

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Audit Committee
Date of Decision:	9 December 2010
Decision Title:	Hampshire County Council internal audit progress report 2010/11
Decision Reference:	2337
Report From:	County Treasurer

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1. Executive Summary

1.1. The purpose of this paper is to provide a summary of:

- Progress against the Hampshire County Council internal audit plan for 2010/11.
- Significant matters arising from 2010/11 internal audit work.

2. Contextual Information:

2.1. The 2010/11 internal audit plan was prepared in line with the updated internal audit strategy that was approved by the Governance Committee in December 2008. The original plan totalled 4,210 days and, in addition, 149 days of work in progress was carried forward from last year. The total plan for 2010/11 has been revised to 4,224 during the year and the table below shows that we are on course to deliver this revised plan as we have delivered 51% of the plan as at 31 October.

Table 1 – summary of audit days delivered 1 April 2010 to 31 October 2010:

	Days
Previous year carry forward	149
2010/11 agreed audit plan	4,210
Net variations to the plan	<u>-135</u>
Revised plan for 2010/11	<u>4,075</u>
Total for 2010/11	4,224
Actual days delivered	2,159
Percentage of revised plan delivered	51%

- 2.2. A summary of the audit opinions given to date for each department is included in Appendix 1.
- 2.3. The 2009/10 annual internal audit opinion, reported to members of the Audit Committee in June 2010, concluded that Hampshire County Council has an appropriate framework of control that provides reasonable assurance regarding the effective, efficient and economic achievement of the County Council's objectives. Audit testing showed controls to be working in practice.
- 2.4. The 2010/11 internal audit plan includes time to follow-up issues raised in 2009/10 and work is in progress in some areas to provide assurance to management over the effectiveness of the actions taken. The results of this work will be included in the annual internal audit opinion which will be presented to members in June 2011.

3. Significant matters arising from 2010/11 internal audit work

- 3.1. There are no significant matters arising from our 2010/11 internal audit work to date.

Irregularities

- 3.2. Only three new cases of potential irregularity were investigated in the period to 31 October 2010. These are subject to ongoing investigation but are all minor in nature. As in previous years, the incidence of irregularity (necessarily judged by the volume of reporting and detection) is considered low for an organisation of this size and diversity.
- 3.3. The Audit Commission National Fraud Initiative exercise for 2009/10 is underway with all required data submitted by the due date of 11 October 2010.

4. Recommendation

It is recommended:

- 4.1. That the Audit Committee approves the progress of internal audit work during 2010/11.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	yes/no
Corporate Business plan link number (if appropriate):	
Maximising well-being:	yes/no
Corporate Business plan link number (if appropriate):	
Enhancing our quality of place:	yes/no
Corporate Business plan link number (if appropriate):	
OR	
This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because:	
Member approval of the annual internal audit opinion, in accordance with the Accounts and Audit (England) Regulations 2003, as amended in 2006, is a statutory requirement.	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u> Annual internal audit opinion 2009/10	<u>Reference</u> 1822	<u>Date</u> 30 June 2010
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. Equality objectives are not considered to be adversely affected by the proposals within this report.

2. Impact on Crime and Disorder:

- 2.1. The proposals in this report are not considered to have any direct impact on the prevention of crime

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

No specific changes.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

No specific proposals affecting adaptation to climate change.