

Progress Report

Norwich City Council

Audit 2009/10

March 2010

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Status of our reports

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors/members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or
 - any third party.
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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 This report includes a summary of progress in delivering the main elements of the 2009/10 audit plan at Appendix 1. Appendix 1 also comments on residual activities in respect of the 2008/09 plan.
- 3 This report does not cover items included in the Comprehensive Area Assessment Lead's annual inspection fee letter.

Finalised reports

- 4 The following 2009/10 reports have been finalised:
 - 2009/10 Annual Audit Fee Letter.
- 5 No reports have been finalised since the January 2010 Audit Committee, although the following reports have been issued in draft:
 - 2008/09 certification of claims and returns - annual report.

Appendix 1 – Progress in delivering the 2008/09 and 2009/10 Audit Plans

Table 1 **Audit progress**

Work area	Status	Comments
Audit Plan 2008/09 - residual deliverables		
Final Accounts Memorandum	Not started	The issues of most significance have already been reported in our November 2009 Annual Governance Report. To ensure that officers are aware of residual improvement issues in advance of the preparation of the 2009/10 accounts we will provide feedback informally by way of 'bullet point' notes on areas for further improvement, where not already reported by way of the Annual Governance Report.
Certification of the housing benefit and council tax subsidy claim	In progress	Initial testing has been completed and 13 areas for additional '40+ testing' identified in accordance with the Audit Commissions agreed process with the Department for Work & Pensions (DWP). Two areas of 40+ testing are outstanding and when these have been re-tested we will finalise and issue our qualification letter to the DWP. We currently envisage that this will be by the end of March 2010.
Certification of claims and returns - annual report	Drafted	Draft report was issued to officers for comment in February 2010. Meeting held with Head of Finance to discuss findings on 5 March and

Appendix 1 – Progress in delivering the 2008/09 and 2009/10 Audit Plans

Work area	Status	Comments
		the report is currently being reviewed in light of officer comments. We envisage that this will be complete by mid-April 2010.
Norwich Highways Agency Joint Committee accounts audits - 2006/07, 2007/08 and 2008/09	In progress	<p>Work has necessarily been prioritised on the main Norwich City Council financial statements audit and grant work over recent years. The 2006/07 joint committee audit has also been protracted due to a number of issues with the draft accounts, and the need to consider previously un-audited comparative figures. The 2006/07 audit work is almost complete and we expect to issue our Annual Governance Report to the Norwich Highways Agency Joint Committee shortly. Work on 2007/08 is also in progress and we aim to complete this by the end of April.</p> <p>No work has yet commenced on the 2008/09 audit, and we will reassess the timeframe for this once the 2007/08 audit has been further progressed.</p>
Audit Plan 2009/10		
Overarching		
Planning	Completed	<p>Initial planning activities have been completed and the 2009/10 Annual Audit Fee Letter issued to the Chief Executive and Head of Finance. The fee letter was considered as part of the 25 June 2009 Audit Committee meeting.</p> <p>Planning for 2009/10 will continue to be updated throughout the course of 2009/10. Any resulting changes to the planned work and fee will be discussed and agreed with officers and reported to the Audit Committee.</p>

Appendix 1 – Progress in delivering the 2008/09 and 2009/10 Audit Plans

Work area	Status	Comments
Accounts		
Opinion Audit Plan	Expected date of completion - by end April 2010	<p>We plan to issue an initial opinion audit plan based on consideration of our cumulative knowledge, including the findings of the 2008/09 audit, by the end of April.</p> <p>We are likely to need to review and update the position when we have been able to complete our consideration of the Council's control environment and, specifically, any areas where we are able to place reliance on systems controls. This work is in progress, but due to prioritisation of the outstanding Norwich Highways Agency Joint Committee accounts, the work is unlikely to be completed until June.</p> <p>We are continuing to work with officers in terms of ensuring the arrangements for the final accounts audit are in place.</p>
Annual Governance Report	Expected date of completion - by end of September 2010	
Auditor's report giving the opinion on the financial statements	Expected date of completion - by end of September 2010	
Final accounts memorandum (to the Head of Finance)	Expected date of completion - by end October 2010	

Appendix 1 – Progress in delivering the 2008/09 and 2009/10 Audit Plans

Work area	Status	Comments
Use of resources		
Use of Resources Assessment	In progress	Initial planning discussion held with officers on 3 December 2009. Work is currently in progress. Indicative scores are due to be submitted by 21 April 2010, with scores finalised by 30 July.
Auditor's report giving the value for money opinion	Expected date of completion - by end of September 2010	
Overarching		
Annual Audit Letter	Expected date of completion - by end December 2010	
Additional to the main 2009/10 Audit Plan		
2009/10 Norwich Highways Agency Joint Committee accounts audits	Expected date of completion - by end December 2010	
2009/10 certification work	Expected dates of completion - from September to December 2010	
Certification of claims and returns - annual	Expected date	

Appendix 1 – Progress in delivering the 2008/09 and 2009/10 Audit Plans

Work area	Status	Comments
report	of completion - by end January 2011	

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The Audit Commission

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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