

**CANNOCK CHASE COUNCIL**  
**AUDIT & GOVERNANCE COMMITTEE**  
**20<sup>TH</sup> AUGUST 2012**  
**REPORT OF THE CHIEF INTERNAL AUDITOR**  
**INTERNAL AUDIT - QUARTER 1 REPORT FOR 2012-13**

**1. Purpose of Report**

- 1.1 To present to the Audit & Governance Committee for information the Internal Audit Quarter 1 Report for 2012-13

**2. Recommendations**

- |   |
|---|
| 2.1 That the Committee notes the contents of the Internal Audit Report for Quarter 1 of 2012-13 |
|---|

**3. Key Issues**

- 3.1 Attached at Annex 1 is the Internal Audit Report for the first quarter of 2012-13.
- 3.2 Three audits have been completed to draft stage and two audits were in progress at the end of the quarter. This is in line with the anticipated performance of the section.
- 3.3 Of the audits completed in the quarter, one has been given effective assurance and two classified as requiring some improvement..

**4. Legal Implications**

- 4.1 The role of the Internal Audit Section provides an effective mechanism and tool to identify weaknesses within the control systems of the Council that could potentially present the Council with various legal difficulties. The Council is accountable for its actions and the resources expended in the provision of services. Accordingly, it is vital that any deficiencies that may exist in the organisation that may undermine the delivery, discharge and performance of the Council's duties and obligations are identified and remedial action taken.
- 4.2 Failure to carry out proper and extensive inspections of the Council's activities and procedures could expose the Council to legal challenge through litigation whether that be through civil actions or criminal prosecutions, should appropriate and necessary steps not be undertaken.

**5. Financial Implications**

- 5.1 There are no financial implications arising directly from this report

**6. List of Background Papers**

- Audit Plan File
- Audit Time Recording System
- Internal Audit Reports

**7. Annexes to the Report**

Annex 1 – Internal Audit Quarter 1 Report for 2012-13

**8. Report Author Details**

Stephen Baddeley, Chief Internal Auditor ext. 4415