



**REPORT TO: AUDIT AND PERFORMANCE REVIEW COMMITTEE ON 21st
OCTOBER 2009**

SUBJECT: PROGRESS AGAINST ANNUAL AUDIT PLAN

BY: CHIEF FINANCIAL OFFICER

1. REASON FOR REPORT

- 1.1 To advise Members on progress made against the annual Audit Plan for the six month period to 30th September 2009.
- 1.2 This report is submitted to Committee in terms of Section I (1 and 6) of the Council's Administrative Scheme relating to consideration of reports produced by the Internal Auditor.

2. RECOMMENDATION

- 2.1 **It is recommended that the Committee notes the progress made towards completion of the approved annual audit plan during the six month period to 30th September 2009.**

3. BACKGROUND

- 3.1 The annual audit plan approved by this Committee at its meeting on 8th April 2009 identified the available staff resources and projected how these resources would be used during the 2009/10 financial year.
- 3.2 In order to monitor progress against the plan comprehensive time recording information is maintained. This assists staff to control time spent on individual projects and provides management information for supervision and planning purposes.
- 3.3 The second quarter results show that there has been some deviation between the planned programme of work and that actually completed. On the plus side, a significant element of the agreed programme of work on core systems for the full year has been completed already but a number of ad-hoc tasks have resulted in the 'contingency' time allocation being exceeded. Whilst contingency tasks fall within the scope of internal audit activity, and indeed can highlight areas where more in depth work might be required, they have the potential to impact on planned audit activity.

- 3.4 The table below summarises the position under five categories of work as extracted from the time recording system. The planned audit input of 420 days against agreed projects has been achieved.

Category	Planned days	Actual days	Variance
Core systems	80	137	(57)
Other systems	118	75	43
Risk Management	42	44	(2)
Corporate Issues/Management /Development	130	71	59
Contingency	<u>50</u>	<u>93</u>	(43)
Totals	420	420	---

- 3.5 A significant element of the contingency 'variance' relates to a project reported separately in the confidential section of this agenda. The other variances reflect the order in which projects are drawn from the plan. It is proposed to closely monitor any future request for ad-hoc works to limit as far as possible their impact on planned audit activity.

4. SUMMARY OF IMPLICATIONS

(a) **Single Outcome Agreement/Service Improvement Plan**

Provision of performance monitoring information is an element of good governance.

(b) **Policy and Legal**

No implications

(c) **Resources (Financial, Risks, Staffing and Property)**

This report provides information on the utilisation of audit resources.

(d) **Consultations**

There have been no direct consultations in respect of this report.

5. CONCLUSION

5.1 The report summarises Internal Audit's progress against the agreed plan for the six month period to 30th September 2009.

Author of Report: Atholl Scott, Team Leader (Audit)
Background Papers: Audit Plans and Time Recording Systems
Ref: AS/LMS/683398

Signature: *Margaret Wilson* Date: 13 October 2009
pp. Name: Mark Palmer Designation: Chief Financial Officer