

AUDIT AND GOVERNANCE COMMITTEE

10 FEBRUARY 2012

AUDIT COMMISSION AUDIT PLAN 2011/12 – JANUARY 2012

Report of Executive Director of Commercial and Corporate Services

1.0 Purpose of the report

1.1 This report details the Audit Commission's (AC) Audit Plan which notifies the Council of the work that the AC is proposing to undertake in respect of the audit of the financial statements and the value for money conclusion for 2011/2012.

2.0 Audit Plan 2011/2012

2.1 The attached document advises on the nature of this work together with the scale of fee for the 2011/2012 audit and the assumptions that inform this charge to the Council.

2.2 It is welcomed that the Audit Commission has reviewed the fees it is intending to charge the Council for its audit services, to recognise the cuts in government grant funding to local government. This has meant that the fees stated on page 14 of the document as £299,270 (excluding grant work charges) which show a further reduction of £33,252 in the scale fees charged as compared to the 2010/2011 £332,522 total. This represents a 10% reduction in scale fees for 2011/12 and is welcomed by the Council. Grant work charges are also reducing as the number of grants subject to audit reduces.

2.3 The Audit Plan also identifies the specific areas for the planned audit work based upon a risk assessment process. These areas of work are set out in the attached document on Pages 5 and 6 of the document and have been discussed with officers.

2.4 An officer, Gavin Barker, of the Audit Commission, will be in attendance at the Audit and Governance Committee meeting in order to outline the content of the Plan and to answer any questions that may arise.

3.0 Description of Decision

3.1 The Committee is recommended to:

- Note the contents of this report
- Note the reduced audit fees for the work to be undertaken in 2011/2012, based on the Audit Commission's risk-based approach to audit planning.

Background Papers

Audit Commission: Audit Opinion Plan 2011/2012