

# Progress report

March 2011

Norwich City Council

Audit 2010/11

**The Audit Commission is an independent watchdog, driving economy, efficiency and effectiveness in local public services to deliver better outcomes for everyone.**

**Our work across local government, health, housing, community safety and fire and rescue services means that we have a unique perspective. We promote value for money for taxpayers, auditing the £200 billion spent by 11,000 local public bodies.**

**As a force for improvement, we work in partnership to assess local public services and make practical recommendations for promoting a better quality of life for local people.**

# Contents

<b>Introduction</b> .....	<b>2</b>
Finalised reports .....	2
<b>Appendix 1 Audit Plan delivery</b> .....	<b>3</b>
Progress in delivering the 2009/10 and 2010/11 Audit Plans .....	3

# Introduction

**1** The purpose of this report is to update the Audit Committee on work completed to date and the work to be completed during the rest of the year for Norwich City Council.

**2** My report includes a summary of progress in delivering the main elements of the 2010/11 audit plan at Appendix 1. Appendix 1 also comments on residual activities in respect of the 2009/10 plan. This report does not cover any inspection activities.

## Finalised reports

**3** I have not finalised any reports since my January 2011 update. However, I have issued the following reports in draft form:

- 2009/10 Final Accounts Memorandum (to the Head of Finance); and
- 2009/10 Annual Certification of Claims and Returns Report.

**4** I have also recently completed my work on the Housing Benefits grant claim.

# Appendix 1 Audit Plan delivery

## Progress in delivering the 2009/10 and 2010/11 Audit Plans

Table 1: **Audit progress**

Work area	Status	Comments
<b>Audit Plan 2009/10 - residual deliverables (progress since January 2011 Audit Committee meeting)</b>		
Final accounts memorandum (to the Head of Finance)	Expected date of completion - by end March 2011.	Draft issued March 2011.
<b>Additional to the main 2009/10 Audit Plan</b>		
2009/10 grant claims and returns certification work	In progress - expected dates of completion - from September 2010 to March 2011.	Claims not yet certified are: New Deal for Communities – due by 31 December. Certification is expected week commencing 14 March. EEDA - due by 31 October 2010. Although there is no in-year claim for this return, we have recently been advised that a final certification should be provided. We plan to complete this in March 2011.
Certification of claims and returns - annual report	Expected date of completion - by end February 2011.	Draft issued February 2011 and officers' responses to the action plan have been received. Awaiting completion of the final two claims before I finalise the report.
<b>Audit Plan 2010/11</b>		
Planning	Completed	Initial planning activities are complete and the 2010/11 Annual Audit Fee Letter was considered at the 8 June 2010 Audit Committee meeting. I will update my audit planning throughout the course of 2011, including updating my approach to the value for money conclusion. I will discuss and agree any resulting

Work area	Status	Comments
		changes to the planned work and fee with officers and report it to the Audit Committee.
Pre-statement audit	Expected date of completion - April 2011	<p>My team held planning/update meetings held with Internal Audit (25 November 2010) and Financial Services (11 January 2011).</p> <p>We held our internal engagement planning meeting on 14 February 2011.</p> <p>We have completed our walkthrough testing on a number of the Council's systems, and the remainder will be completed in April 2011.</p>
Opinion Audit Plan	Expected date of completion - by April 2011	
Post-statement audit	Expected date of completion - September 2011	<p>Audit Commission Final Accounts Workshop held for Council contacts 13 January 2011.</p> <p>We completed an Audit Commission IFRS preparedness survey in January 2011. We assessed the Council as at high risk of not being on track to prepare IFRS-compliant accounts by 31 June 2011. We are conscious that officers have made progress on the IFRS restatement since this survey was done, although we have yet to assess this work.</p> <p>We have an ongoing dialogue with the Chief Accountant on a number of proposed accounting treatments and are trying to expedite responses on these.</p>
Annual Governance Report	Expected date of completion - by end of September 2011	
Auditor's report giving the opinion on the financial statements	Expected date of completion - by end of September 2011	
Final accounts memorandum (to the	Expected date of	

Work area	Status	Comments
Head of Finance)	completion - by end October 2011	
Whole of Government Accounts return	Expected date of completion - by end of September 2011	
<b>Value for money</b>		
Auditor's report giving the value for money opinion	Expected date of completion - by end of September 2011	
<b>Overarching</b>		
Annual Audit Letter	Expected date of completion - by end November 2011	
<b>Additional to the main 2010/11 Audit Plan</b>		
2010/11 certification work	Expected dates of completion - from September to December 2011	
Certification of claims and returns - annual report	Expected date of completion - by end January 2012	