

# Subject: Work Programme for the Audit Panel 2012/13

Report to: Audit Panel

Report of: Executive Director of Secretariat

Date: 10 July 2012

This report will be considered in public

## 1. Summary

- 1.1 The Audit Panel is requested to agree its work programme for 2012/13. The Panel will then receive a report at each meeting updating it on the progress of its work programme.

## 2. Recommendation

- 2.1 **That the Panel agrees its work programme for the 2012/13 Assembly year and identifies any additional issues it wishes to consider at future meetings.**

## 3. Background

- 3.1 The Panel was established in line with the CIPFA (the Chartered Institute of Public Finance and Accountancy) guidance recommending the establishment of audit committees. The Audit Panel's terms of reference, as agreed at the Annual Meeting of the Assembly on 11 May 2012, are as follows:
1. The Audit Panel will be concerned with ensuring the security of and monitoring of financial systems, ensuring that there is an anti-fraud culture, and promoting probity and good practice within the core Greater London Authority (GLA).
  2. To liaise with the external auditors over their annual programme and, with the Mayor as appropriate, to approve the annual internal audit programme.
  3. To deal as appropriate with matters raised by the external auditors' management letters and reports and, where a report is made in respect of the GLA, to make recommendations to the

Assembly at the meeting at which the report is to be formally considered in the presence of the Mayor in accordance with Schedule 8 in the 1999 Act.

4. To deal as appropriate with matters arising from the internal auditors' reports and to comment to the Mayor on matters relevant to his/her responsibilities.
5. To review the GLA's Risk Management Policy and comment to the Mayor as appropriate.

#### **4. Issues for Consideration**

- 4.1 The Panel meets four times per year to receive and comment upon a range of reports, including:
  - internal audit reports;
  - external audit reports;
  - the GLA Expenses and Benefits Framework;
  - the GLA's Anti-Fraud and Corruption Strategy, Policy and Response Plan;
  - future audit arrangements;
  - risk registers;
  - the Annual Governance Statement;
  - monitoring of expenses – Mayor, Elected Members and Senior Staff;
  - register of gifts and hospitality – Mayor and Assembly Members;
  - register of gifts and hospitality – senior staff; and
  - Annual Report of the Monitoring Officer regarding the complaints against elected Members with which he has dealt.
- 4.2 CIPFA stresses that audit committees have a key role in corporate governance and should be clearly integrated into an authority's governance framework. An audit committee should be able to improve corporate focus on the issues arising from risk management, internal control and reporting. In the past year the Audit Panel has considered reports on the Annual Governance Statement and it will continue to play an active part in corporate governance in the future. On 29 February 2012 the Business Management and Administration Committee agreed to reallocate work from the Standards Committee to this Panel, as a result of a new standards regime coming into effect on 1 July 2012, whereby the GLA no longer has a standards committee and responsibility for determining complaints against Members rests with the Monitoring Officer. The Panel will now receive quarterly reports on the monitoring of expenses of the Mayor, elected Members and Senior Staff, biannual reports on the register of gifts and hospitality and an Annual Report from the Monitoring Officer in respect of the complaints against elected Members with which he has dealt.
- 4.3 The table set out below sets out the business for the remaining meetings of the Panel in the 2012/13 Assembly year.

<b>Date of meeting</b>	<b>Agenda Items</b>
23 October 2012 at 3.30pm in CR5	<ul style="list-style-type: none"> <li>- External Audit Reports <ul style="list-style-type: none"> <li>- Annual Governance Report</li> </ul> </li> <li>- Internal Audit Reports <ul style="list-style-type: none"> <li>- Internal audits <ul style="list-style-type: none"> <li>• Facilities Management (incl Health and Safety)</li> <li>• External Grant Funding and Project Management Framework</li> <li>• Use of Agency Staffing and Consultants</li> </ul> </li> <li>- Follow-up Audits <ul style="list-style-type: none"> <li>• General Ledger</li> <li>• Budgetary Control Framework</li> <li>• Business Continuity</li> <li>• Election Preparation</li> </ul> </li> <li>- Progress Report</li> </ul> </li> <li>- London's European Programmes</li> <li>- Corporate Risk Register</li> <li>- Monitoring of expenses – Mayor, Elected Members and Senior Staff;</li> <li>- Register of gifts and hospitality – Mayor and Assembly Members;</li> <li>- Register of gifts and hospitality – senior staff; and</li> <li>- Work Programme for the Audit Panel for 2012/13.</li> </ul>
Tuesday, 18 December 2012 at 3.30pm in CR5	<ul style="list-style-type: none"> <li>- External Audit Reports <ul style="list-style-type: none"> <li>- Annual Management Letter</li> </ul> </li> <li>- Internal Audit Reports <ul style="list-style-type: none"> <li>- Internal audits <ul style="list-style-type: none"> <li>• Capital Programme – Monitoring and Control</li> <li>• Games and Legacy</li> <li>• Mayor's Economic Development Strategy</li> <li>• Mayor's Mentoring Programme</li> <li>• Treasury Management</li> <li>• Members Allowances and Expenses Control Framework</li> <li>• Creditors Payment Framework</li> <li>• Contract Monitoring</li> <li>• Network/Internet Security</li> </ul> </li> <li>- Follow-up Audits <ul style="list-style-type: none"> <li>• Olympic and Paralympic Games Legacy</li> </ul> </li> <li>- Progress Report</li> </ul> </li> <li>- Corporate Risk Register;</li> <li>- Monitoring of expenses – Mayor, Elected Members and Senior Staff; and</li> <li>- Work Programme for the Audit Panel for 2012/13</li> </ul>

Wednesday, 20  
March at 2.30pm  
in CR5

- External Audit Reports
  - Audit Plan 2012/13
- Internal Audit Reports
  - Internal audits
    - Housing Grants Monitoring and Control
    - Estate Strategy and Management of Assets
    - Risk Management – Risk Maturity Assessment
    - Debtors Control Framework (inc fees and charges)
    - Payroll
    - External Grants (incl. European Funding)
    - IT infrastructure – Strategy and implementation
    - Remote Working and Data Management
    - ICT Procurement
  - Follow-up Audits
    - Procurement – Letting, Award and Management of Major Contracts
    - Responsible Procurement
    - Corporate Governance Framework and Strategic Planning and Performance
    - Communication (incl Marketing and Media)
    - SAP Secure Access/Functionality
    - IT Business Continuity and Disaster Recovery
    - Information (Accessibility of Public Data)
  - Progress Report
  - draft Internal Audit Plan 2012/13
- Draft Annual Governance Statement
- Monitoring of expenses – Mayor, Elected Members and Senior Staff;
- Register of gifts and hospitality – Mayor and Assembly Members;
- Register of gifts and hospitality – senior staff; and
- Annual Report of the Monitoring Officer regarding the complaints against elected Members with which he has dealt.

## 5. Legal Implications

- 5.1 The Assembly has the power to establish committees to discharge its functions, and the Audit Panel is one such committee. The work programme is in accordance with the Panel's terms of reference, as agreed by the Assembly at its Annual Meeting on 4 May 2011.

## 6. Financial Implications

- 6.1 There are no financial implications for the purposes of this report.

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### List of appendices to this report:

There are none.

<b>Local Government (Access to Information) Act 1985</b>
List of Background Papers:
There are none
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