

PROGRESS MONITORING REPORT to APRIL 2008 – AUDIT COMMITTEE

Title of Agenda Item	Action Proposed	Concern/Cause	Responsibility	By when	Action Taken	Status
MEETING HELD ON 27 SEPTEMBER 2007						
<p>1. <u>Audit Commission: Annual Governance Report 2006/07 (Ref. Appendix Para 23)</u></p>	<p>Currently, reconciliations between the Council's Agresso main accounting system and the Academy system for council tax, non-domestic rates and benefits, are carried out only at the end of each financial year which means that significant discrepancies are not being rectified promptly enough.</p>	<p>'(i) that monthly reconciliations between the Academy System (for council tax, non-domestic rates and benefits) and the Council's Agresso main accounting system be introduced in order that discrepancies can be rectified promptly.' (MINUTE NO. 17(i))</p>	<p>Carolyn William-son</p>	<p>End Mar 2008</p>	<p>This matter is currently being progressed.</p>	ONGOING
<p>2. <u>(Ref. Appendix Para 24)</u></p>	<p>In order that the Council can have confidence that the income associated with social care packages is being properly controlled and that clients are being appropriately billed for the services provided, there is an urgent need to put this system on a sound footing and to ensure by regular checks that it is consistent with the other associated records.</p>	<p>'(ii) that officers continue to give high priority to solving the problems of consistency and reconciliation between the PARIS system and the Council's Agresso main accounting system which had resulted in limited assurance to support the Council's reported figures for 2006/07 social care income and debtors.' (MINUTE NO. 17(ii))</p>	<p>Carolyn William-son</p>	<p>End Mar 2008</p>	<p>Billing has recommenced. The Internal Audit Review report is in final draft. Price Waterhouse Coopers have been commissioned to undertake an independent review and are due to report at the end of March. Significant work is currently being undertaken regarding up-rating the bills.</p>	ONGOING

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3. <u>(Ref. Appendix Para 36)</u>	It is understood that, as risks reduce, so should the cost to the Council of External Audit.	<u>External Audit Costs</u> The costs of External Audit to be monitored to ensure that, with the reduction of risk there is a reduction in costs. (ACTION POINT)	Chair Of Audit Cttee	March 2008	The Chair of the Audit Committee to challenge the Audit Commission when proposed charges are next presented (March 2008).	NOT STARTED
MEETING HELD ON 24 JANUARY 2008						
4. <u>Audit Commission: Audit and Inspection Plan Progress Report</u>	Members requested a formal record of appreciation for the considerable efforts of officers in achieving noticeable improvements to the Council's risk and internal control planning.	'that Officers be congratulated on the improvements achieved to the Council's risk and internal control planning.' (MINUTE NO. 25)	Carolyn William-son	Feb 2008	Email sent from Executive Director of Resources. Noted on Directorate Team Brief.	COMPLETED
5.	Given the developments and new requirements affecting audit of public bodies, the issue of further training for Councillors was raised by Members.	Joint Workshop Training Event (linking with the Audit Commission) to be held, with invitation sent to all Councillors. (ACTION POINT)	Sarah Dennis	After appt. of new cttee May 2008	Event being planned.	ONGOING
6. <u>(Ref. Appendix 5: Use of Resources, Auditor Judgements 2007)</u>	Members had questions relating to the findings of the report and to possible recommendations coming forward. However, it had not been possible for the action plan to accompany the report to the meeting.	Agreed action plan, once completed, to be emailed to all Committee Members (ACTION POINT)	Carolyn William-son	March 2008	The action plan will be emailed to committee members before the Audit Committee meeting on 27 March 2008.	COMPLETED

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7. <u>Internal Audit: Status of Work December 2007 (Ref. Appendix 1)</u>	Following discussion on the current audit opinion (No Assurance) of 'New Deals for Communities – Thornhill Plus You', Members sought reassurance from COMT on the project management of future partnership projects to ensure terms and conditions of funding are met and roles and accountabilities clearly understood.	<p>'(i) that the Chief Officers Management Team (COMT) provide assurance to the Audit Committee that actions are being taken to ensure that:-</p> <p>(a) Transformational Projects are appropriately project managed to ensure their successful delivery, with particular focus on the financial and legal measures in place;</p> <p>(b) an effective framework is operating to ensure that sound governance arrangements are in place for both new and existing partnerships, enabling evaluation of the contribution of those partnerships to Southampton City Council's Strategic Objectives;</p> <p>(MINUTE NO. 27(i))</p>	COMT	March 2008	The matter was considered at COMT on 4 March 2008. Reassurance will be emailed to committee members prior to the Audit Committee on 27 March 2008.	

COMPLETED

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<u>(Ref. Appendix 1 and CONF Appendix 2)</u>	Following discussion on the current audit opinions of 'Cantell Maths and Computing College' (Limited Assurance) and the item in the confidential appendix (No Assurance), where critical weaknesses or unacceptable levels of risk had been identified, Members sought reassurance on how lessons could be learned and standards restored and maintained.	(ii) that, following the Financial Management in Schools Standards (FMSiS) review of Cantell Maths and Computing College, the Chief Internal Auditor be requested to circulate the results to Committee Members; and (iii) that the Chief Internal Auditor be requested to report back to the next appropriate Audit Committee on the audit strategy for the City's schools, including a review of reporting frameworks. (MINUTE NO. 27(ii) and (iii))	Sarah Dennis	March 2008	A complete submission for review of compliance with FMSiS has not yet been received from Cantell Maths and Computing College. The school has been advised that unless all requested documents have been received by end March, the school will be judged as not meeting the standard. Audit policy for schools will be presented to the June Audit Committee.	ONGOING
<u>(Ref CONF Appendix 2)</u>	Members requested information on when the last review had taken place.	Regarding item in confidential Appendix 2, date of last audit review to be circulated to Committee Members. (ACTION POINT)	Sarah Dennis	asap after mtg	Date of last audit review emailed to committee members on 4 March 2008.	

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<p>8. <u>Internal Audit: Review of the Annual Operational Plan 2007/08</u></p>	<p>Members requested information on whether the SCC Price Waterhouse-Coopers contract for audit services delivers value for money.</p>	<p>The success of the arrangement will be reported to the Audit Committee through the Chief Internal Auditor's 'Status of Work' reports. A confidential note will be circulated to Committee members on the value of the contract. (ACTION POINT)</p>	<p>Sarah Dennis</p>	<p>asap after mtg.</p>	<p>Confidential note on value of the contract emailed to committee members on 4 March 2008.</p>	<p>COMPLETED</p>
<p>9. <u>Corporate Report Template – Reporting Risk</u></p>	<p>Although Option 1 (not to change the current Committee Report Template) was approved, in the case of large and complex projects with a higher level of risk acknowledged by the presence of a Risk Register, Members felt that this document should be available in addition to the decision-making report.</p>	<p>'(ii) that, where a project naturally qualifies for a Risk Register, this be attached as an appendix to the decision-making report.' (MINUTE NO. 31 (ii))</p>	<p>Keith Turner (Dem. Services), following consultation with Risk and Assurance Manager</p>	<p>End March 2008/ beg. April</p>	<p>Guidance on risk registers within projects is available within the Council's 'Project Management Guidelines' and should be followed. The Risk and Assurance Manager will provide further clarification/guidance to Democratic Services on risk identification in decision-making reports for inclusion in the training for report authors. Please note: The next round of Report Author Training courses is planned to recommence at end March / beg. April 08.</p>	