

Agenda Item 9

Audit and Corporate Governance Committee

21 January 2009

DP



Audit and Governance TaFF – progress in delivering action plan

Summary

Members received the final report of the Audit and Governance Taff at its meeting on 25 September 2008. Attached to this report is a commentary on the actions taken in respect of the recommendations adopted by the Committee.

Recommendation

That the progress made to action the recommendations of the Audit and Governance TaFF be noted.

a) Reasons for Recommendation

Having adopted a number of recommendation it is important for Members of the committee to be satisfied with the actions taken to date and the proposed timetable for implementing those still to be addressed.

b) Alternative Options

None considered

c) Risk Considerations

Grant Thornton, in their Use of Resources (UoR) judgement, advised the Council of the need to implement the recommendations contained within the TaFF report. Failure to follow advice of this nature will reflect in the UoR score achieved by the Council.

d) Policy and Budgetary Considerations

None identified

e) Date for Review of Decision

N/A

1 Main Body of the Report

- 1.1 At its meeting on 25 September 2008 the Committee gave consideration to the report of Diccon Pearse, Corporate Director, regarding the recommendations arising from the Audit and Corporate Governance Task and Finish Forum.
- 1.2 The TaFF had been established to review the structure and conditions of the Internal Audit and Governance team and to address the matters (real or perceived) listed in a report to the committee on 27 March, together with corporate governance and risk management issues.

- 1.3 Members agreed that the recommendations of the Audit and Corporate Governance Task and Finish Forum be adopted by the Council. They further agreed that 4 members be appointed to the Corporate Risk Management Group.
- 1.4 The attachment lists the recommendation adopted by the Committee together with a commentary of the actions taken against those where it was appropriate to do so.
- 1.5 Of the matters raised perhaps the most pressing concern for Members was the ability of the Council to deliver the Annual Audit plan. The TaFF were advised the JE exercise had resulted in lower grades in a number of support services, including Internal Audit, and that the market supplement policy had been applied in order to help in the recruitment and retention of staff to hard to fill posts. The service also had difficulty in attracting and at times retaining suitably qualified contract auditors.
- 1.6 The decision to recruit 2 trainee auditors and retain the services of a contract auditor was only partially successful. To address the position the Committee resolved to reduce the number of audits undertaken, restricting activity to higher risk areas, and to supplement internal resources by contracting out a range of audits. The results of that exercise are reported elsewhere on this agenda.
- 1.7 Of those recommendations adopted 2 remain unactioned at the time of reporting.

Legal Implications

There are no legal implications highlighted within the report.

Financial Implications

There are no financial implications identified.

Consultation on Reports to the Executive

N/A

Background Papers

- Report to the Audit and Corporate Governance Committee 25 September 2008
- Appendix A – Recommendations of the Audit and Governance TaFF.

Diccon Pearce
Corporate Director

Audit and Corporate Governance Committee
3 December 2009