



**Audit Committee**  
22 February 2011

**Report from the Director of Finance  
and Corporate Services**

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Wards Affected:  
ALL

**3<sup>rd</sup> Internal Audit Progress Report 2010/11**

**1. Summary**

- 1.1. This report sets out a summary of the work of Internal Audit for the period 1<sup>st</sup> April 2010 to 31 January 2011. The attached report provides further details of this together with the assurance ratings and priority 1 recommendations of those audits for which the final reports have been issued since November 2010.

**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 2010/11<sup>1</sup> comprises 1201 days, of which 941 are allocated to Deloitte Touche Public Sector Internal Audit Limited, and 260 to the in-house team.
- 3.2. At the end of January 2011, a total of 768 audit days had been delivered against the overall Plan, made up of 600 Deloitte days and 168 in-house days. This represents 63% of the Plan.
- 3.3. Although, by the end of January 2011, only 64% of the plan had been delivered, the team are on target to complete 98% of the agreed plan by the end of March 2011. A number of major financial systems audits which form a significant element of our planned audit work are currently in progress and these will be completed before the end of March 2011. These audits were delayed until the 4<sup>th</sup> quarter in order for our sample testing to cover a significant proportion of the accounting period and hence also satisfy the Audit Commissions assurance needs. In addition, because the Plan was aligned to

many developments taking place as part of the one Council programme, a further key factor in determining the timing of our audit work was the status of implementation of some of these developments.

- 3.4. A more detailed summary of progress and key findings from our work is provided in appendix 1. This summary includes, for the first time, management responses to priority one recommendations for limited assurance reports.

#### **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 AND CORPORATE RESOURCES – INTERNAL AUDIT PLAN FOR 2010-10, *Audit Committee – 3<sup>rd</sup> March 2010.*
2. REPORT FROM DIRECTOR OF FINANCE AND CORPORATE SERVICES – 2<sup>nd</sup> Internal Audit Progress Report for 2010/11 - *Audit Committee - 16<sup>th</sup> December 2010.*

#### **8. Contact Officer Details**

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