REPORT FROM: AUDIT MANAGER	
TO:	**ACCOUNTS AND AUDIT COMMITTEE**
DATES:	**25th January 2018**

Report Author:	**Farhan Khaliq**
Tel. No:	**01282 661875**
E-mail:	**farhan.khaliq@pendle.gov.uk**

INTERNAL AUDIT: RECOMMENDATION DATABASE

1. In accordance with the Public Sector Internal Audit Standards (PSIAS) a follow up process to monitor and ensure that management actions have been effectively implemented must be established. This report provides Members with a summary of progress on the implementation of internal audit recommendations as at 15th January 2018.

RECOMMENDATIONS

2. That the Accounts and Audit Committee note the progress made on the implementation of Internal Audit recommendations up to the 15th January 2018.

REASONS FOR RECOMMENDATION

3. To demonstrate that the Accounts and Audit Committee is monitoring the implementation of recommendations.

ISSUE

4. A key role of the Accounts and Audit Committee, as set out in the Terms of Reference of the Committee, is to:-

    "To act as a forum to ensure the rapid delivery and implementation of audit recommendations once agreed, ensuring that auditors and officers collaborate effectively".

5. It was agreed that the Committee's role in this respect should be discharged by considering a report on the status of implementation of recommendations at each of its meetings. This summary report has been produced to satisfy this requirement.

6. The status on implementation in respect of Priority 1 & 2 recommendations issued in each final report (in some cases superseded) since 1st April 2016 is shown below in **Appendix A**.

7. Of 116 (100) recommendations made by Internal Audit, 54 have been implemented and 62 are currently in the process of being implemented by Management. The implementation of recommendations is based upon Management's own assessment except where Internal Audit has formally followed up the recommendations.

Appendix A

Priority 1 Recommendations						
Service Grouping	Total	Implemented	In progress	Outstanding	Not advised	Not to be Implemented
Corporate	0	0	0	0	0	0
Financial Services	1	1	0	0	0	0
Democratic and Legal	0	0	0	0	0	0
HH Services & Eco Regeneration	1	0	1	0	0	0
Neighbourhood Services	0	0	0	0	0	0
Planning, Building Control & Licensing	0	0	0	0	0	0
Environmental Services	0	0	0	0	0	0
Human Resources	0	0	0	0	0	0
ICT	0	0	0	0	0	0
Property Services	0	0	0	0	0	0
Treasury Services	0	0	0	0	0	0
Leisure Trust	0	0	0	0	0	0
TOTAL	2	1	1	0	0	0
Percentage		50.00%	50.00%	0.00%	0.00%	0.00%
Previous Report	1	100.00%	0.00%	0.00%	0.00%	0.00%

Priority 2 Recommendations						
Service Grouping	Total	Implemented	In progress	Outstanding	Not advised	Not to be Implemented
Corporate	16	16	0	0	0	0
-Financial Services	8	5	3	0	0	0
Democratic and Legal	7	1	6	0	0	0
HH Services & Eco Regeneration	14	2	12	0	0	0
Neighbourhood Services	6	1	5	0	0	0
Planning and Building Control	9	2	7	0	0	0
Environmental Services	6	2	4	0	0	0
Human Resources	22	10	12	0	0	0
ICT	2	2	0	0	0	0
Property Services	8	4	4	0	0	0
Treasury Services	16	8	8	0	0	0
Leisure Trust	0	0	0	0	0	0
TOTAL	114	53	61	0	0	0
Percentage		46.49%	53.51%	0.00%	0.00%	0.00%
Previous Report	99	55.56%	44.44%	0.00%	0.00%	0.00%

KEY

	Recommendation	*Follow Up*
Priority 1	Major issues that we consider need to be brought to the attention of senior management.	Follow-up will be performed at specific dates agreed with senior management. The implementation of the recommendation will also be monitored quarterly in the IARD.
Priority 2	Important issues which should be addressed by management in their areas of responsibility.	Follow-up of the recommendations will be performed by the end of the next audit year. The implementation of the recommendation will also be monitored quarterly in the IARD.

Implemented — Management has advised recommendation implemented. In some cases this may have been confirmed by IA.

In Progress — Management has advised that implementation is in progress.

Outstanding — Management has advised that implementation is in progress where the agreed deadline has passed i.e. overdue.

Not Advised — Management has not indicated current position on the database.

Not to be Implemented Recommendations where Management has advised that an agreed recommendation is not now to be implemented. These will be advised to Committee within our Progress Reports.

IMPLICATIONS

Policy: There are no policy implications arising directly from the contents of this report.

Financial: There are no financial implications arising directly from this report.

Legal: The Council has a statutory duty to carry out internal audit of its systems and services, however, there are no direct legal implications arising from this report.

Risk Management: The Audit Plan is based on the results of a risk analysis exercise carried out with Service Managers prior to the compilation of the Draft Plan early in the year. However, there are no risk management implications arising directly from the contents of this report.

Health and Safety: There are no health and safety implications arising directly from the contents of this report.

Climate Change: There are no climate change implications arising directly from the contents of this report.

Community Safety: There are no community safety implications arising directly from the contents of this report.

Equality and Diversity: There are no equality and diversity implications arising directly from the contents of this report.