

Audit Summary Report

Date

Last saved: 02/06/2008 16:18:00

Progress report to Audit Committee

Aylesbury Vale District Council

Audit 2007/08

The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively, to achieve high-quality local and national services for the public. Our remit covers more than 15,000 bodies which between them spend nearly £125 billion of public money every year. Our work covers local government, housing, health, criminal justice and fire and rescue services.

As an independent watchdog, we provide important information on the quality of public services. As a driving force for improvement in those services, we provide practical recommendations and spread best practice. As an independent auditor, we monitor spending to ensure public services are good value for money.

Document Control	
Author	Michael Yeats
Filename	Progress report Jun 08.doc

Status of our reports to the Trust/Council

Our reports are prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission. Reports are prepared by appointed auditors and addressed to non-executive directors/members or officers. They are prepared for the sole use of the audited body, and no responsibility is taken by auditors to any director/member or officer in their individual capacity, or to any third party.

Copies of this report

If you require further copies of this report, or a copy in large print, in Braille, on tape, or in a language other than English, please call 0845 0560566.

© Audit Commission 2005

For further information on the work of the Commission please contact:

Audit Commission, 1st Floor, Millbank Tower, Millbank, London SW1P 4HQ

Tel: 020 7828 1212 Fax: 020 7976 6187 Textphone (minicom): 020 7630 0421

www.audit-commission.gov.uk

Contents

Introduction	4
Our responsibilities	4
Reporting	4
Progress	4
Key contacts	5
Appendix 1 – Planned outputs for 2007/08 audit	6

DRAFT

Introduction

- 1 Our principal objective as the Council's appointed auditor is to carry out an audit which meets the Audit Commission's Code of Audit Practice. This report sets out the progress made in delivering the work set out in our 2007/08 audit plan.

Our responsibilities

- 2 In carrying out audit work, we comply with the statutory requirements governing it, in particular:
 - the Audit Commission Act 1998
 - the Code of Audit Practice (the Code).
- 3 Our audit is also planned to be consistent with the Commission's Strategic Plan. The Code sets out two key objectives for our audit:
 - accounts; and
 - use of resources.

Reporting

- 4 Each year, the Audit Commission, as part of its planning process, produces a risk-based audit plan, which is tailored to the individual circumstances of the Council and meets the requirements of the Code of Audit Practice. This includes a use of resources programme which takes account of Audit Commission national requirements and local projects arising from our risk based planning.
- 5 The draft Audit Plan is discussed and agreed with the Head of Finance. It is circulated to other members of the management team for comment prior to presentation to the Council's Audit Committee.
- 6 The Audit Commission will report progress on the various elements of our work to the Council's Audit Committee as part of the regular progress report.
- 7 Draft and final reports will be sent to lead officers for comment/observation prior to being sent to the Audit Committee with, where relevant, a completed accompanying action plan.
- 8 A summary of the key findings will be reported in the Annual Audit and Inspection Letter.

Progress

- 9 Progress to date on our main blocks of work is set out in Appendix 1 and indicates when our work completed. We will provide reports, or other output as agreed, to the Audit Committee for each of the audits identified in the plan. Our

key milestones are set out in the planned outputs section of this plan. This will be updated regularly as work programmes are agreed and completed.

2007/08 audit

- 10 Progress on the planned outputs of our work programme for the 2007/08 audit is covered in Appendix 1.
- 11 As part of our work for 2007/08 we are required to carry out a triennial review of the Council's internal audit function. Our review identified that the service is compliant with the relevant standards and we are therefore able to place reliance on their work as part of our audit. There were some minor recommendations which have been discussed with the Head of Internal Audit but we do not intend to produce a report.
- 12 In the light of issues surrounding the new theatre - and the wider capital programme - we will need to address the issues arising as part of a piece of work on capital programme management. This will be additional work outside the scope of the existing audit.

2008/09 audit

- 13 The plan for our 2008/09 audit was brought to the 17 March 2008 Committee. At that stage, the Commission was consulting nationally on its proposals for the scale of fees for 2008/09. The Commission has subsequently revised downwards its scale of fees and this is reflected in the audit plan which is submitted as a separate agenda for this Committee meeting. This revised plan has been discussed and agreed with the Head of Finance.

Key contacts

- 14 If you have any concerns on any aspect of the audit then please contact one of our key contacts.

Name	Title
Mick West	Relationship Manager and District Auditor 0844 798 8990 m-west@audit-commission.co.uk
Michael Yeats	Audit Manager 0844 798 8973 m-yeats@audit-commission.co.uk

Appendix 1 – Planned outputs for 2007/08 audit

Output	Details	Start date	Draft due date	Finalised	Comment
Audit Plan	Sets out the agreed content and timing of all aspects of the external audit for the financial year 2007/08.	March 2007	April 2007	April 2007	
Interim audit memo	Memorandum of issues arising from our assessment of the Council's key financial systems including the evaluation and testing of key controls (with reliance on internal audit as appropriate).	March 2008	April 2008		Our work is substantially complete - we will produce a draft report later this month once relevant issues arising are built into our opinion audit approach.
Final accounts memo	Memorandum of issues arising from our audit of the Council's financial statements for 2007/08.	July 2008	October 2008		This is due to be reported to 5 November 2008 Audit Committee.
Report to those charged with governance (ISA 260)	Our annual governance report in which - in accordance with the International Standards on Auditing - we report on the findings of our audit of the financial statements and our use of resources audit.	September 2008	September 2008		This is due to be reported to 16 September 2008 Audit Committee.

Output	Details	Start date	Draft due date	Finalised	Comment
Whole of Government Accounts (WGA)	Audit of WGA data returns to ensure consistency with main financial statements.	September 2008	September 2008		This is due to be reported to 5 November 2008 Audit Committee.
Audit Opinion	Audit of financial statements leading to: <ul style="list-style-type: none"> • audit opinion on the financial statements; • assessment whether the statement of internal control has been presented in accordance with relevant requirements. 	June 2008	September 2008		This is due to be reported to 5 November 2008 Audit Committee with an update at the 16 September 2008 Committee.
Direction of Travel	Provides focus for continuous improvement. Update on progress assessment for reporting in the CPA scorecard.	January 2009	February 2009		This will be included in our Annual Audit and Inspection Letter in March 2009.
Data Quality (Performance Indicators)	<ul style="list-style-type: none"> • Review of overall management arrangements to secure data quality • Completeness check of reported PI information • Data quality spot checks 	May 2008	November 2008		This is due to be reported to 8 December 2008 Audit Committee.
Grant claims (various)		September 2008	November 2008		

8 Progress report to Audit Committee | Appendix 1 – Planned outputs for 2007/08 audit

Output	Details	Start date	Draft due date	Finalised	Comment
Use of resources	Qualitative assessments of the effectiveness of the Council's arrangements for use of resources based on our five key lines of enquiry (KLOEs).				Overall score 2 in 2007. (3 in 2006)
	Financial reporting	September 2008	October 2008		To be carried out in conjunction with our opinion audit. Score 1 in 2007 (2 in 2006)
	Financial management	April 2008	October 2008	November 2007	The Council has provided its self-assessment against this area. We have carried out an initial assessment and this will be updated in conjunction with our opinion audit. Score 3 in 2007 (3 in 2006)
	Financial standing	September 2007	October 2008	November 2007	To be carried out in conjunction with our opinion audit. Score 3 in 2007 (3 in 2006)
	Internal control	April 2008	October 2008	November 2007	The Council has provided its self-assessment against this area. We have carried out an initial assessment and this will be updated in conjunction with our opinion audit. Score 3 in 2007 (3 in 2006)

Output	Details	Start date	Draft due date	Finalised	Comment
	Value for money	April 2008	October 2008	November 2007	Work is currently underway in this area. Score 2 in 2007 (2 in 2006)
Annual Audit and Inspection Letter		January 2009	February 2009		We would expect to bring the 2007/08 annual audit and inspection letter to the 16 March 2009 Audit Committee.

DRAFT