

# BROMSGROVE DISTRICT COUNCIL

## AUDIT BOARD

17<sup>th</sup> MARCH 2008

### RECOMMENDATION TRACKER

Responsible Portfolio Holder	Councillor Geoff Denaro
Responsible Head of Service	Head of Financial Services

#### 1. SUMMARY

- 1.1 To present a summary of progress to date against the previously selected audit report “priority one” recommendations.

#### 2. RECOMMENDATION

- 2.1 The Audit Board is recommended to:

- Review the “priority one” recommendations detailed in Appendix A.
- Agree any necessary action and reporting process.

#### 3. BACKGROUND

- 3.1 Following completion of an audit review, recommendations are made to assist Heads of Service and Managers to improve their operational effectiveness. Each recommendation is included in a final report and is prioritised based on the following matrix:

Priority 1: Recommendations that are **fundamental** to improving the controls within the system.

Priority 2: Recommendations that are **important** to improving the controls within the system.

Priority 3: Recommendations that are **desirable** to improving the controls within the system.

Prioritising recommendations enables Heads of Service and Managers to implement recommendations based on importance, in order to improve control within their systems and processes.

- 3.2 Heads of Service and Managers are contacted on a quarterly basis and an update is requested on each key “priority one” recommendation included on their audit reports. Progress is monitored along with any action completed.

#### **4. RECOMMENDATION TRACKER REPORT SUMMARY**

4.1 Attached in Appendix A is a summary of 16 key “priority one” recommendations that have been reported since 1<sup>st</sup> April 2006. The summary report includes the following information:

- Audit Review Title;
- Service Area;
- Final Report Date;
- Recommendation;
- Due Date; and
- Current Position.

4.2 From the 16 recommendations:

- Five have been implemented;
- Two are ongoing and within the target date; and
- Nine are ongoing but are outside the target date.

For the nine recommendations that are outside target but ongoing, progress to date and new implementation dates have been agreed. Based on the new target dates it is expected that all 16 recommendations will be implemented by July 2008.

#### **5. FINANCIAL IMPLICATIONS**

5.1 None outside existing budgets.

#### **6. LEGAL IMPLICATIONS**

6.1 The Council is required under Regulation 6 of the Accounts and Audit Regulations 2006 to “maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper internal audit practices”.

#### **7. COUNCIL OBJECTIVES**

7.1 Council Objective 02: Improvement.

#### **8. RISK MANAGEMENT**

8.1 The main risks associated with the details included in this report are:

- Non-compliance with statutory requirements.
- Ineffective Internal Audit service.
- Lack of an effective internal control environment.

8.2 These risks are being managed as follows:

- Non-compliance with statutory requirements:

Risk Register: Financial Services

Key Objective Ref No: 3

Key Objective: Efficient and effective Internal Audit service

- Ineffective Internal Audit service:

Risk Register: Financial Services

Key Objective Ref No: 3

Key Objective: Efficient and effective Internal Audit service

- Lack of an effective internal control environment:

Risk Register: Financial Services

Key Objective Ref No: 3

Key Objective: Efficient and effective Internal Audit service

8.3 Service specific improvements and actions are also monitored as part of each individual service risk register.

## **9. CUSTOMER IMPLICATIONS**

9.1 No customer implications.

## **10. EQUALITIES AND DIVERSITY IMPLICATIONS**

10.1 No equalities and diversity issues.

## **11. VALUE FOR MONEY IMPLICATIONS**

11.1 Although there are no obvious value for money implications, implementing recommendations should improve the Council's overall control environment.

## **12. OTHER IMPLICATIONS**

Procurement Issues:  None
Personnel Implications:  None

Governance/Performance Management: Effective governance process.
Community Safety including Section 17 of Crime and Disorder Act 1998: None
Policy: None
Environmental: None

**13. OTHERS CONSULTED ON THE REPORT**

Portfolio Holder	No
Chief Executive	Yes
Corporate Director (Services)	No
Assistant Chief Executive	No
Head of Service	Yes
Head of Financial Services	Yes
Head of Legal, Equalities & Democratic Services	No
Head of Organisational Development & HR	No
Corporate Procurement Team	No

**14. WARDS AFFECTED**

14.1 All Wards are affected.

**15. APPENDICES**

15.1 Appendix A: Recommendation Tracker Report.

**16. BACKGROUND PAPERS**

16.1 None.

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