

Report Title: **INTERNAL AUDIT REPORT ON THE TRUST – COVERING REPORT TO LB HARINGEY’S INTERNAL AUDIT**

Report of: **Andrew Gill, Interim General Manager, Alexandra Palace & Park Charitable Trust**

1. Purpose

- 1.1 To advise the Board of progress since the report of the Head of Finance in June 2009 on the outcome of the internal audit follow up visit.
- 1.2 To advise the Board of the strategy for prioritising and completing the outstanding audit recommendations

2. Recommendations

- 2.1 The Board is asked to note the content of the updated follow up report from London Borough of Haringey’s internal audit service
- 2.2 The Board is asked to endorse the strategy for prioritising and completing the remaining audit recommendations.

Report Authorised by: **Andrew Gill, Interim General Manager**



Contact Officer: **Andrew Gill, Interim General Manager, Alexandra Palace & Park, Alexandra Palace Way, Wood Green N22 7AY Tel No. 020 8365 4340**

3. Executive Summary

- 3.1 The results of LB Haringey’s follow up audit are given in the report at Appendix 1. These results have been updated with their status at time of follow-up audit (June 2009) and with Management comments (September 2009).
- 3.2 Since June 2009, the Interim General Manager’s team has focussed on a range of priorities, some of which have impacted positively on the audit recommendations.
- 3.3 The Interim General Manager has agreed with the LBH Head of Internal Audit to update the report with management comments and return it to LBH Internal Audit. Any further evidence of progress against the recommendations will be provided on request.

3.4 The Interim General Manager's Assessment is that eight of the original twelve recommendations have now been fully achieved, one has not been achieved and the remaining three have been partially achieved.

3.5 The Interim General Manager is in the process of drafting an Executive Briefing which aims to provide the Trustees with a holistic view of management priorities. This Executive Briefing will accompany a further report to the Board in late 2009.

4. Reasons for any change in policy or for new policy development (if applicable)

4.1 N/A

5. Local Government (Access to Information) Act 1985

5.1 No specific background papers were used in compiling this report.

Description

- 6.1 LB Haringey's internal audit service conducted an audit of the internal controls operating within Alexandra Park and Palace Charitable Trust, the findings of which were reported to the Board in October 2008. The October report noted that there was a great deal of overlap between the internal audit recommendations and those arising from the first Walklate Report. The Board resolved that the actions arising from the internal audit report would be cross referenced to the work already being undertaken on governance and requested future updates on the status of the audit recommendations.
- 6.2 LB Haringey's internal audit service carried out a follow up audit in April 2009, which consisted of discussions with the former General Manager and a review of documentation. The report at Appendix 1 outlines the results of the follow up audit, including the status of management actions on each of the recommendations at June 2009; this has since been updated with comments by the Interim GM in September 2009.
- 6.3 Since June 2009, the Interim GM's team has focussed on a range of pressing and urgent priorities, some of which have impacted positively on the audit recommendations.
- 6.4 The Interim GM has agreed with the LBH Head of Internal Audit to update the report with management comments and return it to LBH Internal Audit. Any further evidence of progress against the recommendations will be provided on request.
- 6.5 The Interim GM's Assessment is that eight of the original twelve recommendations have now been fully achieved, one has not been achieved (Corporate Governance) and the remaining three have been partially achieved.

- 6.6 While the recommendations in the Audit report are relevant and noteworthy, they no doubt reflect the original Audit Brief and do not identify several important areas in which the documents and systems of the Trust were lacking.
- 6.7 Trustees are asked to note that the Interim GM has been strategically reviewing business operations and addressing short term urgent issues of skill deficiencies and legislative compliance, regularly updating a master compliance sheet.
- 6.8 In addition to the tasks and activities that trustees will be aware of, the Interim General Manager (advised by expert consultants in the fields of Facilities Management and Healthy and Safety) has identified the following key priority areas for his team;
- skills and resources
 - legislative, regulatory and health and safety compliance
 - finance – capital and revenue budgets
 - establishing and quantifying the extent of dilapidations
 - practical and proactive support of APTL in meeting their business objectives

Trustees will receive further details on progress on the above key areas in future board reports.

- 6.9 The Interim GM is in the process of drafting an Executive Briefing which aims to provide the Trustees with a holistic view of management priorities. This Executive Briefing will accompany a further report to the Board in late 2009, by which time it is anticipated that all of the management actions arising from the recommendations will be completed, with the possible exception of the final outcome of the review of corporate governance.
- 6.10 The aim of the Executive Briefing is to provide the Trustees with a holistic view of management priorities including;
- a. Progress on internal audit recommendations
 - b. Governance action plan
 - c. Review of business critical systems on site with condition surveys
 - d. Facilities Management action plan
 - e. Draft risk register
 - f. Other key issues

7. Consultation

7.1 N/A

8. Legal and Financial Comments

- 8.1 The Trust's Solicitor has been sent a copy of this report and has no comment to make.

The LBH CFO has been sent a copy of this report.

9. Equalities Implications

- 9.1 There are no perceived equalities implications in this report.

10. Use of Appendices / Tables / Photographs

Appendix I – Follow up report of LB Haringey's Internal Audit Service (updated September 2009)