

Progress report

June 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.

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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 completed the 2009/10 New Deal and EEDA grant claims since my last update.

4 The 2011/12 fee plan letter has been issued to officers and is being presented to the June Audit Committee meeting.

5 The following reports remain in draft form:

- 2009/10 Final Accounts Memorandum (to the Head of Finance); and
- 2009/10 Annual Certification of Claims and Returns Report. This will be updated now the New Deal and EEDA claims are complete.

Appendix 1 Audit Plan delivery

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

Table 1: **Audit progress**

Work area	Status	Comments
Audit Plan 2009/10 - residual deliverables (progress since March 2011 Audit Committee meeting)		
Final accounts memorandum (to the Head of Finance)	Expected date of completion - by end July 2011.	Draft issued March 2011. Awaiting officers' responses to the action plan before it can be finalised.
Additional to the main 2009/10 Audit Plan		
2009/10 grant claims and returns certification work	Completed	Final claims certified. New Deal for Communities – certified 17 March. EEDA - certified 26 April.
Certification of claims and returns - annual report	Expected date of completion - by end June 2011.	Draft issued February 2011 and officers' responses to the action plan have been received. Will be finalised now that the two remaining claims have been certified.
Audit Plan 2010/11		
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 changes to the planned work and fee with officers and report it to the Audit Committee.
Pre-statement audit	Expected date of completion - June 2011	My team held planning/update meetings with Internal Audit (25 November 2010) and Financial

Work area	Status	Comments
		<p>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 June 2011.</p>
Opinion Audit Plan	Expected date of completion - July 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, as previously reported to the Audit Committee.</p> <p>We have responded to a number of proposed accounting treatments under IFRS.</p> <p>Officers have continued to progress the IFRS restatement exercise since our previous progress report. Certain elements are not yet complete and our assessment of this work is therefore not yet finalised.</p> <p>The post-statement audit is scheduled to commence in July.</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 Head of Finance)	Expected date of completion - by end October 2011	
Whole of Government Accounts	Expected date of	

Work area	Status	Comments
return	completion - by end of September 2011	
Value for money		
Auditor's report giving the value for money opinion	Expected date of completion - by end of September 2011	
Overarching		
Annual Audit Letter	Expected date of completion - by end November 2011	
Additional to the main 2010/11 Audit Plan		
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	