

AUDIT COMMITTEE

24 MARCH 2011

REPORT OF HEAD OF FINANCIAL SERVICES

A.7 AUDIT COMMISSION RECOMMENDATIONS – PROGRESS / UPDATE

(Report prepared by Richard Barrett)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To present to the Committee an update and progress against recommendations made by the Audit Commission.

EXECUTIVE SUMMARY

Following their annual audit work and associated reporting, the Audit Commission may make a number of recommendations across various areas of the Council's activities. A key responsibility of the Audit Committee is to review and agree the Council's responses to such recommendations and ensure through regularly monitoring that the appropriate actions have been taken.

An update on progress to date is set out in **Appendix A**. There are currently no significant issues to report and actions have either been completed or are currently being progressed.

RECOMMENDATIONS

That the Audit Committee reviews and notes the progress against the action plan.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The aim of continuing to be financially stable and well managed and provide good value for money is directly supported through learning and improving through audit and inspection.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

There are no significant financial implications associated with the monitoring and implementation of the agreed recommendations. If additional resources are required to deliver an agreed action then appropriate steps will be taken including any necessary reporting requirements.

Risk

Not responding practically and timely to outcomes from audit and inspection may have an impact on the delivery of the Council's priorities, reputation, governance arrangements and overall control environment.

LEGAL

There are no legal implications associated with the monitoring and implementation of the agreed actions.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.

This report does not have a direct impact although items could feature in the recommendations and subsequent action plans in future external audit reports. Any actions that may have an impact will be considered and appropriate steps taken to address any issues that may arise.

PART 3 – SUPPORTING INFORMATION

BACKGROUND AND UPDATE ON CURRENT PROGRESS AGAINST AUDIT COMMISSION RECOMMENDATIONS

The Audit Commission may make a number of recommendations to the Council following the completion of audit activity they undertake in a number of areas of the Council's business each year.

The approval and seeking of assurances that appropriate actions are being taken in response to the External Auditor's recommendations is a key activity of the Audit Committee.

A list of outstanding recommendations and an update on progress is set out in **Appendix A**. The individual recommendations are collated with outstanding items presented against the audit year they relate to. A number of actions have now been completed with work in progress / on-going in respect of the remaining items.

Progress against the recommendations is presented to the Audit Committee on a six monthly basis to enable actions to be implemented and embedded before reporting back to the committee, which balances good governance arrangements with practical implementation times. However a summary of progress against these recommendations in the interim period will be included in the table of outstanding issues presented to each meeting of the Committee to ensure any significant issues that may arise are brought to the attention of the Committee at the earliest opportunity.

Previous reports have included a general and overarching item relating to opportunities for improvement emerging from the previous performance inspection regime including the Use of Resources Assessment that has now been abolished. The item has been removed with the work relating to the associated value for money conclusion, that remains as part of the audit inspection process, is set out in a separate report elsewhere on the agenda.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

APPENDIX A – Audit Commission Recommendations – Action Plan