

Audit and Governance Committee

19 April 2011

Report of the Assistant Director of Customer & Business Support Services
(Financial Services)

Audit Commission Progress Report: Audit Plan 2010/11

Summary

1. This report presents the progress report of the council's external auditor, the Audit Commission, in achieving their 2010/11 Audit Plan. The Progress Report is attached at Annex A.
2. The report reflects progress on the Audit Commission's external audit work to the end of March 2011 including: the audit of the financial statements; the value for money conclusion; and the work of the national Advisory Services team.
3. It also includes an update on:
 - 2011/12 and 2012/13 fee proposals and rebates;
 - implementing International Financial Reporting Standards (IFRS);
 - future audit arrangements; and
 - recent work undertaken nationally by the Audit Commission. (Another item later on this agenda, captures Audit Commission reports issued since the end of October 2010).

Background

4. The Audit & Inspection Plan for 2010/11 was approved by this committee in April 2010. Also, the 2010/11 Opinion Plan was presented to this committee in February 2011. The Plans set out the work to be conducted by the District Auditor, taking account of:
 - national risks
 - the inherent audit risks arising from previous audit work carried out at the council including Internal Audit work and previous inspection findings;
 - the requirements of the Code of Audit Practice in discharging their statutory responsibilities in the conduct of the audit.

5. The fee for this work was confirmed as £248,900 in February 2011.

Consultation

6. Progress made in respect of the 2010/11 Audit Plan is consulted on with the relevant responsible officers within Customer & Business Support Services, prior to this being reported to those members charged with governance at the council.

Options

7. Not relevant for the purpose of the report.

Analysis

8. Not relevant for the purpose of the report.

Corporate Priorities

9. This report contributes to the overall effectiveness of the council's governance and assurance arrangements contributing to an 'Effective Organisation'.

Implications

10.
 - (a) **Financial** – As previously reported, the fees can be contained within the 2010/11 budget for external audit fees.
 - (b) **Human Resources (HR)** - There are no implications.
 - (c) **Equalities** - There are no implications.
 - (d) **Legal** - There are no implications.
 - (e) **Crime and Disorder** - There are no implications.
 - (f) **Information Technology (IT)** - There are no implications.
 - (g) **Property** - There are no implications.

Risk Management

11. The council will fail to properly comply with legislative and best practice requirements to provide for the proper audit of the authority. Any failure to do so would be unlawful.

Recommendations

- Members are asked to consider the content of the progress report, note its findings and matters arising.

Reason

To ensure the Committee is fully aware of the current activity of the external auditors and any issues that could affect the council's system of internal control

Contact Details

Author:

Helen Malam
Systems Accountant
Tel 01904 551379

Chief Officer Responsible for the report:

Keith Best
Assistant Director – Financial Services
Telephone: 01904 551745

Report Approved



Date 01.04.11

Specialist Implications Officers

Wards Affected: Not applicable

All

For further information please contact the author of the report

Background Papers:

Annual Audit Plan 2010/11

Annexes

Audit Commission Progress Report (Annex A)