

Internal Audit Follow Up Report

Summary

This is the regular six monthly report setting out progress made by the Council in implementing recommendations agreed as part of the internal audit work completed up to 1 March 2017.

Background

Where weaknesses in systems are found by internal audit, the auditors discuss and agree a set of recommendations to address the problem with the responsible manager. The agreed recommendations include target dates for the issues to be dealt with. The auditors carry out follow up work to check that the issue has been resolved once these target days are reached. The follow up work is carried out through a combination of questionnaires completed by the relevant managers, risk assessment, and by further detailed review by the auditors where necessary. Where managers have not taken any action, issues are escalated to a more senior level, and ultimately may be referred to the Audit Committee.

A summary of the findings from the follow up work is presented to this Committee twice a year. The current report covers agreed actions with target dates up to 1 March 2017 for the following service areas:

New 2016/17

Taxi Licensing	1	recs,	1	complete,	0	outstanding	
Car Parking	7	recs,	2	complete,	5	outstanding	1 accepted
Post function	1	recs,	0	complete,	1	outstanding	
Stores	2	recs,	0	complete,	2	outstanding	
	11		3		8		1

Previously reported 2016/17

Cemeteries and Crematoriums	2	recs,	2	complete,	0	outstanding	
Estates	8	recs,	6	complete,	2	outstanding	
Memorial Benches	5	recs,	4	complete,	1	outstanding	1 accepted
Register of Electors	4	recs,	4	complete,	0	outstanding	
Evron Centre	5	recs,	5	complete,	0	outstanding	
Safeguarding	5	recs,	3	complete,	2	outstanding	
Print Plus		recs,		complete,		outstanding	
Customer First	7	recs,	7	complete,	0	outstanding	
Falsgrave Community Centre	9	recs,	6	complete,	3	outstanding	
Sickness and sickness monitoring	3	recs,	3	complete,	0	outstanding	
Trade Waste	2	recs,	2	complete,	0	outstanding	
Local Taxation	3	recs,	3	complete,	0	outstanding	
Income	11	recs,	6	complete,	5	outstanding	4 accepted
	64		51		13		5

Previously reported 2015/16

Markets	14	recs,	13	complete,	1	outstanding	3	accepted
Energy Management	3	recs,	3	complete,	0	outstanding	1	accepted
Tourist Info Centres	6	recs,	6	complete,	0	outstanding		
Members development	3	recs,	3	complete,	0	outstanding		
PCI DSS	12	recs,	1	complete,	11	outstanding		
Manor Road, Nursery Income	4	recs,	3	complete,	1	outstanding		
Filey Brigg	11	recs,	11	complete,	0	outstanding	1	accepted
	53		40		13		5	

Follow up of internal audit agreed recommendations.

Follow up work completed since the last report highlighted a further 11 outstanding agreed actions, 3 of which have been implemented (27%) and 8 outstanding (72%). This does not include accepted risks. Although the deadline has passed for these actions, we will continue to monitor these and report back accordingly.

In some cases the action had not been implemented by the target date but a revised date has been given and these will be included as part of the next follow up report. This is agreed where the delay in addressing the issue will not lead to unacceptable exposure to risk, and where, for example, the delays are unavoidable (e.g. due to unexpected difficulties, or where actions are dependent on new systems being implemented).

Of the 117 recommendations previously reported to this Committee, 91 have now been implemented (78%) whilst 26 remain outstanding (22%). Of these outstanding, 10 have been accepted as a risk and as such do not require implementation. Therefore, the total % still outstanding is now 13%. It should be noted however, that a large number of outstanding recommendations relate directly to the PCI-DSS audit. Management have spent a lot of time achieving compliance, the outstanding recommendations will be addressed when the Income system is put out to Tender in 2020. This will ensure full PCI-DSS compliance.

Conclusions

The follow up testing undertaken, confirms that significant progress has been made by service areas to rectify weaknesses in control identified through internal audit work. This is an ongoing process and progress in implementing agreed actions will continue to be monitored and reported as required through the escalation procedure. There are no specific issues that need to be brought to the attention of the Audit Committee at this time, but if there are still outstanding recommendations at the time of the next follow up report then they will be reported to this Committee. **A very pleasing result.**

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