

Borough Council of
**King's Lynn &
West Norfolk**



RESOURCES AND PERFORMANCE – AUDIT AND RISK COMMITTEE

Tuesday 28 August 2012

**Immediately following the Resources and Performance
Panel meeting which commences at 6.00 pm**

Committee Suite
King's Court
Chapel Street
King's Lynn
Norfolk
PE30 1EX



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Borough Council of
**King's Lynn &
West Norfolk**



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17 August 2012

Dear Member

Resources and Performance – Audit and Risk Committee

You are invited to attend a meeting of the above-mentioned Committee which will be held on **Tuesday 28 August 2012, immediately following the Resources and Performance Panel meeting, in the Committee Suite, King's Court, Chapel Street, King's Lynn**, to discuss the business shown below.

Yours sincerely

Chief Executive

AGENDA

1. Apologies for absence

To receive any apologies for absence.

2. Minutes

To approve the minutes of the Resources and Performance – Audit and Risk Committee meeting held on Tuesday 24 July 2012 (previously circulated).

3. Declarations of Interest

Please indicate if there are any interests which should be declared. A declaration of an interest should indicate the nature of the interest (if not already declared on the Register of Interests) and the agenda item to which it relates. If a disclosable pecuniary interest is declared, the Member should withdraw from the room whilst the matter is discussed.

These declarations apply to all Members present, whether the Member is part of the meeting, attending to speak as a local Member on an item or simply observing the meeting from the public seating area.

4. Urgent Business Under Standing Order 7

To consider any business which, by reason of special circumstances, the Chairman proposes to accept as urgent under Section 100(b)(4)(b) of the Local Government Act 1972.

5. Members Present Pursuant to Standing Order 34

Members wishing to speak pursuant to Standing Order 34 should inform the Chairman of their intention to do so and on what items they wish to be heard before the meeting commences. Any Member attending the meeting under Standing Order 34 will only be permitted to speak on those items which have been previously notified to the Chairman.

6. Chairman's Correspondence (if any)

7. Matters referred to the Committee from other Council Bodies and responses made to previous Committee recommendations/requests

To receive comments, and recommendations from other Council bodies, and any responses subsequent to recommendations, which this Committee has previously made. (N.B. some of the relevant Council bodies may meet after dispatch of the agenda).

8. National Fraud Initiative 2010/12 Summary of Work (pages 1 to 7)

Committee Members are invited to note the attached report.

9. Draft Local Audit Bill 2012 – Response to Consultation (pages 8 to 16)

Committee Members are invited to approve the suggested responses to the consultation document.

10. Audit and Risk Committee Work Programme (pages 17 to 18)

Committee Members are invited to consider the attached Audit and Risk Committee's Work Programme.

11. Date of Next Meeting

To note that the next meeting of the Resources and Performance - Audit and Risk Committee will take place on **Tuesday 28 August 2012**.

To: Panel Members – Councillors P Beal (Chairman),
C Manning (Vice-Chairman), J Collop, Mrs S Collop, C J Crofts,
M Hopkins, H Humphrey, M Langwade, J Loveless, A Morrison,
D Tyler, A White, Mrs M Wilkinson, T de Winton and A Wright

Portfolio Holders:

Agenda Items 8 and 9

Councillor N Daubney, Leader and Portfolio Holder for Resources

Chief Executive

Deputy Chief Executive and Executive Director, Finance and Resources

All other Executive Directors

Audit Manager

Press

Officers: The following Officer has invited to attend in respect of the items listed below:

Agenda Item 8: Kate Littlewood, Audit Manager

Agenda Item 9: Kate Littlewood, Audit Manager

AUDIT AND RISK COMMITTEE REPORT

TYPE OF REPORT: Audit	Portfolio: Performance
Author Name: Kate Littlewood	CONSULTATIONS:
Tel.: 01553 616252	
Email: kate.littlewood@west-norfolk.gov.uk	
If not for publication, the paragraph of Schedule 12A of the 1972 Local Government Act considered to justify that is paragraph 3.	

Committee: Resources and Performance – Audit & Risk Committee
Date: 28th August 2012
Subject: National Fraud Initiative 2010/12 summary of work.

Summary	The Council participates in the National Fraud Initiative (NFI) run by the Audit Commission. The 2010/12 data matching exercise is now drawing to a conclusion and this report presents the Committee with a summary of the results.
Recommendation	To note the results of the work completed so far on the matches produced by the NFI and confirm the approach to the investigations and the resources allocated to it.

1.0 INTRODUCTION AND BACKGROUND

- 1.1 Since 1996 the Audit Commission has run the National Fraud Initiative (NFI), a data matching exercise which matches electronic data within and between participating bodies to prevent and detect fraud.
- 1.2 Specified data is submitted to the NFI at particular times via a secure web link. It is then cross matched to the same datasets, in the same format, submitted by other public bodies. Any matches are then returned to the relevant bodies for investigation.
- 1.3 This report summarises the results received back from the NFI as a result of the data matching 2010/12 exercise and the work carried out by Council staff on the matches. The exercises are carried out every two years, with the next data download to NFI in October 2012.

2.0 Work Performed

2.1 Data was submitted to the NFI on the following areas:

- Payroll (submitted from Bedford Borough Council)
- Trade Creditor payments history
- Trade Creditors standing data
- Council Tax
- Electoral Register
- Insurance claims (submitted from Zurich Municipal)
- Transport passes and permits
- Licences (Alcohol and taxis)
- Licences (Markets)

The resulting matches were returned to the Council and distributed by the Audit Manager to the relevant officers to investigate. The reports received from the NFI with matches can broadly be categorised under the following headings.

2.2 *Trade Creditors Payments History*

Matched duplicate invoice details.

Produced 658 matches. Most of these relate to matches based on duplicate amounts and creditor reference and arise as a result of periodic payments which produce regular payments of the same value. Work is still ongoing on checking these matches, but nothing has arisen to date to cause any concern and no frauds have been found.

2.3 *Concessionary Travel Pass*

Matched Travel Passes to DWP Deceased and DDRI Deceased Persons..

Produced 107 and 168 matches respectively. The DDRI matches have been checked and no issues were found. The report on the DWP matches was received after responsibility for concessionary travel passed to Norfolk County Council in 2011.

2.4 *Trade Creditors Standing Data*

Matched duplicate creditor details by name, address, bank account and creditor reference.

Produced a total of 2,094 matches. Most of these matches arise as a result of multiple addresses for one supplier (e.g. Anglian Water, Norfolk County Council) or changes to addresses, supplier name or bank account details. The old details cannot be cleared from the system as the history associated with it would also be lost. This is potentially an area of matches that will increase each time the NFI exercise is run as a result of the historic nature of the data. It will need to be carefully managed in future to ensure that the workload does not become excessive and that any matches that do require further investigation are picked up.

2.5 *Council Tax*

Matched Single Person Discounts (SPD) against the Electoral Register and also rising 18's.

Produced 919 matches for SPD and 192 rising 18's.

As the Revenues and Benefits staff are fully occupied with the major systems conversion, as well as combining the service with North Norfolk District Council, their resources are limited at the moment. It is intended that once the conversion has been completed and normal working has been resumed that a joint SPD review will be undertaken early in 2013 using an external body to data match to SPD records. Any awards of SPD that are removed will be backdated to when the customer's circumstances changed so there is no financial detriment in postponing the review.

Past experience has shown that lapsed SPD entitlements are generally picked up through the routine checking that the staff carry out.

2.6 *Housing Benefit Claims*

Matched Housing Benefits against many items including student loans, payroll/ pensions, housing rents and licences. This is the largest area of matching, producing a large volume of work. Sarah Chapman, BEU Investigations Manager, presents updates to the Committee on a 6-monthly basis. All the High Risk and Recommended Matches have either been investigated and closed, or have investigations still ongoing.

2.7 *Payroll*

Matched payrolls across organisations, payroll to pensions and Council Tax. A National Insurance number check was also carried out.

Produced a total of 28 matches, all of which have been cleared and no issues have been found.

2.8 *Insurance*

Matched insurance claims at the Council against other councils.

Produced 3 matches, all of which have been checked and no issues raised.

2.9 There were three categories that did not produce any matches – Market Traders, Personal Alcohol Licences and Taxi Drivers.

3.0 Members' briefing May 2012

The Audit Commission produced a Members' briefing note (**Appendix B**) in May 2012 that explains the process and reasoning behind the exercise. A series of questions was included for Members to consider and this has been reproduced below with comments.

AGENDA ITEM 8

Ref	Question	Answers/ action required
1	The NFI in our council	
1.1	What is the role/post of the senior responsible officer accountable for the NFI in our council?	Deputy Chief Executive.
1.2	Do we have a lead elected member for counter-fraud activity, including the NFI?	Not specified in the Portfolios, but assumed to be the Leader.
1.3	What role does our audit committee play?	Receives reports from BEU on the work performed by the team which includes work arising from the NFI data matching. Receives reports from Internal Audit on the outcomes from each NFI exercise, with the last one being in July 2010.
1.4	How are other elected members or non-executive members kept informed of the NFI?	Agendas and Minutes of the Audit & Risk Committee are available to all Members to read.
1.5	What governance arrangements do we have in place to ensure the organisation achieves the best possible outcomes from the NFI?	Resulting data matches are returned to Internal Audit for and BEU for investigation.
1.6	Who decides and monitors this approach?	Deputy Chief Executive and Audit Manager.
1.7	How is the NFI reflected in the governance training and development provided for officers and board/elected members?	NFI is not specifically mentioned but fraud awareness generally is included in induction courses, and contract management training.
2	Maximising results	
2.1	What resources do we invest in the NFI?	Internal Audit time: 2010/11 – 11 days 2011/12 – 7 days 2012/13 – 10 days The 2010/11 and 2012/13 allocations included time for preparing the data for download to NFI. This only happens every 2 years. BEU time is not identified separately as it forms part of their normal work.

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Ref	Question	Answers/ action required
2.2	What were our outcomes from the most recent NFI?	All Benefits related: <ul style="list-style-type: none"> • 6 frauds were found • Recovery is taking place in 5 cases • Amount to be recovered = £39,176.95
2.3	Are we ensuring we maximise the benefits of the NFI – for example, following up data matches promptly, recovering funds and prosecuting where possible?	The bulk of the data matches involve BEU. The team prioritise the High category matches and work on these first. Other data matches, outside BEU, are followed up as and when resources permit.
2.4	What assurances have we drawn about the effectiveness of internal controls and the risks faced by the organisation?	The low level of valid matches received by this Council suggests a good level of assurance about the internal controls in place. This supports the work carried out by Internal Audit.
2.5	What changes have we made as a result?	No changes have been implemented as a result of the NFI work, but it will continue to be monitored.
2.6	Do those responsible for the NFI in the council feel they get appropriate support from other managers in the council when investigating matches?	Yes. All the information is supplied as requested when the downloads to NFI are due. When the data matches are received back and checks made, answers to queries raised are also received promptly.
3	Broadening our council's engagement with the NFI	
3.1	Are we taking advantage of the opportunity to suggest and participate in NFI pilot data matching?	Not at the moment. We have not identified any areas for new data matches to be tried.
3.2	Have we considered how we could use the new flexible batch and real-time matching services?	BEU have expressed an interest, but would like more detail on how the service would work.

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Ref	Question	Answers/ action required
4	Data Security	
4.1	What is our strategy/ policy for data security?	<p>ICT Security Policy – revised July 2011. Data Quality Strategy – revised April 2012.</p> <p>Audit Manager currently working with the Councils’ Data Protection Officer to produce a Data Sharing Code of Practice.</p> <p>CoCo Compliance – audited and updated annually. This includes the use of secure GCSX email addresses to protect data transmitted via email.</p>
4.2	Is there any specific reference to the NFI data security in the strategy?	No. All data within the Council should be held equally securely.
5	The NFI fit with wider counter-fraud policies	
5.1	How does the NFI influence the focus of our counter-fraud work?	<p>As stated in 2.4, outside the BEU work, very little has emerged through the NFI work that is of concern to this Council.</p> <p>If anything was identified by the NFI it would be considered in terms of the internal control systems and future risk identification.</p>
5.2	Does our counter-fraud policy include reference to the council's participation in the NFI?	Yes. Section 12.2 notes states that ‘ <i>The Council is also actively involved in National Anti- Fraud Initiatives, including the Housing Benefit Matching Service and the Department for Work and Pensions, the National Anti-Fraud Network and the National Fraud Initiative</i> ’.
5.3	Do we publicise the outcomes from the NFI?	NFI is not specifically mentioned.

AGENDA ITEM 8

Ref	Question	Answers/ action required
5.4	How does the NFI influence how and what we communicate to the public about our approach to counter-fraud?	The NFI does not specifically influence any communications. The Anti-Fraud and Anti-Corruption Strategy and Whistleblowing Policy are available on the Councils' website. Decisions to publicise the results of any fraud investigations would be taken on a case-by-case basis.
5.5	Are the outcomes from the NFI used to inform our wider decision making – for example, internal audit risk assessments, data quality improvement work or anti-fraud and corruption policy?	As with 5.1, if anything was identified, the impact on future audit work would be considered and if necessary the relevant strategy or procedures would be revised accordingly.

4.0 Conclusion

Although the resulting matches have not revealed major issues or frauds, the exercise does provide some additional assurance on the control measures that the Council has in place. However, the low level of fraud and errors revealed indicate that the risk is also low, and therefore it is not intended to provide additional resources to manage the process.

AGENDA ITEM 9

AUDIT AND RISK COMMITTEE REPORT

TYPE OF REPORT: Audit	Portfolio: Performance
Author Name: Kate Littlewood	CONSULTATIONS: Deputy Chief Executive
Tel.: 01553 616252	
Email: kate.littlewood@west-norfolk.gcsx.gov.uk	
If not for publication, the paragraph of Schedule 12A of the 1972 Local Government Act considered to justify that is paragraph 3.	

Committee: Resources and Performance – Audit & Risk Committee
Date: 28th August 2012
Subject: Draft Local Audit Bill 2012 – response to consultation

Summary	The draft Local Audit Bill 2012 is presented for pre-legislative consultation. The Bill will conclude the abolition of the Audit Commission by April 2015 and describes the arrangements put forward by the Government to replace it.
Recommendation	To approve the suggested responses to the consultation document.

1.0 Introduction and Background

- 1.1 Since the Secretary of State for Communities and Local Government (CLG) announced plans in August 2010 to disband the Audit Commission, a consultation process has been carried out to establish the most suitable means of transferring its assets, liabilities and continuing functions to other bodies.
- 1.2 This Committee responded to the original consultation, as presented at the meeting 1st June 2011, and has received updates at the meetings dated 31st August 2011, 27th March 2012 and 24th April 2012.
- 1.3 The government released the draft Local Public Audit Bill 2012 for pre-legislative consultation and responses are required by 31st August 2012. The table in **Appendix 1** to this report contains the questions raised, a brief explanation of the context and a suggested response. The full document is available on InSite (under 'Service Areas', 'Finance and Resources' 'Internal Audit'). It has not been attached to this report as it is over 200 pages long.

AGENDA ITEM 9

2.0 Main Issue

- 2.1 The draft Bill covers various aspects of the work of the Audit Commission, some of which will only indirectly affect the Council and requires no further action. Examples of this would be the setting of audit standards and the regulation and monitoring of audit firms. The more direct aspects concern the processes for appointing auditors.
- 2.2 The draft bill confirms that external auditors will have to be appointed by Full Council, taking in to account advice from an independent 'Auditor Panel'. The Auditor Panel must comprise of a majority of independent members and have an independent Chair.
- 2.3 There are options offered in the draft as to how the Auditor Panel is delivered and these will be the subject of future discussion once the Bill has been enacted.

4.0 Conclusion

- 4.1 The draft Bill confirms the move towards local appointment of external auditors, with independence being maintained as a key principle of public audit.

Number	Question	Suggested Response
1	<p><i>Do you have any comments on clauses in Part 1 or Schedule 1?</i></p> <p>Abolition of the Audit Commission and practical arrangements relating to existing work, assets and final accounts.</p>	<p>Sufficient timescales have been allowed for the transfer of responsibilities, liabilities and management of existing contracts.</p> <p>If the current audit contracts run until 2017 with the option to extend to 2020, will the termination of the various contracts be staggered over that time to avoid congestion in the market place as all public bodies try to procure new contracts at the same time?</p>
2	<p><i>Do you have any comments on the clauses in Part 2 or Schedule 2?</i></p> <p>Part 2 relates to 'Basic Requirements and Concepts'. It states the requirement to maintain financial records, produce annual accounts and have them audited. Schedule 2 is a 'List of Relevant Authorities'.</p>	<p>The requirements are reasonable and proportionate.</p>
3	<p><i>Do you have any comments on the clauses in Part 3?</i></p> <p>Part 3 deals with the 'Appointment etc of Auditors'. It raises the possibility of sharing an auditor panel and carrying out joint procurement processes. It requires an independent 'auditor panel', comprised of a majority independent members and an independent chair. To be classified as independent, a panel member must not have been a member or officer of the body within the last 5 years, and must not be a relative or close friend of a member or officer of the body. 'Relative' includes:</p> <ul style="list-style-type: none"> a) Partner b) Parent or grandparent c) Son, daughter, stepchildren or grandchildren d) Brother or sister e) Uncle, aunt, nephew or niece f) A partner's parent, son, daughter, brother or sister g) A partner of anyone in b) to f) above. 	<p>In theory this should work well providing sufficient suitable Independent Members can be found who meet the stated criteria.</p>

Number	Question	Suggested Response
4	<p><i>Do the clauses in Part 3 strike the right balance between ensuring independence in the audit process and minimising any burden on local bodies?</i></p>	<p>In theory this should work well providing sufficient suitable Independent Members can be found who meet the stated criteria.</p>
5	<p><i>Does Clause 11 provide sufficient flexibility to local bodies to set up joint panel arrangements and/ or put in place other arrangements to suit local circumstances?</i></p> <p>States the requirement to have an auditor panel and the various options of what constitutes such a panel. For the purposes of this council this could be:</p> <ul style="list-style-type: none"> a) A new panel appointed solely by this council b) A panel shared by other councils c) An amended Audit & Risk Committee 	<p>There appears to be sufficient options to enable suitable arrangements to be made.</p>
6	<p><i>Does the draft Bill strike the right balance in terms of prescription and guidance on the role of auditor panels?</i></p> <p>3 functions are specified:</p> <ul style="list-style-type: none"> 1) To advise on the appointment of the auditor 2) To advise the local body on the maintenance of an independent relationship with the auditor 3) To advise on proposals for a public interest report. <p>The draft Bill also includes the provision for the Secretary of State to make regulations regarding the resignation or removal of an auditor. It is anticipated that the panel will also receive and consider the resignation of, or intent to remove, an auditor.</p> <p>Other duties can be delegated to the auditor panel if the Council wishes.</p>	<p>In respect of the removal or resignation of an auditor, this should be a specified function of the auditor panel. If the panel advises on the appointment, it should also have an active role in the termination of the appointment.</p>

Number	Question	Suggested Response
7	<p><i>Do you have any comments on the proposals set out above (paragraphs 26-34) on removal and resignation?</i></p> <p>Resignation – auditor to provide statement to the auditor panel, the audited body and the auditor’s supervisory body.</p> <p>Removal – the Council would give notice of its intent to the auditor and the auditor panel.</p>	<p>The supervisory body should also be notified of intention to remove an auditor in case there are any issues it needs to investigate in terms of the suitability of the auditor for future work.</p>
8	<p><i>Do you have any comments on the clauses in Part 4 or Schedules 3 and 4?</i></p> <p>Part 4 deals with the ‘Eligibility and regulation of auditors’. The Financial Reporting Council (FRC) will authorise supervisory bodies. Supervisory bodies will decide which firms are eligible to carry out audits and will keep a register of the approved audit firms. They will also monitor the audits and auditors.</p> <p>Supervisory bodies will probably be the professional accountancy bodies.</p> <p>FRC will monitor ‘major audits’ – these have yet to be defined.</p>	<p>There appears to be sufficient regulation of auditors and the bodies who are registering them and monitoring their work.</p>
9	<p><i>Do you agree with the proposed definition of connected entities in clause 20?</i></p> <p>A connected entity is defined as:</p> <ul style="list-style-type: none"> a) It is an entity other than the relevant authority and b) In accordance with proper practices in force at the time, the financial transactions of the entity must be consolidated into the relevant authority’s statement of accounts for the financial year in which that time falls. <p>For example, if the Leisure Company is set up it would count as a connected entity of the Council as its accounts would need to be consolidated in to the Council’s Statement of Accounts.</p>	<p>Agreed.</p>

Number	Question	Suggested Response
10	<p><i>Do you have any views on how major audits should be defined in regulations?</i></p> <p>The quality of 'major audits' would be subject to additional regulation from the FRC.</p>	<p>Major audits should be those of Unitaries and County Councils in 2 tier systems due to the size of the budgets involved and the significant effect on communities living or working in the area.</p>
11	<p><i>Do you have any comments on the clauses in Part 5?</i></p> <p>Part 5 covers the 'Conduct of audit'. The National Audit Office (NAO) will set the Code of Audit Practice, which will be renewed every 5 years. Audit outputs and scope to remain broadly the same. The approach will be risk based and proportionate.</p> <p>Public Interest Reports will continue to be treated much the same, except that the auditor will be able to exercise discretion and reject vexatious, repeated or frivolous objections.</p>	<p>Agreed. A risk based, proportionate approach should result in a more realistic level of audit work.</p> <p>Agreed.</p>
12	<p><i>Do you agree that public interest reports issued on connected entities should be considered by their 'parent' local body?</i></p> <p>By 'parent' local body, it is assumed that is the body producing the consolidated statement of accounts (i.e. the council).</p>	<p>Yes. The parent body should be fully aware of any matters that may affect the overall consolidated accounts.</p>
13	<p><i>Do you have any comments on the clauses in Part 6?</i></p> <p>Part 6 deals with 'Data Matching'. Arrangements for the continuation of the National Fraud Initiative (NFI) have still to be finalised, but the exercise will continue in future.</p>	<p>The arrangements appear to be the same as current.</p>
14	<p><i>Do you have any views on the new owner(s) of the National Fraud Initiative?</i></p> <p>There are 3 parties interested in taking over the exercise – National fraud Authority (NFA), the Department for Work and Pensions (DWP), and the Cabinet Office Efficiency and Reform Group (ERG).</p>	<p>Whilst the majority of the valid matches for this council involve Benefits, it is recognised that the fraud prevention work arising from the NFI has a far wider scope than the DWP remit.</p> <p>Similarly the ERG are focused on savings and financial aspects.</p> <p>It is therefore considered preferable for the future exercises to be continued with the NFA, who consider the broader aspects of fraud.</p>

Number	Question	Suggested Response
15	<p><i>Do you have any comments on the powers provided to the Comptroller and Auditor General to undertake studies and access information within clause 94?</i></p> <p>To be inserted after section 7 of the National Audit Act 1983. Extends the power of the Comptroller and Auditor General, through the NAO, to carry out thematic examinations into the economy, efficiency and effectiveness of the use of resources by local authorities. It is not intended for examinations of individual authorities.</p>	<p>The examinations must be kept relevant and timely, with a clear purpose and outcome. It should not result in public bodies constantly being asked to supply data and information.</p>
16	<p><i>Do you think that the National Audit Office should be able to undertake thematic value for money studies regarding all sectors whose bodies are subject to audit under this Bill?</i></p> <p>It is intended for such studies to complement the NAO's role in holding Government to account to Parliament for the resources it provides to the local authorities, and to enable local government to learn from any thematic or systemic issues identified.</p>	<p>The studies, as described, could promote best practice if targeted correctly.</p>
17	<p><i>Do you have any comments on the other clauses in Part 7 or Schedule 5?</i></p> <p>Part 7 deals with 'Inspections, studies and information'.</p>	<p>No further comments.</p>
18	<p><i>Does the impact assessment identify the main drivers on fees? Are there any other drivers on fees?</i></p> <p>Various possible drivers of fees are set out on p193, 3 produce upward pressure, 8 provide downward pressure and for 3 the effect is uncertain. It is acknowledged that the fees will ultimately be determined by the market and it is therefore difficult to predict with any certainty.</p>	<p>Seems a fair assessment given the uncertainty. There are no obvious omissions from the list.</p>

Number	Question	Suggested Response
19	<p><i>Are the estimates of local bodies' compliance costs realistic?</i></p> <p>Main costs identified are:</p> <ol style="list-style-type: none"> 1) Procurement costs – estimated between £4k-£15.6k for an EU procurement exercise. 2) Remuneration of independent panel members – estimated at £1,597 for Chair and £313 for each Member. (Note: Breckland pay their Independent members £200 per meeting attended). 	<p>There should be an element of cost for contract management if that is not already included in the procurement costs.</p>
20	<p><i>Are the estimates of the costs and benefits to businesses realistic?</i></p> <p>A figure has been calculated for the cost to audit firms for tendering to a number of organisations rather than just the one, bearing in mind that a tenders will not be constructed from scratch for each tender. The fact that audit firms will not be paying a proportion of their fees to the Audit Commission in future has also been taken into account.</p>	<p>The calculation appears to be based on reasonable assumptions. However it may be prudent to introduce some kind of limiting factor in to the Bill to ensure fees do not start to creep up once the initial round of contracts have been let, defeating one of the main objects of the Bill.</p>
21	<p><i>Do you agree that the threshold which smaller local public bodies should not be subject to automatic external audit should be £25,000?</i></p>	
22	<p><i>Are the additional transparency requirements we have proposed for those bodies who will not be subject to external audit robust enough to ensure that they will be accountable to the electorate?</i></p>	
23	<p><i>Are these transparency requirements we have proposed to the low levels of public money these bodies are responsible for? What steps will smaller bodies need to take in complying with these new requirements? Are there any cost implications?</i></p>	

Number	Question	Suggested Response
24	<i>Do you agree that our proposals for the eligibility of auditors of smaller local public bodies will ensure that they have the requisite expertise to undertake limited assurance audits?</i>	
25	<i>Are our proposals for the regulatory framework for the audit of smaller bodies proportionate?</i>	
26	<i>Do these proposals provide a proportionate and sufficiently flexible mechanism for procuring and appointing audit services to smaller local public bodies?</i>	

The greyed out boxes refer to smaller bodies and therefore not relevant for this council to comment.

AUDIT AND RISK COMMITTEE WORK PROGRAMME 2012/2013

29 May 2012

- Internal Audit Plan 2011/2012 – Progress report for the quarter January to March 2012
- Benefit Investigations Unit Annual Report
- Corporate Risk Monitoring Report (October 2011 to March 2011)

14 June 2012

- Final Accounts and Statement of Accounts for year ended 31 March 2012: (Revenue Outturn 2010/2011, Capital Programme and Resources 2011/2015)

26 June 2012

- Internal Audit Annual Report 2011/2012
- Review of the Effectiveness of the Audit and Risk Committee
- Review of the Effectiveness of Internal Audit Service

Cabinet Report: Annual Treasury Report 2011/2012

24 July 2012

- Internal Audit Plan 2012/2013 – Progress report for the quarter April to June 2012

28 August 2012

- National Fraud Initiative 2010/12 Summary of Work
- Consultation for the draft Local Audit Bill

11 September 2012

Special Meeting – to consider the Statement of Accounts 2011/2012
Annual Governance Statement

25 September 2012

23 October 2012

Please note that Treasury Management Training will take place from 5 pm until 6.15 pm prior to the formal meeting to commence at 6.30 pm

- Internal Audit Plan 2011/2012 – Progress report for the quarter July to September 2012

27 November 2012

- Benefit Investigations Unit Half-Year Report – S Chapman
- Business Continuity – annual update

2 January 2013

- Annual Audit Letter – to be presented by the Council's External Auditor
- Internal Audit – Strategic Audit Plan 2013/14

26 February 2013

- Internal Audit Plan 2011/2012 – Quarterly Progress Report from October to December 2012

26 March 2013 (Meeting to be held in Hunstanton)

- Business Continuity – Annual Update
- BCKL&WN Audit Plan 2013/2014 (external)

23 April 2013

- Corporate Risk Monitoring Report (October 2012 to March 2013)