ups
- c) Provide any commentary considered appropriate at this time
- d) Note the Chief Internal Auditor will bring back to future sub-committees update reports in relation to follow up audits including any outstanding actions

**2. INTRODUCTION**

The annual internal audit plan prepared by the Chief Internal Auditor is ratified by the Scrutiny and Audit sub-committee and update reports on the plan progress are presented on a quarterly basis.

Internal Audit issue a formal report for each audit undertaken as part of the annual audit plan. Each audit report contains an action plan which incorporates all the recommendations made. This action plan, prepared under SMART (Specific, Measurable, Achievable, Realistic, Timed) criteria is agreed with management who nominate persons responsible for taking forward the actions and who set their own completion date for each action. This agreed action plan forms an integral part of the final audit report and audit recommendations are ranked to indicate materiality.

**3. AUDIT FOLLOW UP**

As part of the ongoing audit process, internal audit review the implementation of the recommendations utilising the agreed action plan as the base for the follow up audit. A follow up audit report/memorandum is then issued to the client.

**4. ROLE OF THE SCRUTINY & AUDIT SUB-COMMITTEE**

Presented as part of this update report are summaries of the audit report findings which highlight the main areas arising. Full copies of the reports are available from the Chief Internal Auditor, on request, to any member of this Sub-Committee.

The terms of reference of the sub-committee involve consideration of the summary reports. It is therefore recommended that, at this meeting, members note the content of the summaries, provide any commentary and note that the Chief Internal Auditor will provide update reports on follow up audits including any outstanding actions.

## **5. FINANCIAL IMPLICATIONS**

There are no financial implications arising directly from this report.

## **6. HUMAN RIGHTS IMPLICATIONS**

There are no Human Rights implications arising directly from this report.

## **7. EQUALITIES IMPLICATIONS**

The issues contained in the report fall within an approved category that has been confirmed as exempt from an equalities perspective.

## **8. CONSULTATION**

The Chief Executive, Director of Corporate Services, Head of Law and Administration and, where applicable, Directors of the relevant departments with audit summaries within this report have been consulted in the preparation of this report.

Ian Lorimer  
Head of Finance

NOTE: No background papers, as defined by Sections 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing this report.

Fin/JW  
15 March 2010