

**Audit Commission Audit Progress Report: 2011/12**

**Summary**

1. This report presents the progress report of the council's external auditor, the Audit Commission, in achieving their 2011/12 Audit Plan. The Progress Report is attached at Annex A.
2. The report reflects progress on the Audit Commission's external audit work including: the audit of the financial statements; the value for money conclusion; and other key areas of work.
3. It also includes an update on:
  - The abolition of the Audit Commission;
  - Externalisation of the Audit Practice;
  - Annual Fraud and corruption survey 2011/12;
  - National Fraud initiative; and
  - Openness and accountability in local pay.

**Background**

4. The 2011/12 Opinion Plan was presented to this committee in April 2012. The Plan sets 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 £224,010 in April 2012.

### **Consultation**

6. Progress made in respect of the 2011/12 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** – The fees can be contained within the 2011/12 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**

12. 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**

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**Report  
Approved**



**Date** 15.06.12

**Specialist Implications Officers: N/A**

**Wards Affected:** Not applicable

**All**

**For further information please contact the author of the report**

**Background Papers:**

Audit Commission Annual Audit Plan 2011/12

**Annexes:**

Audit Commission Audit Progress Report 2011/12