

<b>AUDIT COMMITTEE</b>	AGENDA ITEM No. 5
<b>8 FEBRUARY 2010</b>	<b>PUBLIC REPORT</b>

Cabinet Member(s) responsible:	Councillor Seaton, Cabinet Member for Resources	
Committee Member(s) responsible:	Councillor M Dalton, Chair of Audit Committee	
Contact Officer(s):	John Harrison, Director of Strategic Resources	☎ 452398

## EXTERNAL AUDIT - AUDIT AND INSPECTION PLAN 2009 / 2010

<b>RECOMMENDATIONS</b>	
<b>FROM :</b> External Auditor and Audit Commission Relationship Manager	<b>Deadline date :</b> N/A
The Audit Committee are asked to consider the Audit and Inspection Plan for 2009 / 2010 and provide comment on any amendments necessary	

### 1. ORIGIN OF REPORT

This report is submitted to Audit Committee in accordance with the agreed work plan.

### 2. PURPOSE AND REASON FOR REPORT

The purpose of this report is to consider and respond to the Audit and Inspection Plan for 2009 / 2010, prepared jointly by our external auditors, PricewaterhouseCoopers, and the Audit Commission.

### 3. TIMESCALE

Is this a Major Policy Item / Statutory Plan?	<b>NO</b>	If Yes, date for relevant Cabinet Meeting	N/A
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### 4. EXTERNAL AUDIT AND INSPECTION PLAN

4.1 The Audit and Inspection Plan has been prepared to inform the Council about the responsibilities of our external auditors and how those responsibilities will be discharged. It includes the inspection and other work that will be performed by the Relationship Manager during 2009 / 2010. The Plan has been discussed and agreed jointly by Council representatives, External Audit and the Audit Commission.

4.2 The Plan has been developed to consider the impact of the recent key developments and risks based upon discussion with management and understanding of the City Council and the local government sector. The Plan (**Appendix A**) includes a number of follow ups and updates to previous reviews and also new risks which have been identified. These include:

- Growth Agenda;
- Childrens Services;
- Managed IT Services;
- Accounting for PFI;
- City Services and the Waste Management solution;
- International Financing Reporting Standards;
- Use of Resources;
- Data Quality.

## **5. CONSULTATION**

The Plan has been circulated to Corporate Management Team for comment. Comments received from the s.151 officer have been incorporated into the latest version.

## **6 ANTICIPATED OUTCOMES**

Approval of the External Audit Plan 2009 / 2010.

## **7 REASONS FOR RECOMMENDATIONS**

The Plan provides a summary of the Auditor's proposed work for 2009 / 2010. Members can ask questions and make comments to the External Auditor on its contents and coverage.

## **8 ALTERNATIVE OPTIONS CONSIDERED**

The External Auditor can take on board responses received prior to the finalisation of the plan. No specific alternative options are submitted for consideration.

## **9 IMPLICATIONS**

There are no direct implications arising from this plan for PricewaterhouseCoopers. Fees identified are commensurate with previous years. There is a slight reduction identified of £5,500 following improvements in the processes and statements across the Council during 2008 / 2009. There is also a further potential reduction of £15,000 relating to value for money studies. Overall, the Council is seen as a medium risk.

## **10 BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

Audit and Inspection Plan 2009 / 2010