

Progress Report

London Borough of Tower Hamlets

Audit 2008/09

Audit Committee 29 June 2009

(Written 10 June 2009)

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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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Progress against audit plans

Introduction

- 1 The purpose of this progress report is to brief the Audit Committee on audit work completed by the Audit Commission since the Audit Committee meeting in March 2009 and to inform the Committee of work currently being planned or undertaken.

2008/09

- 2 Our work on the 2008/09 audit is progressing well and since the last Audit Committee we have continued our work reviewing the key financial systems of the Council.
- 3 Appendix 1 shows all work included in the 2008/09 Audit Plan.

2009/10

- 4 We have issued our 2009/10 Audit Plan for the Council and for the Pension Fund. These Plans are included as separate item on the Audit Committee agenda.
- 5 The 2009/10 Audit Plan covers the current Use of Resources assessment. We have received the Council's voluntary self assessment and our work is progressing well.
- 6 Appendix 2 shows all of the work in the 2009/10 Audit Plan.

Councillors' Update

- 7 Issue 2 of Councillors' Update was circulated in June 2009. This issue includes a guide for Councillors on Comprehensive Area Assessment. It also includes summaries of the following national reports published recently by the Audit Commission:
- Working better together? Managing local strategic partnerships;
 - Summing up - a review of financial management in local government 2005-2008; and
 - Risk and return - English local authorities and the Icelandic banks.
- 8 *Risk and return* summarises the investments placed in Icelandic banks by all local authorities in England. It also sets out the key principles of effective Treasury Management and makes recommendations for local authorities to consider. We will review the Council's response to these recommendations as part of our 2009 Use of Resources assessment.

Appendix 1 - Progress on 2008/09

Table 1 Progress on 2008/09 audit outputs

Product	Tower Hamlets lead	Audit Commission lead	Timing	Current position
The Accounts				
Work on financial systems	Alan Finch	Sharon Martin Shona Milton	December 2008 – June 2009	Detailed work in progress.
Financial statements; <ul style="list-style-type: none"> • opinion; • ISA 260 report; and • WGA consolidation pack 	Chris Naylor Alan Finch	Jon Hayes Sharon Martin	July - October 2009	To commence in July 2009.
Use of resources				
Homelessness	Jackie Odunoye	Vipul Thacker Sharon Martin	December 2008 - March 2009	Council providing results of internal reviews in this area.
Decent Homes Standard (Review of housing management arrangements)	Jackie Odunoye	Vipul Thacker Sharon Martin	September 2008 – January 2009	Final draft report issued June 2009.
Your Business at Risk IT survey	Jim Roberts	Paul Whelan Sharon Martin	February 2009 – June 2009	Survey has been run, draft report to be issued June 2009.
Value for money conclusion	Martin Smith Chris Naylor	Jon Hayes Sharon Martin	August 2008 - September 2009	Fully integrated with the Use of Resources assessment.

Appendix 1 - Progress on 2008/09

Product	Tower Hamlets lead	Audit Commission lead	Timing	Current position
Grant claims				
Claims for year ended 31 March 2009	Alan Finch	Shona Milton	May - December 2009	Detailed work in progress. All claims due to date have been submitted to audit by the Council.

Appendix 2 – Progress on 2009/10

Table 2 Progress on 2009/10 audit outputs

Product	Tower Hamlets lead	Audit Commission lead	Timing	Current position
The Accounts				
Work on financial systems	Alan Finch	Sharon Martin Shona Milton	December 2009 – June 2010	Due to commence December 2009.
Financial statements; <ul style="list-style-type: none"> • opinion; • ISA 260 report; and • WGA consolidation pack 	Chris Naylor Alan Finch	Jon Hayes Sharon Martin	July - October 2010	Due to commence July 2010.
Use of resources				
Value for money conclusion	Martin Smith Chris Naylor	Jon Hayes Sharon Martin	June - September 2010	To be integrated with next year's use of resources assessment.
Data quality: Performance Indicator spot checks	Stephanie Ford	Sharon Martin Shona Milton	July 2009	Sample of indicators to spot check selected.
Use of resource judgements	Martin Smith	Jon Hayes	April -	In progress.

Product	Tower Hamlets lead	Audit Commission lead	Timing	Current position
	Chris Naylor	Sharon Martin Pam Hamilton	September 2009	
Grant claims				
Claims for year ended 31 March 2010	Alan Finch Akrom Miah	Sharon Martin Shona Milton	May - December 2010	Due to commence May 2010.

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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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