

# **AUDIT & GOVERNANCE COMMITTEE**

23rd April 2012

## **AUDIT COMMISSION OPINION - AUDIT PLAN 2011/12**

Relevant Portfolio Holder	Councillor Michael Braley, Portfolio Holder for Corporate Management
Portfolio Holder Consulted	No
Relevant Head of Service	Jayne Pickering, Executive Director for Finance and Corporate resources
Wards Affected	<b>All</b>
Ward Councillor Consulted	None specific

### **1. SUMMARY OF PROPOSALS**

To present to members the Audit Commission 2011/12 Opinion Plan. A copy of this document is attached to this report as Appendix A.

### **2. RECOMMENDATIONS**

**The Committee is asked to RESOLVE that**

**the 2011/12 Audit Opinion Plan be noted and approved.**

### **3. KEY ISSUES**

#### **Financial Implications**

- 3.1 The fee associated with the External Audit Opinion and audit of accounting statements and consideration of the Councils arrangements for securing economy, effectiveness and efficiency is £127k. This reflects an 11% reduction from 2010/11 Audit fee.

#### **Legal Implications**

- 3.2 The Council has a statutory responsibility to formally prepare accounts in compliance with national guidelines and ensure these are audited by an audited body.

#### **Service / Operational Implications**

- 3.3 Attached at Appendix A is the 2011/12 Audit Opinion Plan. The Plan sets out work that the Audit Commission propose to undertake in 2011/12 in relation to the Audit and any significant and specific risks that have will require additional review and consideration.

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- 3.4 There is 1 significant risk and 3 specific risks that have been identified by the Audit Commission which will be reviewed by the Commission as part of the Audit. These include:

Significant:

- HRA Reform and the financial transactions relating to the funding of the new arrangements

Specific

- Abbey Stadium development and the capital costs relating to the project
- Shared service allocation of costs between the Councils
- Disclosure of Heritage Assets

- 3.5 The work by the Audit Commission will enable a robust opinion to be made across all the internal control and accounting arrangements that the Council has in place.

### **Customer / Equalities and Diversity Implications**

- 3.6 None as a direct result of this report

## **4. RISK MANAGEMENT**

The Financial Services risk register includes the preparation of the accounts and the controls in place to ensure the accounts are treated in compliance with accounting standards. Risk management arrangements in place across the organisation ensure that risks are addressed and mitigated.

## **5. APPENDICES**

Appendix 1 – Annual Audit Plan 2011/12

## **6. BACKGROUND PAPERS**

None identified.

## **AUTHOR OF REPORT**

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