

AUDIT COMMITTEE

Agenda Item 11

Brighton & Hove City Council

Subject:	Annual Audit Plan		
Date of Meeting:	26th June 2008		
Report of:	Director of Finance & Resources		
Contact Officer:	Name: Janice Millman	Tel: 291080	
	E-mail: Janice.millman@brighton-hove.gov.uk		
Wards Affected:	All		

FOR GENERAL RELEASE

This report was subject to minor delay (and therefore late despatch) pending final agreement and publication by the Audit Commission.

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The Annual Audit & Inspection Plan (the Plan) is a summary of the work by the external auditor for 08/09 audit year. External audit is an essential element in the process of accountability for public money and makes an important contribution to the stewardship of public resources and the corporate governance of public services.
- 1.2 Audit in the public sector is underpinned by three fundamental principles:
 - auditors are appointed independently from the bodies being audited;
 - the scope of auditors' work is extended to cover not only the audit of financial statements but also value for money and the conduct of public business; and
 - auditors may report aspects of their work widely to the public and other key stakeholders.
- 1.3 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.

2. RECOMMENDATIONS:

- 2.2 That the Audit Committee are invited to note the contents of the Plan for 2008/09 and make any appropriate comments.

3. BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 Under the Code of Practice for Internal Audit in Local Government (CIPFA), the Head of Finance & Resources is required to agree the annual Audit & Inspection Plan for each financial year. The aim is to provide independent and objective assurance on the control environment and leading risks and corporate governance.
- 3.2 The Plan provides the mechanism through which the council can ensure the most appropriate use of resources and provide a clear end of year statement on finance and governance. Additional work may be included in the Plan and in 08/09 it is proposed that this include the waste PFI, value for money as well as nationally identified risks including health inequalities and migration information.
- 3.5 The Plan informs the end of year judgement by the Commission in its Annual Audit Letter as well as its ongoing performance assessments and direction of travel judgements.
- 3.6 Regular progress reports will be to the Audit Committee on the work carried out under the Plan and any significant changes made.

4. CONSULTATION

- 4.1 Relevant officers have been consulted prior to agreement of the Plan.

5. FINANCIAL & OTHER IMPLICATIONS:

- 5.1 There are no financial implications arising directly from this report.
- 5.2 Legal Implications: Internal audit as provided by Audit & Assurance Services is a statutory requirement of the Accounts & Audit Regulations 2003. Assurance is also provided to the Director of Finance & Resources as Section 151 Officer of the Local Government Act 1972.
- 5.3 Equalities Implications:
There are no direct equalities implications arising directly from this report.
- 5.4 Sustainability Implications:
There are no direct sustainability implications arising from this report.
- 5.5 Crime & Disorder Implications:
There are no direct implications for the prevention of crime and disorder arising from this report.
- 5.6 Risk and Opportunity Management Implications:
The internal audit work is based on a full risk assessment. At the start of each audit, relevant areas of risk are discussed with the responsible manager to assist in the focus of the audit work.

5.7 Corporate / Citywide Implications:

Robust corporate governance arrangements are essential to the sound management of the City Council and the achievement of its objectives as set out in the Corporate Plan.

SUPPORTING DOCUMENTATION

Background Documents

1. Accounts and Audit Regulations 2006 (Amendment)
2. CIPFA Code of Practice for Internal Audit in Local Government 2006