

<b><u>Ward(s) affected</u></b>	All
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## 2. Issues

- 2.1 At the end of quarter three there were 3 outstanding high risk recommendations, 2 of which have recently been added in respect of the payroll audit. The other high risk recommendation has recently been reallocated to the interim Head of Human Resources for actioning.
- 2.2 A summary of the number of outstanding recommendations and assurance levels for each of the 4 directorates during quarter 3 can be found at Appendix A.
- 2.3 Given these results at the end of the third quarter there are no issues or concerns in relation to any outstanding recommendations within any of the Directorates.

### 3. Reasons for Preferred Solution

- 3.1 Reasons for each Director proposal are specific to the actions required.

#### 4. Outcomes Linked to Corporate Priorities

- 4.1 The systems, services and processes reviewed by Internal Audit link to and support the four priority themes of the Council, by reviewing these Audit is making the best use of the Council's resources and improving efficiency and this is further reinforced by managers as they implement the recommendations made.

## 5. Legal and Statutory Implications

- 5.1 The Accounts and Audit Regulations 2015 require the Council 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’.

## 6. Equality Impact Assessment

- 6.1 There are no differential equality impact issues identified from this proposal.

## 7. Financial and Resource Implications

- 7.1 The majority of recommendations are met within existing resources; where additional resources are required these will form part of a separate report.

## 8. Major Risks

- 8.1 The role of Internal Audit is to provide management with an objective assessment of whether systems and controls are working properly. High Risk Recommendations identify areas where action is required in order to avoid exposure to risk. If managers fail to act upon fundamental audit recommendations assurance cannot be given on the adequacy of the systems of internal control.

## 9. Key Decision Information

- 9.1 Not applicable

## 10. Earlier Cabinet/Committee Resolutions

- 10.1 Where fundamental recommendations show a target date change; this identifies the number of times the recommendation has been referred back to Executive

Classification: UNCLASSIFIED

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## Summary of Outstanding Audit Recommendations and level of Assurance for quarter 2

Pentana Audit Management system.