

	<p style="text-align: center;">Audit Committee 16 December 2010</p> <p style="text-align: center;">Report from the Director of Finance and Corporate Services</p>
For Information	<p style="text-align: right;">Wards affected: ALL</p>
<p style="text-align: center;">Second Internal Audit Progress Report 2010/11</p>	

1. Summary

- 1.1. This report sets out a summary of the work of Internal Audit for the period 1 April 2010 to 30 November 2010. The attached report provides details of progress, together with the assurance ratings and priority 1 recommendations for those audits which have been finalised since the last report to this committee.

2. Recommendations

- 2.1. The Audit Committee note the progress made in achieving the 2010/11 Internal Audit Plan.

3. Detail

- 3.1. The Internal Audit Plan for 2010/11¹ comprises 1201 days, of which 941 are allocated to Deloitte Touche Public Sector Internal Audit Limited (Deloitte), and 260 to the in-house team. At the end of November 2010, a total of 570 days had been delivered against the overall Plan, made up of 430 Deloitte days and 140 in-house days. This represents 47% of the Plan.
- 3.2. An even profile of delivery across the year is not realistic given the requirement for a significant volume of work on key financial systems towards year end. In addition, for 2010/11, given that the Plan has been aligned to many of the developments taking place as part of the One Council programme, a further key factor in the timing of work is the status of implementation of each of these developments.
- 3.3. The plan is currently being reviewed in order to determine whether further changes are now required in certain areas, on the basis that internal audit work is not now considered relevant in respect of certain projects at the

current time. For example, a review of parking has been postponed due to an external independent review as part of the One Council Gold Projects. The consultant's report has only recently been issued and internal audit are in the process of arranging to meet with management in order to establish the scope of work in this area in order to avoid duplication. Further, work on the One Council procurement strategy has been postponed due to delays in issuing the strategy. Other projects will be identified in order to ensure delivery of the planned days by year-end.

3.4. A detailed summary of progress and key findings is provided in appendix 1.

4. Financial Implications

4.1. None

5. Legal Implications

5.1. None

6. Diversity Implications

6.1. None

7. Background Papers

1. REPORT FROM THE DIRECTOR OF FINANCE – INTERNAL AUDIT PLAN FOR 2010-10, *Audit Committee – 3rd March 2010.*
2. REPORT FROM DIRECTOR OF FINANCE – 1st Internal Audit Progress Report for 2010/11 - *Audit Committee - 29th September 2010.*

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