

ABERDEEN CITY COUNCIL

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COMMITTEE	Audit and Risk Committee
DATE	21 September 2010
DIRECTOR	Stewart Carruth
TITLE OF REPORT	Internal Audit – Progress v 2009/10 Internal Audit Annual Plan
REPORT NUMBER:	CG/10/163

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1. PURPOSE OF REPORT

To appraise members of the progress of work to complete the approved 2009/10 Internal Audit Annual Plan.

2. RECOMMENDATION(S)

Members are asked to consider this report and note the progress made.

3. FINANCIAL IMPLICATIONS

There are no financial implications other than those associated with the implementation of the recommendations which will be undertaken and financed by the Services.

4. OTHER IMPLICATIONS

This report does not have any direct links with the following: legal, resource, personnel, property, equipment, sustainability and environmental, health and safety and/or policy implications and other risks.

5. BACKGROUND/MAIN ISSUES

The Annual Audit Plan 2009/10 was approved by Committee in June 2009. At the time, the Internal Audit Section was under strength and this has remained the case throughout the year. As a result, Internal Audit has been assisted towards completion of the 2009/10 Annual Plan through the services of an external service provider, who has completed six audit assignments, and an Investigation Manager, previously employed as a Senior Auditor, who has undertaken 2 assignments.

In summary, the status of the 2009/10 shows:-

- 36 assignments were identified in the Annual Plan;

- 23 of these have been completed as planned (or will have been when the Committee meets). For 3 of these assignments the review work has been undertaken by an alternative resource;
- 2 are in progress;
- 4 have been delayed due to changed circumstances;
- 4 have been carried forward to the 2010/11 Plan;
- 3 were withdrawn from the Plan with the agreement of Heads of Service, negating either the possibility or desirability of carrying out the audits.

The Appendix attached shows the status of the 2009/10 Annual Plan.

## 6. IMPACT

Corporate – Internal Audit supports the Local Outcome, set in both the Single Outcome Agreement and the Interim Business Plan, that “Our public services are high quality, continually improving, efficient and responsive to local people’s needs.”

Public – None.

## 7. BACKGROUND PAPERS

None.

## 9. REPORT AUTHOR DETAILS

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<b>Aberdeen City Council</b>														
<b>Internal Audit Annual Plan 2009/10 as at 21/07/10</b>														
<b>New audits per 2009/10 Annual Plan - breakdown by resource:</b>							<b>Plan</b>							
<b>Service</b>			<b>Topic</b>	<b>Days</b>	<b>Status</b>	<b>Comments</b>								
<b>1 - Audits to be performed by Internal Audit Section</b>														
CG	Review		Business Continuity Planning	40	Complete	Final report issued 21/04/10								
CG-SDD	Review		Application Ownership and Support	30	Complete	Final report issued 06/02/10								
CG-CC	Computer		General Ledger Feeder Systems	25	Complete	Final report issued 15/12/09								
CG	Review		Marischal College	30	Complete	Final report issued 03/12/09								
CG-CRM	Systems		Parking Fines	20	Complete	Final report issued 11/01/10								
CG-HR	Review		Health & Safety	30	Complete	Final report issued 27/03/10								
CG-PMQA	Review		External Management Information/SPIs	30	Complete	Final report issued 13/01/10								
CG	Review		Contract Management Process	60	Complete	Final report issued 17/06/10								
CG-CC	Review		Budget Management Process	30	Complete	Final report issued 19/04/10								
CG-CC	Systems		Bank Reconciliations	30	Complete	Final report issued 17/06/10								
CG-CC	Systems		Accounts Receivable and Collections	40	Complete	Final report issued 10/05/10								
CG-CC	Systems		Treasury Management	20	Complete	Final report issued 10/05/10								
HE	Systems		Homelessness	25	Complete	Final report issued 25/11/09								
CG-SDD	Review		Data Centre Relocation	-	Complete	Service pursuing different options for Data Centre and specialist external resource engaged on procurement								
SCW	Review		CareFirst System	-	Complete	Review undertaken by specialist external resource								
EPI	Review		EHRIA	-	Complete	Review undertaken by specialist external resource								
CG-CC	Review		Other GL Account Reconciliations	40	Active	Fieldwork started 21/06/10								
CG	Review		Arm's Length Organisations (Trusts)	25	Active	Including AECC								
CG	Review		Governance Review	30	Delayed	Delayed until revised Governance structure embedded								
EPI	Review		e-Planning	20	Delayed	Delayed due to implementation of new planning arrangements								
CG-CC	Review		Financial Reporting Readiness	30	Defer	Defer until after 30/06/10 due to timing of implementation								
CG-SDD	Review		IT General Controls	40	Defer	Included in 2010/11 plan								
CG-CC	Review		Investment Appraisal Process	30	Defer	Included in 2010/11 plan								
EPI	Review		Planning Decision Making	20	Defer	Included in 2010/11 plan								

CG-SDD	Systems		IT Asset Management	40	Defer	Included in 2010/11 plan			
<b>Days 2009/10</b>				<b>685</b>					
<b>2 - Audits to be performed by Investigations Manager</b>									
CG	Review		Fraud Prevention	25	Complete	Final report issued 26/08/10			
CG	Review		Private/Public Partnerships/3Rs	25	Active	Report under discussion			
<b>Days 2009/10</b>				<b>50</b>					
<b>3 - Audits to be performed by external provider</b>									
CG	Review		Programme and Project Management	40	Complete	Due for submission to Committee on 23 <sup>rd</sup> September 2010			
CG	Review		Internal Management Information	30	Complete	Report approved by A&R 08/06/10			
CG	Review		Risk Management framework	30	Complete	Report approved by A&R 08/06/10			
HE	Review		Capital Expenditure & Repairs Budgets	30	Complete	Report approved by A&R 08/06/10			
EPI	Review		Waste Management Contract	15	Complete	Due for submission to Committee on 23 <sup>rd</sup> September 2010			
CG-SDD	Computer		IT Security	40	Complete	Due for submission to Committee on 23 <sup>rd</sup> September 2010			
<b>Days 2009/10</b>				<b>185</b>					
<b>4 - Audit tasks withdrawn from Plan</b>									
CG-SDD	Review		ICT Options	25	Withdrawn	Project not at stage for auditable content			
CG	Review		Inspectorate Improvement Plans	25	Withdrawn	Alternative arrangements in place for monitoring			
CG-CRM	Systems		Emergency Alarm Call Procedures	20	Withdrawn	Risk rating downgraded			
<b>Days 2009/10</b>				<b>70</b>					
<b>Total days</b>				<b>990</b>					