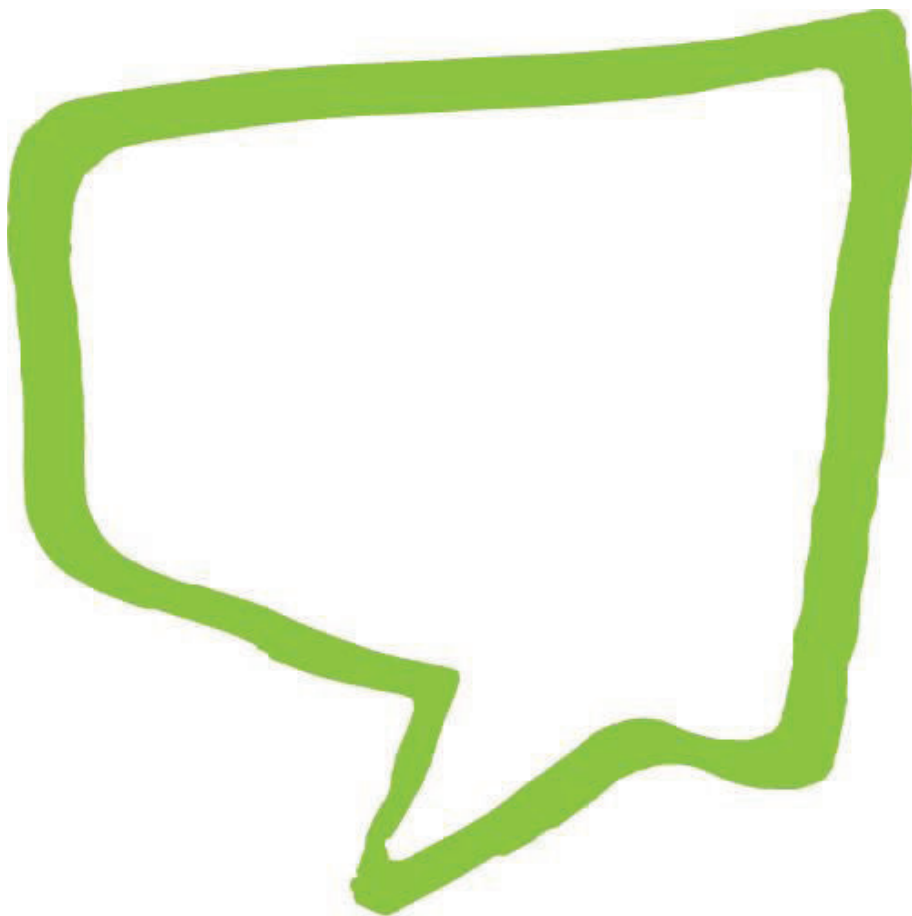


Audit Progress Report

Brighton and Hove City Council

Audit 2008/09

May 2009



Contents

Summary report

3

Status of our reports

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors/ members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or
- any third party.

Summary report

Introduction

- 1 Our audit and inspection plan for 2008/09 was presented to the Audit Committee in June 2008. Within the plan we set out a number of areas of work and this report provides a summary of progress to date. Details of some work from the 2007/08 audit are also shown. Future reports to the Committee will include references to the 2009/10 audit year following the recent agreement of that year's work programme with officers.

Background

- 2 There is one outstanding review from 2007/08 which relates to Good Governance and there were two outstanding grant claims.
- 3 The audit and inspection plan for 2008/09 set out the following areas of work:
 - financial statements and Whole of Government Accounts;
 - value for money conclusion;
 - use of resources;
 - data quality; and
 - the National Fraud Initiative.

Audit & Inspection year 2007/08

Use of resources 2007/08

- 4 The Good Governance review is now at draft report stage and is being discussed with officers. We intend to present the findings at the next Audit Committee meeting.

Grant claims and returns 2007/08

- 5 Each year we are required to undertake work on behalf of third parties to certify claims and returns submitted by the Council. Our previous progress report noted that two claims had been delayed for reasons outside our control but they were certified in early 2009.

Audit & Inspection year 2008/09

Audit of the financial statements and Whole of Government Accounts 2008/09

- 6 Our work is in progress and we expect to issue our opinion on the statements by the deadline of 30 September 2009. We have liaised with finance officers about the arrangements for the production of the statements and this has given rise to no specific concerns at this time. Our detailed work on the statements will start in late July 2009. The Whole of Government Accounts work is scheduled for completion before the October 2009 deadline.

Value for money conclusion 2008/09

- 7 Our conclusion will be issued with our opinion on the financial statements. It will be informed by our several elements of our work including the use of resources work that is being undertaken as part of the Commission's organisation assessment review which will be reported publicly late in 2009.

Use of resources reviews 2008/09

- 8 Our review of health inequalities across the City which involves the Council's NHS partners is progressing. We expect to feedback our findings to all bodies in the next two months and will update the Committee when this work is finalised.

National Fraud Initiative

- 9 The Council is reviewing possible data matches provided by the Commission. We continue to liaise with Internal Audit which is undertaken the required work.

Update on audit fees 2008/09

- 10 The audit and inspection fees for 2008/09 totalled £394,572 which were split between audit (£323,468) and inspection (£71,104). The housing inspection was not undertaken after consideration of the Council's position on housing resulting in a revised inspection fee of £24,634 and a revised total of £348,102.
- 11 We are required to review the audit fee formally as part of our opinion audit planning for 2008/09 before the main phase of the work starts. Based on the available information at this time, no change to the fee will be required. We will write to officers later this month and will update the Committee at its next meeting.

The Audit Commission

The Audit Commission is an independent watchdog, driving economy, efficiency and effectiveness in local public services to deliver better outcomes for everyone.

Our work across local government, health, housing, community safety and fire and rescue services means that we have a unique perspective. We promote value for money for taxpayers, covering the £180 billion spent by 11,000 local public bodies.

As a force for improvement, we work in partnership to assess local public services and make practical recommendations for promoting a better quality of life for local people.

Copies of this report

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