

PROGRESS ON THE COUNCIL'S STATEMENT OF INTERNAL CONTROL

Report By: Principal Audit Manager

Wards Affected

County-wide

Purpose

To update Members on the progress being made on the completion of the Council's Statement of Internal Control.

Financial Implications

None.

Reasons

The CPA Uses of Resources highlights the Criteria for judgement in relation to the Statement of Internal Controls follows:

- An appropriate Member group has responsibility for review and approval of the Statement of Internal Control (SIC) and considers it separately from the accounts. (Level 2)
- The Council has conducted an annual review of the effectiveness of the system of internal control and reported on this in the Statement of Internal Control. (Level 2)
- The sources of assurance to support the Statement of Internal Control have been identified and are reviewed by senior officers and s. (Level 2)
- There are action plans in place to address any significant internal control issues reported in the Statement of Internal Control. (Level 2)
- The Council has put in place an assurance framework that maps the Council's strategic objectives to risks, controls and assurances. (Level 3)
- The assurance framework provides Members with information to support the Statement of Internal Control. (Level 3)
- The assurance framework is fully embedded in the Council's business process. (Level 4)
- The Council can demonstrate corporate involvement in/ownership of the process for preparing the Statement of Internal Control. (Level 4)

Considerations

1. Audit Services has reviewed the Corporate and all Directorate Risk Registers as part of the process to prepare the risk based Audit Plan for 2006/07.
2. The Interim Assurance Report was presented to the Audit Committee on 20th February 2006 and there were no issues of concern.
3. The Audit Commission is currently carrying out a stock-take of outstanding recommendations it wishes to see pursued. This is due for completion in early April 2006.
4. The Principal Audit Manager has reminded Directors and Heads of Service of their obligations by meeting with Directors and the Council's Senior Management Team.
5. Good progress is being made with regards to the receipt of the required written assurances to 31st December 2005.
6. The review of the Council's Register of Gifts and Hospitality is due to be completed by 17th April 2006.
7. The Monitoring Officer's report is being drafted and good progress is being made.
8. Current status on key action/improvement plans:
 - Joint Area Review – improvement plan complete, progress report to Cabinet on 30th March 2006;
 - CPA Use of Resources- separate report to the Audit Committee; and
 - CPA Corporate Assessment – improvement plan is being integrated into the Council's overall Improvement Programme.
9. The latest Integrated Performance Report covering the period to January 2006 was presented to Cabinet on 23rd February 2006. The report summarised progress including action being taken to address under performance.
10. The Principal Audit Manager will start work on the CIPFA Assurance Checklist in early April 2006.

Risk Management

If the Council does not make satisfactory progress on embedding the assurance framework it could have an adverse effect on the Council's target to improve its CPA Use of Resources Judgement Assessment score.

Recommendation

THAT the progress report be noted.

BACKGROUND PAPERS

CIPFA guidance on the Statement of Internal Control.