

## **AUDIT AND RISK MANAGEMENT COMMITTEE**

**28 March 2011**

### **91. AUDIT COMMISSION PROGRESS REPORT**

The District Auditor presented an update of ongoing work at the Council and informed Members of the risks arising from the audit, under the International Standard on Auditing (United Kingdom and Ireland) 300. Key messages were that the implementation of the International Financial Reporting Standards (IFRS) continued to be a significant challenge for the Council, with the restatement exercise being subject to delay. However, work was progressing to plan in relation to documenting and testing systems and processes, the Merseyside Pension Fund audit and value for money work. He reported upon Public Interest Disclosure Act (PIDA) work and commented upon the significant progress made by the Council as part of the National Fraud Initiative (NFI).

In response to questions from Members as to whether there were sufficient staffing resources to ensure compliance, the Director of Finance indicated that there would be no senior members of staff leaving under Early Voluntary Retirement/Voluntary Severance until the end of June, after the closure of the accounts. In response to further comments with regard to the success of the work undertaken as part of the National Fraud Initiative, the Director indicated that Wirral had been very supportive of the NFI, with the support of the District Auditor, and he had written to the Secretary of State to express concern as to the future of the initiative following the abolition of the Audit Commission.

The District Auditor reported also that the DCLG was about to publish a consultation document regarding the future of local public audit.

#### **Resolved –**

- (1) That the Audit Commission Progress Report be noted.**
- (2) That the DCLG consultation paper on the future of local public audit be circulated to all Members of the Committee, when it becomes available.**
- (3) That, in the light of the success of the work undertaken by officers as part of the National Fraud Initiative, the Cabinet be requested to consider increasing investment so as to allow the work to be undertaken to combat fraud during 2011/2012 to be expanded.**