

NORTH LINCOLNSHIRE COUNCIL

AUDIT COMMITTEE

EXTERNAL AUDIT AND INSPECTION PLAN 2008-2009

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To consider the External Audit and Inspection Plan 2008-2009.
- 1.2 The plan has been drawn up from external audit's risk-based approach to audit planning and the requirements of the Comprehensive Performance Assessment (CPA).

2. BACKGROUND INFORMATION

- 2.1 The External Audit and Inspection Plan includes all audit and inspection work for 2008-2009. A copy of the plan is attached.
- 2.2 A risk-based approach is used. The plan is based on an assessment of:
 - The risks facing the council and its improvement priorities.
 - Audit Commission advice on high-risk areas for councils.
 - Audit & Inspection work specified by the Audit Commission for 2008-2009.
- 2.3 The planned work is structured into three areas:
 - **Audit**- comprising of: risk assessment and audit management; opinion work on financial statements; Use of Resources evaluation; Data Quality work; and Whole of Government accounts
 - **Inspection**- Relationship Management and Direction of Travel evaluation
 - **Certification of grant claims and returns.**

3. OPTIONS FOR CONSIDERATION

- 3.1 Options are limited in this type of report. Audit committee members are invited to consider external audit's plan and seek clarification on its contents as necessary.

4. ANALYSIS OF OPTIONS

4.1 The plan is the result of a risk assessment and complies with statutory requirements governing external audit and inspection work. This means that work will be targeted to have its greatest effect and helps the council to continue to improve.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

5.1 Audit fees are met within existing budgets For 2008-2009 the planned fees are:

Audit fee	£216,083
Inspection work fee	£ 22,395
Grant work	£ 68,877

For 2007-2008 the total audit & inspection fee was £322,069 (including £103,750 corporate inspection fee – 2007-2008 only), the grant work fee was £80,000.

5.2 There are no staffing, property or IT implications.

6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)

6.1 External Audit and inspection duties are statutory requirements under the provisions of the Audit Commission Act 1998, the Code of Audit Practice and the Local Government Act 1999.

6.2 The Audit Plan is based on the Audit Commission's risk-based approach to audit planning and CPA requirements. Throughout the year work is targeted to have best effect based on risk assessment and performance. More details of risk assessments are contained within the plan. There are no environmental, diversity, Section 17 or other implications.

7. OUTCOMES OF CONSULTATION

7.1 A draft of the plan has been discussed and agreed with the Chief Executive and Service Director Finance

8. RECOMMENDATIONS

8.1 To note the External Audit and Inspection Plan for 2008-2009.

SERVICE DIRECTOR FINANCE

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SCUNTHORPE
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Date: 22 May 2008

Background Papers used in the preparation of this report
External Audit and Inspection Plan 2008-2009

Audit and Inspection Plan

June 2008



Audit and Inspection Plan

North Lincolnshire Council

Audit 2008-2009

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.

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.

The duties and powers of auditors appointed by the Audit Commission are set out in the Audit Commission Act 1998 and the Local Government Act 1999 and the Commission's statutory Code of Audit Practice. Under the Code of Audit Practice, appointed auditors are also required to comply with the current professional standards issued by the independent Auditing Practices Board.

Appointed auditors act quite separately from the Commission and in meeting their statutory responsibilities are required to exercise their professional judgement independently of both the Commission and the audited body.

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.

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Introduction

- 1 This plan sets out the audit and inspection work that we propose to undertake for the 2008/09 financial year. The plan is based on the Audit Commission's risk-based approach to audit planning and the requirements of moving towards Comprehensive Area Assessment (CAA). It reflects:
 - audit and inspection work specified by the Audit Commission for 2008/09;
 - current national risks relevant to your local circumstances; and
 - your local risks and improvement priorities.
- 2 During 2008/09, the role of Relationship Manager will be replaced by the post of Comprehensive Area Assessment Lead (CAAL). The CAAL will provide the focal point for the Commission's work in your local area, lead the CAA process, and ensure that the combined inspection programme across all inspectorates is tailored to the level and nature of risk for the area and its constituent public bodies. The Commission has become the statutory gatekeeper of all inspection activity involving local authorities.
- 3 As we have not yet completed our audit for 2007/08, the audit planning process for 2008/09, including the risk assessment will continue as the year progresses, and the information and fees in this plan will be kept under review and updated as necessary.

Responsibilities

- 4 We comply with the statutory requirements governing our audit and inspection work, in particular:
 - the Audit Commission Act 1998;
 - the Local Government Act 1999 (best value inspection and audit); and
 - the Code of Audit Practice.
- 5 The Code of Audit Practice (the Code) defines auditors' responsibilities in relation to:
 - the financial statements (including the annual governance statement); and
 - the audited body's arrangements for securing economy, efficiency and effectiveness in its use of resources.
- 6 The Audit Commission's Statement of Responsibilities of Auditors and of Audited Bodies (from April 2008) sets out the respective responsibilities of the auditor and the Council. The Audit Commission has issued a copy of the Statement to every audited body.
- 7 The Statement summarises where the different responsibilities of auditors and of the audited body begin and end, and our audit work is undertaken in the context of these responsibilities.

Fees

- 8 The details of the structure of scale fees are set out in the Audit Commission's work programme and fee scales 2008/09. Scale fees are based on a number of variables, including the type, size and location of the audited body.
- 9 The total indicative fee for the audit and inspection work included in this audit and inspection plan for 2008/09 is for £238,478 which compares to the actual/planned fee of £322,069 for 2007/08.
- 10 A summary of this is shown in the table below. The fee is determined by audit risks identified, mandated work and basic assumptions. A detailed breakdown of the audit and inspection fee is included in Appendix 2.

Table 1 Audit fee

Audit area	Planned fee 2008/09	Planned/Actual fee 2007/08
Total audit fee	216,083	196,195
Total inspection fee	22,395	125,874
Certification of claims and returns	68,877	80,000

- 11 The Audit Commission scale fee for North Lincolnshire Council is 10 per cent below the mid point scale fee specified by the Audit Commission.
- 12 In setting the fee, we have assumed that:
 - the level of risk in relation to the audit of the financial statements is not significantly different from that identified for 2007/08; and
 - internal audit undertakes appropriate work on all systems and good quality working papers and records will be provided to support the financial statements.

Further details of our assumptions are outlined in Appendix 2.
- 13 The Audit Commission has the power to determine the fee above or below the scale fee where it considers that substantially more or less work is required than envisaged by the scale fee. The Audit Commission may, therefore, adjust the scale fee to reflect the actual work that needs to be carried out to meet the auditor's statutory responsibilities, on the basis of the auditor's assessment of risk and complexity at a particular body.
- 14 The Audit Commission expects normally to vary the scale fee by no more than 30 per cent (upwards or downwards). This fee then becomes payable.

Process for agreeing any changes in audit fees

- 15** As set out in paragraph 3, we expect that the initial risk assessment may change as the year progress. Where this is the case, we will discuss any fee implications in the first instance with the Service Director- Finance. Supplements to the plan maybe issued to record revisions to the risk and the impact on the fee.

Auditor's report on the financial statements

- 16 We are required to issue an audit report giving an:
- opinion on whether the financial statements present fairly the financial position of the Council as at 31 March 2009; and
 - conclusion on whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Financial statements

- 17 We have not undertaken a risk assessment for our audit of the financial statements as many of the specific risks which may become apparent after we have completed our 2007/08 audit. We will issue a separate opinion Audit and Inspection Plan for our audit of the financial statements in February 2009.

VFM conclusion

- 18 In reaching our conclusion we will review ongoing evidence that is relevant to the Council's performance management and financial management arrangements.

Use of resources

2008 Assessment

- 19 This audit plan covers the last year of the current regime for the Use of Resources assessment as part of the CPA framework. The work required to arrive at the 2008 Use of Resources assessment is fully aligned to that required to arrive the auditor's 2007/08 Value for Money conclusion.
- 20 Appendix 1 outlines the criteria and scoring.
- 21 The initial risk assessment for use of resources work is shown in Appendix 3. This will be updated through the continuous planning process as the year progresses.

2009 Assessment

- 22 The Audit Commission has specified that auditors will complete a use of resources assessment for 2009. This will be a new assessment forming part of the CAA framework for 2009.
- 23 The Commission proposes that the approach to the new Use of Resources assessment will be focussed on three themes with the detailed Key Lines of Enquiry to be confirmed. For each of the significant risks identified in relation to the use of resources work, the appointed auditor will consider the arrangements put in place by the Council to mitigate the risk, and plan the work accordingly.
- 24 We will work closely with officers before the end of March 2009 to help you respond to the new assessment.

Mandated work

25 As part of the audit, the mandated work programme comprises:

- data quality;
- whole of government accounts.

Appendix 1 highlights the work to be undertaken.

CPA and inspection

- 26 From April 2009, the Audit Commission, jointly with the other public service inspectorates, will be implementing Comprehensive Area Assessment (CAA). Therefore, 2008/09 is the last year in which corporate assessments and programme service inspections will be undertaken as part of the CPA framework.
- 27 The Audit Commission's CPA and inspection activity is underpinned by the principle of targeting our work where it will have the greatest effect, based upon assessments of risk and performance.
- 28 The Council's CPA category is, a key driver in the Commission's inspection planning process. For CPA 2007, the Council was categorised as 4 star and improving adequately.
- 29 On the basis of the planning process we have identified where inspection activity will be focused for 2008/09 as follows.

Table 2 Summary of inspection activity

Inspection activity	Reason/impact
Comprehensive Area Assessment Lead (CAAL)	To act as the Commission's primary point of contact with the Council and the interface at the local level between the Commission and the other inspectorates, government offices and other key stakeholders.
Direction of Travel (DoT) assessment	An annual assessment, carried out by the CAAL, of how well the Council is securing continuous improvement. The DoT statement will be reported in the Annual Audit and Inspection Letter. The DoT assessment summary will be published on the Commission's website.

Additional services work

- 30 We are not proposing to do any additional services work at the Council during 2008/09.

The audit and inspection team

- 31 The key members of the audit and inspection team for the 2008/09 audit are shown in the table below.

Table 3 Audit and inspection team

Name	Contact details	Responsibilities
Joanne McDonough Comprehensive Area Assessment Lead. (CAAL)	j-mcdonough@audit-commission.gov.uk Telephone number 0844 798 7156	The primary point of contact with the Council and the interface at the local level between the Commission and the other inspectorates, government offices and other key stakeholders.
Mark Kirkham District Auditor	m-kirkham@audit-commission.gov.uk Telephone number 0844 798 6632	Responsible for the overall delivery of the audit including the quality of outputs, signing the opinion and vfm conclusion, and liaison with the Chief Executive and audit committee.
Alan Oliver Audit Manager	a-oliver@audit-commission.gov.uk Telephone number 0844 798 6601	Manages and coordinates the different elements of the audit work. Key point of contact for the Head of Service-Finance.

Quality of service

- 32 We are committed to providing you with a high quality service. If you are in any way dissatisfied, or would like to discuss how we can improve our service, please contact me in the first instance. Alternatively, you may wish to contact the Head of Operations- North East, David Allsop 0844 798 1672.
- 33 If we are unable to satisfy your concerns, you have the right to make a formal complaint to the Audit Commission. The complaints procedure is set out in the leaflet '*Something to Complain About*', which is available from the Commission's website or on request.

Planned outputs

- 34 Reports will be discussed and agreed with the appropriate officers before being issued to the audit committee.

Table 4 Planned outputs

Planned output	Indicative date
Opinion Audit and Inspection Plan	February 2009
Use of resources report 2008 assessment	December 2008
Annual governance report	September 2009
Auditor's report giving an opinion on the financial statements	September 2009
Final accounts memorandum (to the Service Director Finance)	October/November 2009
Data Quality report	September 2009
Use of resources report	December 2009
Partnership working, Lessons learned from the Floods, Local Area Agreement	TBC
Annual Audit and Inspection Letter	TBC

Appendix 1 – Elements of our Work

Financial statements

- 1 I will carry out our audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board (APB).
- 2 I am required to issue an opinion on whether the financial statements present fairly, in accordance with applicable laws and regulations and the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2008, the financial position of the Council as at 31 March 2009 and its income and expenditure for the year.
- 3 I am also required to review whether the Annual Government Statement has been presented in accordance with relevant requirements, and to report if it does not meet these requirements or if the Annual Government Statement is misleading or inconsistent with our knowledge of the Council.

Value for money conclusion

- 4 The Code requires us to issue a conclusion on whether the Council has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the value for money conclusion. The Code also requires me to have regard to a standard set of relevant criteria, issued by the Audit Commission, in arriving at my conclusion.
- 5 In meeting this responsibility, I will review evidence that is relevant to the Council's corporate performance management and financial management arrangements. Where relevant work has been undertaken by other regulators, for example Communities and Local Government, we will normally place reliance on their reported results to inform our work.
- 6 I will also follow up our work from previous years to assess progress in implementing agreed recommendations.

Use of resources assessment

2008 Assessment

- 7 The Use of Resources themes and KLOE for the final year of assessment under the former Use of Resources regime are outlined below.
- 8 I will arrive at a score of 1 to 4, based on underlying key lines of enquiry, for each of the following themes.

Theme	Description
Financial reporting	<ul style="list-style-type: none"> • preparation of financial statements • external reporting
Financial management	<ul style="list-style-type: none"> • medium-term financial strategy • budget monitoring • asset management
Financial standing	<ul style="list-style-type: none"> • managing spending within available resources
Internal control	<ul style="list-style-type: none"> • risk management • system of internal control • probity and propriety
Value for money	<ul style="list-style-type: none"> • achieving value for money • managing and improving value for money

- 9 The details of the scores and judgements will be reported to the Council. The scores will be accompanied, where appropriate, by recommendations of what the Council needs to do to improve.
- 10 The local auditor's scores are reported to the Audit Commission and are used as the basis for its overall use of resources judgement for the purposes of the 2008 CPA.

2009 Assessment

- 11 The revised Use of Resources assessment will emphasise the importance of improved value for money outcomes for local people. It is based on wider considerations other than cost and performance. It will also look at how commissioning and procurement are improving efficiency and how non-financial resources are used to support value for money.
- 12 The work required to arrive at the Use of Resources assessment will be fully aligned with that required to arrive at the auditor's 2008/09 value for money conclusion.

- 13 The overall judgement will be based upon the evidence from three themes scored by the auditor and will give particular emphasis to the value for money outcomes being achieved. The assessment criteria below is based on our current proposals as outlined in our consultation document.

Table 5 Use of resources assessment criteria

Managing money	<ul style="list-style-type: none"> • Financial health • Financial planning • Understanding costs • Financial monitoring and forecasting • Financial reporting
Managing the business	<ul style="list-style-type: none"> • Leadership • Performance management • Commissioning and procuring services • Risk management and internal control • Ethical behaviour and counter-fraud
Managing other resources	<ul style="list-style-type: none"> • Natural resources • Physical assets • People and IT

Data quality

- 14 The Audit Commission has specified that auditors will be required to undertake audit work in relation to data quality. This is based on a three-stage approach covering:
- Stage 1 – management arrangements;
 - Stage 2 – analytical review; and
 - Stage 3 – risk-based data quality spot checks of a sample of performance indicators.
- 15 Work will be focused on the 2008 overall arrangements for data quality, particularly on the responsibility of the Council to manage the quality of its data including data from key partners.
- 16 Our fee estimate reflects an assessment of risk in relation to the Council’s data quality arrangements and performance indicators. This risk assessment may change depending on our assessment of your overall management arrangements at stage 1 and we will update our plan accordingly, including any impact on the fee.

Whole of government accounts

- 17 I will be required to review and report on your WGA consolidation pack in accordance with the approach agreed with HM Treasury and the National Audit Office.

Certification of grant claims and returns

- 18 I will continue to certify the Council's claims and returns on the following basis.
- Claims below £100,000 will not be subject to certification.
 - Claims between £100,000 and £500,000 will be subject to a reduced, light-touch certification.
 - Claims over £500,000 will be subject to a certification approach relevant to the auditor's assessment of the control environment and management preparation of claims. A robust control environment would lead to a reduced certification approach for these claims.

Appendix 2 – Basis for fee

- 1 The Audit Commission is committed to targeting its work where it will have the greatest effect, based upon assessments of risk and performance. This means planning our audit work to address areas of risk relevant to our audit responsibilities and reflecting this in the audit fees. It also means making sure that our work is coordinated with the work of other regulators, and that our work helps you to improve.
- 2 Our risk assessment process starts with the identification of the significant financial and operational risks applying at the Council with reference to:
 - our cumulative knowledge of the Council;
 - planning guidance issued by the Audit Commission;
 - the specific results of previous and ongoing audit work;
 - interviews with Council officers;
 - liaison with internal audit; and
 - the results of other review agencies' work where relevant.

Assumptions

- 3 In setting the fee, I have assumed that:
 - the level of risk in relation to the audit of the financial statements is not significantly different from that identified for 2007/08;
 - you will inform us of significant developments impacting on our audit;
 - internal audit meets the appropriate professional standards;
 - internal audit undertakes appropriate work on all systems that provide material figures in the financial statements sufficient that we can place reliance for the purposes of our audit;
 - good quality working papers and records will be provided to support the financial statements;
 - requested information will be provided within agreed timescales;
 - prompt responses will be provided to draft reports; and
 - additional work will not be required to address questions or objections raised by local government electors.
- 4 Where these assumptions are not met, I will be required to undertake additional work which is likely to result in an increased audit fee. The fee for the audit of the financial statements will be re-visited when we issue the opinion audit plan.

- 5 Changes to the plan will be agreed with you. These may be required if:
 - new residual audit risks emerge;
 - additional work is required by the Audit Commission or other regulators; or
 - additional work is required as a result of changes in legislation, professional standards or as a result of changes in financial reporting.
- 6 Below is a detailed breakdown of the audit and inspection fee for 2008/09.
- 7 The fee (plus VAT) will be charged in 11 equal instalments from May 2008 to March 2009.

Table 6 Detailed audit and inspection fee

Audit area	Planned fee 2008/09	Planned/Actual fee 2007/08
Risk Assessment and audit management	32,094	31,160
Financial statements	86,798	84,270
Use of resources		
2007 UOR assessment	-	52,925
2008 UOR assessment	44,863	
2009 Revised UOR assessment. (Planning only)	9,000	
Partnership working	11,858	
Local Area Agreement	3,529	
June 2007 Floods assessment	1,129	
Use of Resources sub total	70,379	52,925
Data quality	23,908	25,000
Whole of government accounts	2,904	2,840
Total audit fee	216,083	196,195
Relationship management and Direction of Travel	22,395	22,124
Corporate inspection	-	103,750
Total inspection fee	22,395	125,874

Audit area	Planned fee 2008/09	Planned/Actual fee 2007/08
Total audit and inspection fee	238,478	322,069
Certification of claims and returns	69,729	80,000

Appendix 3 – Initial risk assessment – Use of resources and VFM conclusion

Significant risks identified	Mitigating action by audited body	Action in response to residual audit risk	Link to auditor’s responsibilities
<p>June 2007 Floods Potential corruption/loss of financial and management information.</p>	<p>Internal Audit have validated the integrity of data and reported their findings to the Audit Committee.</p>	<p>Cross cutting review across the Humberside area. Review lessons learned and any residual risks arising from the floods that may impact on our statutory duties.</p>	<p>Use of Resources- all KLOEs Financial statements Data Quality Grant claims certification</p>
<p>Improve Partnership working The 2007 Corporate Assessment team identified that partners are only just beginning to develop an understanding of the issues involved in building sustainable communities. This area has a range of challenging concerns including health inequalities.</p>	<p>The Council is in the process of strengthening its management capacity to allow improved partnership working.</p>	<p>Undertake a joint review with North Lincolnshire PCT. The work will help both audited bodies identify action plans/areas for improvement in order that they work more effectively towards closing the health inequalities gap in North Lincolnshire..</p>	<p>Use of resources VFM Conclusion Direction of Travel</p>

Significant risks identified	Mitigating action by audited body	Action in response to residual audit risk	Link to auditor’s responsibilities
<p>The effective management of the Local Area Agreement</p> <p>Governance including leadership, decision making, finance and performance managements arrangements may not be in place.</p>	<p>Arrangements have been established to monitor progress in service delivery.</p>	<p>Test the effectiveness of the Council's arrangements- apply an Audit Commission diagnostic which focuses on governance, financial management and performance management including data quality.</p>	<p>Use of Resources</p> <p>VFM Conclusions</p> <p>Data Quality</p>

Appendix 4 – Independence and objectivity

- 1 I am not aware of any relationships that may affect the independence and objectivity of the District Auditor, audit and performance staff, which we are required by auditing and ethical standards to communicate to you.
- 2 I comply with the ethical standards issued by the APB and with the Commission's requirements in respect of independence and objectivity as summarised below.
- 3 Auditors appointed by the Audit Commission are required to comply with the Commission's Code of Audit Practice and Standing Guidance for Auditors, which defines the terms of my appointment. When auditing the financial statements, auditors are also required to comply with auditing standards and ethical standards issued by the Auditing Practices Board (APB).
- 4 The main requirements of the Code of Audit Practice, Standing Guidance for Auditors and the standards are summarised below.
- 5 International Standard on Auditing (UK and Ireland) 260 (Communication of audit matters with those charged with governance) requires that the appointed auditor:
 - discloses in writing all relationships that may bear on the auditor's objectivity and independence, the related safeguards put in place to protect against these threats and the total amount of fee that the auditor has charged the client; and
 - confirms in writing that the APB's ethical standards are complied with and that, in the auditor's professional judgement, they are independent and their objectivity is not compromised.
- 6 The standard defines 'those charged with governance' as 'those persons entrusted with the supervision, control and direction of an entity'. In your case, the appropriate addressee of communications from the auditor to those charged with governance is the audit committee. The auditor reserves the right, however, to communicate directly with the Council on matters which are considered to be of sufficient importance.
- 7 The Commission's Code of Audit Practice has an overriding general requirement that appointed auditors carry out their work independently and objectively, and ensure that they do not act in any way that might give rise to, or could reasonably be perceived to give rise to, a conflict of interest. In particular, appointed auditors and their staff should avoid entering into any official, professional or personal relationships which may, or could reasonably be perceived to, cause them inappropriately or unjustifiably to limit the scope, extent or rigour of their work or impair the objectivity of their judgement.

- 8 The Standing Guidance for Auditors includes a number of specific rules. The key rules relevant to this audit appointment are as follows.
- Appointed auditors should not perform additional work for an audited body (ie work over and above the minimum required to meet their statutory responsibilities) if it would compromise their independence or might give rise to a reasonable perception that their independence could be compromised. Where the audited body invites the auditor to carry out risk-based work in a particular area that cannot otherwise be justified as necessary to support the auditor's opinion and conclusions, it should be clearly differentiated within the Audit and Inspection Plan as being 'additional work' and charged for separately from the normal audit fee.
 - Auditors should not accept engagements that involve commenting on the performance of other auditors appointed by the Commission on Commission work without first consulting the Commission.
 - The District Auditor responsible for the audit should, in all but the most exceptional circumstances, be changed at least once every five years.
 - The District Auditor and senior members of the audit team are prevented from taking part in political activity on behalf of a political party, or special interest group, whose activities relate directly to the functions of local government or NHS bodies in general, or to a particular local government or NHS body.
 - The District Auditor and members of the audit team must abide by the Commission's policy on gifts, hospitality and entertainment.

Appendix 5 – Working together

Meetings

- 1 The audit team will maintain knowledge of your issues to inform our risk-based audit through regular liaison with key officers.
- 2 The meetings will be organised by the Audit Commission and our proposal for this is as follows.

Table 7 Proposed meetings with officers

Council officers	Audit Commission staff	Timing	Purpose
Chief Executive	District Auditor (DA) Corporate Assessment Lead (CAAL) Area Performance Lead (APL)	Quarterly	<ul style="list-style-type: none"> • General updates
Corporate Management Team	DA CAAL and AM	Quarterly	Directors lead a discussion on directorate issues including risks.
Head of Performance	CAAL and APL	Quarterly	Update on performance issues
Service Director Finance	AM and audit team	Quarterly	Update on audit opinion issues
Head of Internal Audit and Risk Management	AM and audit team	Monthly	Update on audit progress and issues
Audit Committee	DA and AM, with APL as appropriate	Quarterly. Based on Committee cycle.	Formal reporting of: <ul style="list-style-type: none"> • Audit and Inspection Plan; • annual governance report; and • Annual Audit and Inspection Letter.

Sustainability

- 3** The Audit Commission is committed to promoting sustainability in our working practices and we will actively consider opportunities to reduce our impact on the environment. This will include:
 - reducing paper flow by encouraging you to submit documentation and working papers electronically;
 - use of video and telephone conferencing for meetings as appropriate; and
 - reducing travel.