



AUDIT AND PENSIONS COMMITTEE

9 December 2010

CONTRIBUTORS

Chief Internal Auditor

**Proposals for Reporting to the Audit
and Pensions Committee**

This report sets out proposals for reporting to
the Audit and Pensions Committee

**WARDS
All**

RECOMMENDATION:

**To approve the reporting changes proposed
in the attached report.**

1. Introduction

- 1.1 This report covers only the reports provided to the Audit and Pensions Committee (APC) in respect of the audit committee element of its scope. These are principally the reports on Internal Audit, Risk Management, and Corporate Anti-Fraud.

2. Background

- 2.1 The existing reporting arrangements currently provide for reports to be submitted for audit, risk and fraud at every meeting. Each of these reports includes a significant amount of information resulting in bulky reports that require members to trawl through a large amount of data. As a result members can easily miss key points and issues. This also reduces the ability of the Committee to introduce and explore new issues and concerns as there is less available time to address those issues.
- 2.2 As an example, the Internal Audit report being presented to this Committee meeting is over 150 pages. The report itself is only 4 pages long with rest being made up of appendices that include the full text of limited assurance reports, and tables of all outstanding reports and recommendations. The Risk Management report is only 5 pages long but includes in appendices a copy of the corporate risk register plus a programmes and projects list.
- 2.3 The information currently provided is based on information requests made by the previous Audit Committee members over time. While this appeared to be reasonable when this was only an Audit Committee, its integration with the Pensions Committee means that there is more pressure on providing focus on what is reported and keeping the level of information under control.

3. Proposals

- 3.1 The proposals provided below are designed to provide greater focus on key areas for Committee meetings. At the same time they aim to at least maintain the current level of information provided to Members, and potentially increase it through additional reporting arrangements.
- 3.2 It is proposed that the Internal Audit and Risk Management reports should continue to be provided to every meeting, while fraud reporting should in future occur every 6 months. To maintain the information you receive on fraud Members can be provided with a more regular 'newsletter' that can be circulated via email and any questions/queries can be sent to the Head of Internal Audit for response. Any significant issues arising from the newsletters and Member queries can be incorporated into the next report to Committee.
- 3.3 It is proposed that the Internal Audit report and the Risk Management report continue to be provided to every Committee meeting. To help manage the level of information provided the main reports will continue to be included in the agenda papers, and appendices will be provided separately to members. Any

questions/issues on these can be raised directly with the Head of Internal Audit outside of the meeting or can still be raised at the Committee meeting. An additional option is that any questions/issues raised by committee members outside of the meeting are reported at the meeting along with any responses provided.

- 3.4 If these proposals are approved they can implemented starting from the February 2011 APC meeting.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS

No.	Description of Background Papers	Name/Ext. of Holder of File/ Copy	Department/ Location
1.	Previous reports to Committee	Chief Internal Auditor Ext. 2529	Finance and corporate Services, Internal Audit Town Hall King Street Hammersmith W6 9JU