

**Open Report on behalf of Pete Moore,
Executive Director Resources & Community Safety**

Report to:	Audit Committee
Date:	21 March 2011
Subject:	Corporate Audit Progress Report to 31 January 2011

Summary:

This report provides an update on progress made against the Audit Plan 2010/11 as agreed by the Committee on 22 March 2010.

Recommendation(s):

That the Committee notes the outcomes of Corporate Audit work and identifies any actions it requires.

Background

- This report:
 - Advise on progress being made against the Audit Plan
 - Provide details of the audit reports issued during the period

Progress with Planned Audits to 31 July 2010

- The following audit reports have been issued as a final report:

Limited Assurance
Adult Services Financial Management
Development Tourism Development – Historic Lincoln Programme
Substantial Assurance
Resources Directorate Capital Contracts – Property International Financial Reporting Standards
Children’s Services Budget Share Calculation 2010/11
Full Assurance
Resources Directorate Pensions Administration

The assurance expressed is at the time of issue of the report **but before the full implementation of the agreed management action plan**. Definitions levels are shown in Appendix A.

Summary information with the relevant Directorate's response for the audits where assurance has been assessed as no or limited assurance is contained within Appendix B.

3. Directorates' progress with the implementation of recommendations is followed up and reported in Appendix C.
4. Progress against the Audit Plan 2010/11 is reported in Appendix D.

Amendments to the Audit Plan 2010/11

5. Since the last Audit Committee meeting we have identified three audits scheduled for quarter 4 which will add little value at this point in time and we seek their postponement:

Audit	Reason
Information Management	Policies and processes currently being self-reviewed. Audit would be better planned for 2011/12 once new policies and processes in place.
Performance Framework Transformation Programme	Both audits better planned for when organisational changes have been agreed and implemented.

Performance Information

6. Corporate Audit's performance is measured against a range of indicators. For those measures where information is available, performance against the Audit Plan 2010/11 is shown below:

Performance Indicator	Target	Actual to 31st January 2011
Productivity & Efficiency		
Actual audits versus planned (by no of audits)	85%	89%
Financial Systems	100%	
% of Reports issued within 2 weeks of closure meeting	90%	95%
Quality of Service		
Client questionnaire scoring better than average for all categories	Ave = 3	

Conclusion

7. Corporate Audit has completed 6 audits since the last progress report to Committee in December 2010. For 2 of these the audit opinion was 'No' or 'Limited' assurance.

The total recommendations outstanding compared to the last progress report has risen from 18 to 21.

Performance against the Audit Plan 2010/11 for the period to 31 January 2011 stands at 89% (target 85%).

Consultation

a) Policy Proofing Actions Required

N/A

Appendices

These are listed below and attached at the back of the report	
Appendix A	Audit Assurances
Appendix B	Audits where assurance is assessed as 'No' or 'Limited'
Appendix C	Recommendation Tracker at 31 January 2011
Appendix D	Annual Plan 2010/11 Progress

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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