

**Open Report on behalf of Executive Director Resources and Community Safety**

Report to:	<b>Audit Committee</b>
Date:	<b>26 September 2011</b>
Subject:	<b>Corporate Audit Progress Report to 31 August 2011</b>

**Summary:**

This report provides an update on progress made against the Audit Plan 2011/12 as agreed by the Committee on 21 March 2011.

**Recommendation(s):**

1. That the Committee notes the outcomes of Corporate Audit work and identifies any actions it requires.
2. The Committee agrees that in future the progress report only includes details of outstanding recommendations where the activity received 'Limited' or 'No' assurance.

**Background**

1. 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 August 2011**

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

<b>Limited Assurance</b>
<b>Adult Services</b> Resource Allocation System Direct Payments
<b>Children's Services</b> Wolds East Education Trust
<b>Substantial Assurance</b>
<b>Resources Directorate</b> Youth Offending

<b>Children's Services</b> Resource Allocation System
<b>Performance &amp; Governance</b> Government Connects
<b>Full Assurance</b>
<b>Children's Services</b> Funding for 2 year olds

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. There are currently 14 audits in progress 5 of which are at draft report stage, and audits have been completed at 26 schools. A number of the audits included in the Quarter 1 & 2 plan have been delayed due to workforce change issues. We will consider these for inclusion in the Quarter 3 & 4 plan which we are currently developing and will present to the Committee at its November meeting.
4. We have also commenced a piece of work to give an overall picture of assurance, be it audit, third party, or management assurance, against the Council's critical services, and strategic and emerging risks. The work will result in the development of an assurance 'map' and it is our intention to present the first version of the map to the Committee in December 2011.
5. Directorates' progress with the implementation of recommendations is followed up and reported in Appendix C. The majority of activities where there are outstanding recommendations received substantial assurance. With the Committee's agreement we propose that in the future the progress report only includes details of outstanding recommendations where the activity received 'Limited' or 'No' assurance.
6. Progress against the Audit Plan 2010/11 is reported in Appendix D.

### Performance Information

7. 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 31 <sup>st</sup> August 2011
<b>Productivity &amp; Efficiency</b>		

Actual audits versus planned (by no of audits)	85%	83%
Financial Systems	100%	Report at yearend
% of Reports issued within 2 weeks of closure meeting	90%	80%
<b>Quality of Service</b>		
Client questionnaire scoring better than average for all categories	Good to Excellent	Report at yearend

## Conclusion

8. Corporate Audit has completed 7 audits since the last progress report to Committee in June 2011. For 3 of these the audit opinion was 'No' or 'Limited' assurance. There are 14 audits in progress 5 of which are at draft report stage and audits have been completed at 26 schools.
9. The total recommendations outstanding compared to the last progress report has fallen from 52 to 37.
10. Performance against the Audit Plan 2011/12 for the period to 31 August 2011 stands at 83% (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 August 2011
Appendix D	Annual Plan 2011/12 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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