

Audit Committee – 19th April 2012

Report of the Treasurer

Audit Commission Audit Committee Update

Purpose of Report

1. The Audit Commission have now started publishing a report to update Audit Committee members across local government, and the Audit Manager will be available at the meeting to deal with any issues.

Background

2. The Audit Commission have issued Audit Committee update reports to Audit Committee members in the NHS for some time and have decided to issue a similar report to local government Audit Committee members.
3. The report includes a series of questions that the Audit Commission believes Audit Committee members should consider. Attached as Appendix A is a list of those questions together with management responses.

Finance

4. There are no resource implications as a consequence of the report.

Law

5. Legislation appertaining to Local Authority Audit and Accounts is contained in the Local Government Act 1999, the Audit Commission Act, 1998, and regulations made therein.

Equality Impact

6. There are no direct implications for children and young people.

Recommendation

7. That Members note the Audit Committee Update report and the information provided in Appendix A.



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Iain Newman
Treasurer

Contact Officer : Les Bradshaw
Head of Audit (ext. 4853)

APPENDIX A

AUDIT COMMISSION REPORT – QUESTIONS & MANAGEMENT RESPONSES

Page 18 of the Audit Commission report suggests that the Audit Committee may wish to consider the following questions in respect of the issues highlighted in this briefing paper.

QUESTION	MANAGEMENT RESPONSE
1. Has the Council reviewed CIPFA's guide on income generation and is the Audit Committee satisfied that all potential income sources have been identified	Yes, and income sources considered via the budget setting process.
2. Has the Council adequate arrangements in place to ensure that it complies with the Code of Recommended Practice for Local Authorities on Data Transparency and that all published information is both accurate and complete	<p>The following information is currently published to the Internet: expenditure over £500; senior employee salaries; organisational structure information; Pay Policy Statement; Councillor allowances and expenses; policies, performance, external audits and key inspections/indicators on the Council's fiscal and financial position; data about the democratic running of the Council including Constitution, election results, committee minutes, decision making process/records.</p> <p>Work is still ongoing as regards: copies of contracts and tenders to businesses and to the voluntary community and social enterprise sector; grants to the voluntary community and social enterprise sector; ensuring that all information is in the formats required by the Code.</p>
3. Have Members been provided with a copy of CIPFA's guide to Local Government finance	"Councillors' Guide To Local Government Finance" on Members intranet site
4. Has the Council reviewed the NAO's report on financial management of schools and developed an action plan where necessary	The document has been reviewed and no actions have been necessary to date.
5. Has the Council considered the Tough Times report and made appropriate use of the Audit Commission's VFM profiles	VFM profile information is being used to inform service reviews as part of the budget process.

6. Has the Council used the single person discount comparator tool to compare its levels of council tax single person discount with the predicted level	Council Tax management have used this tool to inform the strategy for checking on eligibility for discounts.
7. Has the Council completed the fraud prevention checklist and, where appropriate, developed an action plan to address any weaknesses	Yes, covered in Annual Fraud Report to Audit Committee
8. Has the Council circulated the fraud briefing to all school governors	Yes
9. Has the Council circulated the DCLG's plain English guide to the Localism Act to all members	Following report to Cabinet the guide will be circulated to all Members.
10. Has the Council responded to the DCLG's consultation exercise on the Housing Revenue Account self-financing determinations	Yes
11. Has the Council reviewed CIPFA's guidance on HRA self-financing and made satisfactory progress for its implementation	Yes, implementation now completed.
12. Has the Council reviewed the Audit Commission's report on the 2010/11 accounts and, in particular, considered the key challenges facing bodies for 2011/12	Yes the key challenges have been identified.
13. Has the Council reviewed its 2010/11 accounts and identified ways in which these could be streamlined or clarified	Yes a review has taken place and some improvements to the process are in place.
14. Has the Council reviewed the Audit Commission / Local Gov't Association joint report on managing workforce costs and is the Audit Committee satisfied that appropriate use has been made of the supporting materials	Yes, relevant matters have been covered in reports to Cabinet.
15. Has the Council circulated the briefing for elected members on the Audit Commission's workforce report to Members? Is the Audit Committee satisfied that the questions within the briefing have been properly considered by the Council?	Further information will be provided to the June Audit Committee meeting.

<p>16. Has the Council reviewed the questions included in the Audit Commission's briefing paper on joining up health and social care</p>	<p>Yes and we intend to use them as needed in next steps on our path towards integrated commissioning arrangements.</p>
<p>17. Has the Council used the Audit Commission's tool to benchmark the performance of its NHS and social care partnership</p>	<p>We have considered the benchmarking tool and used it where relevant. A recent budget strategy planning meeting has been held but the Audit Commission tool were limited in their applicability at this stage.</p>
<p>18. Has the Council reviewed its prudential indicators in the light of CIPFA's revised prudential code</p>	<p>Yes a review of prudential indicators has been made and included in the Treasury Strategy Statement 2012/13.</p>
<p>19. Has the Council reviewed CIPFA's guidance notes for the 2011/12 financial statements and made satisfactory arrangements for their implementation</p>	<p>Yes a review of the guidance notes has been made and arrangements are in place for their implementation.</p>