

	<p style="text-align: center;">Audit Committee 15 December 2011</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>2nd Internal Audit Progress Report 2011/12</p>	

1. Summary

- 1.1. This report sets out a summary of the work of Internal Audit for the period from 1st April 2011 to 30th November 2011. The attached report provides further details of this together with the assurance ratings and priority 1 recommendations for limited and nil assurance reports together with management responses for those audits for which final reports have been issued since August 2011.

2. Recommendations

- 2.1. That the Audit Committee notes the progress made in achieving the 2011/12 Internal Audit Plan.

3. Detail

- 3.1. The Internal Audit Plan for 2011/12 comprises 1,200 days, of which 905 are allocated to Deloitte Touche Public Sector Internal Audit Limited, and 295 to the in-house team.
- 3.2. At the end of November 2011, a total of 615 days had been delivered against the overall Plan, made up of 470 Deloitte PSIA days and 145 in-house days. This represents 51% of the Plan and is a slight improvement on the previous year when 47% of the plan had been achieved at the same stage in 2010..
- 3.3. In terms of the profile for 2011/12 for specific audits, the majority have been progressed as planned. As explained in previous years, the days are not planned to be delivered in an even twelve month split. One reason is that there is a requirement for financial systems to be audited towards the end of the year, in order that sample testing covers a significant proportion of the accounting period. In addition, 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.

- 3.4. The plan is kept under continuous review in order to determine whether changes are required in certain areas. If audit requirements change, alternative projects are identified. A number of planned audits have had to be taken off the plan due to delays in the implementation of the projects to which they relate. Examples include the planned review of libraries which is now unlikely to take place due to delays in the closure of some libraries. Other audits deferred to 2012/13 include: Transformation of Support Functions in Environment & Neighbourhoods; Partnership Working with external housing bodies; and Partnership Working with the NHS. Some alternative projects have been identified to replace these audits and some days are being used to support unplanned work within BHP linked to the Settled Homes Initiative issues identified as part of the Annual Governance Statement.

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 2011/12, *Audit Committee 25th June 2011.*

8. Contact Officer Details

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