

# Audit Opinion Plan

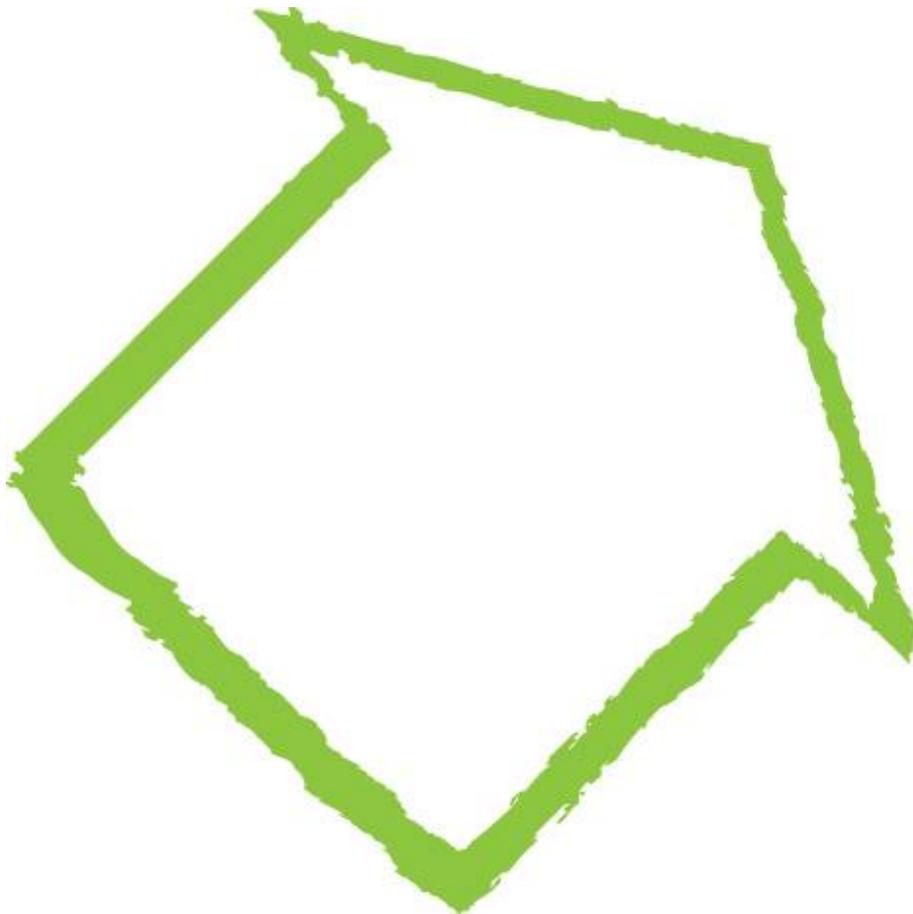
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Halton Borough Council

Audit 2009/10

February 2010



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## 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

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- 1 This plan sets out the audit work we propose to carry out in relation to the audit of the 2009/10 financial statements for Halton Borough Council, and includes the audit of the Whole of Government Accounts submission.
- 2 We issued our initial audit fees letter for 2009/10 on 27 April 2009 and presented it to the Business Efficiency Board on 3 June 2009. The letter set out the work that we proposed to undertake in order to satisfy our responsibilities under the Audit Commission's Code of Audit Practice, a copy is included as Appendix 1.
- 3 We are required by professional auditing standards to specify the detailed risks that we need to consider as part of our opinion planning work. As the initial audit plan was produced at the start of the financial year for fee purposes, it was not possible to specify these risks. We are now in a position to do this as the opinion work is about to commence. We are required to:
  - identify the risk of material misstatements in your accounts;
  - plan audit procedures to address these risks; and
  - ensure that the audit complies with all relevant auditing standards.
- 4 We have therefore set out below our approach to identifying opinion audit risks and have considered the specific risks that are appropriate to the current opinion audit.
- 5 The audit planning process for 2009/10, 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.

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# Responsibilities

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- 6 The Audit Commission's Statement of Responsibilities of Auditors and of Audited Bodies sets out the respective responsibilities of the auditor and the audited body. 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.
- 8 We comply with the statutory requirements governing our audit work, in particular:
  - the Audit Commission Act 1998; and
  - the Code of Audit Practice.
- 9 The Council's 2009/10 Statement of Accounts (the Abstract) is prepared in accordance with the CIPFA Statement of Recommended Practice (SORP) 2009. The SORP sets out the proper accounting practices required for Statement of Accounts, by section 21(2) of the Local Government Act 2003 prepared in accordance with the statutory framework established for England by the Accounts and Audit Regulations 2003.

# Fee for the audit of financial statements

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- 10 The indicative fee for the audit of the 2009/10 financial statements and the value for money conclusion is £239,408. The Audit Commission scale fee for a Council of your size is £256,860. The fee proposed for 2009/10 is 6.8 per cent below the scale fee and is within the normal level of variation specified by the Commission. The scale fee represents the Audit Commission's estimate of the fee required to complete an audit where:
- there are no significant audit risks;
  - the audited body has in place a sound control environment; and
  - the auditor is provided with complete and materially accurate financial statements;
    - with supporting working papers; and
    - within agreed timeframes.
- 11 A copy of our 2009/10 fees letter is attached at Appendix 1. The basis for the fee is explained in more detail in Appendix 2.
- 12 In setting the fee, we have assumed that the level of risk in relation to the audit of the accounts is slightly higher than for 2008/09.
- 13 If that level of risk increases further as we progress the 2009/10 audit I will be required to undertake additional work and this is likely to result in an increased audit fee. Where this is the case, we will discuss this in the first instance with the Operational Director - Financial Services and we will issue supplements to the plan to record any revisions to the risk and the impact on the fee.
- 14 In our original audit plan, the fee for the opinion on the statement of accounts was based on our best estimate at the time and agreed at £174,767 and £2,394 for the audit opinion on the Council's Whole of Government Accounts submission. Having considered the risks we remain satisfied that the original estimate was entirely appropriate and no adjustment is therefore required to the fee at this stage.

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## Specific actions the Council could take to reduce its audit fees

- 15 The Audit Commission requires its auditors to inform audited bodies of specific actions it could take to reduce its audit fees. As in previous years, we will work with staff to identify any specific actions that the Council could take and to provide ongoing audit support.

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# Auditors report on the financial statements

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- 16 I will carry out the audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board (APB).
- 17 I am required to issue an audit report giving my opinion on whether the accounts give a true and fair view of the financial position of the Council as at 31 March 2010.

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## Identifying opinion audit risks

- 18 As part of our audit risk identification process, we need to fully understand the audited body to identify any risk of material misstatement (whether due to fraud or error) in the financial statements. We do this by:
- identifying the business risks facing the Council, including assessing your own risk management arrangements;
  - considering the financial performance of the Council;
  - assessing internal control - including reviewing the control environment, the IT control environment and Internal Audit; and
  - assessing the risk of material misstatement arising from the activities and controls within the Council's information systems (information system risks).

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## Information system risks

- 19 To comply with ISA (UK&I) 315 we need to assess the risk of material misstatement arising from the activities and controls within the Council's information systems. To be able to assess these risks we need to identify and understand the material systems and document that understanding. Material systems are those which produce material figures in the annual financial statements. We have identified that the Council has ten material systems. For these systems we need to demonstrate our understanding by documenting the following.
- How transactions are initiated, recorded, processed and reported in the financial statements.
  - The accounting records relevant to the transactions.
  - How the Council identifies and captures events and conditions which are material to the financial statements eg depreciation.
  - The financial reporting process used to prepare the financial statements.

## Auditors report on the financial statements

### Assertions

- 20 When considering the risk of material misstatement we consider what the Operational Director - Financial Services is stating when he signs the financial statements. An audited body's management is responsible for the preparation and presentation of financial statements which give a true and fair view of the nature and activity of the Council for the period. In doing so, management is making statements regarding the recognition, measurement, presentation and disclosures of various elements of the financial statements and related disclosures.
- 21 These representations from management are referred to as assertions about financial statements in ISA (UK&I) 500. The ISA states that we have to ascertain that the financial statements are free from material misstatement at the assertion level. The ISA splits out the assertions and considers their applicability in respect of:
- Income and expenditure account items;
  - Balance Sheet items; and
  - Disclosures and presentational elements of the financial statements.
- 22 Table 1 below details the relevant assertions for these three categorisations, showing which assertions we need to consider by area of the financial statements.

**Table 1      Assertions**

We are required to test whether the financial statements are free from material misstatement at the assertion level

Assertion	What does it mean?	Income and expenditure	Balance sheet	Disclosure
Accuracy	Is it recorded at the right amount and are the details right? Has it been coded correctly?	√		√
Classification	Is it in the right place, under the right heading in the accounts?	√		√
Completeness	Is everything that should be in the statements all there?	√	√	√
Cut-off	Is it in the right year?	√		
Existence	Does the asset or liability exist and is it still owing at the end of the year?		√	
Occurrence	Has it happened and does it relate to the Council?	√		√

## Auditors report on the financial statements

Assertion	What does it mean?	Income and expenditure	Balance sheet	Disclosure
Rights and obligations	Does it belong to the Council? Is the Council entitled to use it?		√	√
Valuation and allocation	Is it included at an appropriate amount and properly recorded in the right place?		√	√

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- 23** In considering the risk of material misstatement we are required to report all errors that are not clearly trivial. Our threshold for reporting to you is £70k. We are also required to consider the cumulative effect of errors.

# Identification of specific risks

24 We have considered the additional risks that are appropriate to the current opinion audit and have set these out below.

**Table 2 Specific risks**  
Specific opinion risks identified

Risk area	Assertions	Audit response
<b>Risks relevant to all councils</b>		
SORP 2009 requires changes in how the Council will account for local taxation. Risk that the new requirements are incorrectly applied resulting in a material error in the accounts.	Valuation and allocation	Ongoing discussions with chief officers to assess the impact of the change. Accounting treatment followed will be reviewed to ensure that it meets the requirements of SORP 2009.
General market conditions are a trigger event for an impairment review. Impairment could be significant compared to previous years. Risk that the carrying value of assets are materially misstated at the year end.	Valuation and allocation	Movement of Council asset values recognised in the accounts to be compared against general market information provided by independent chartered surveyors.
Current economic conditions suggest that an increase in the Bad Debt Provision (BDP) may be required. Risk that provision may be understated.	Valuation and allocation	Aged debtor and debt recovery analysis reviewed to support reasonableness of bad debt provision calculation.
Increased risk of fraudulent financial reporting due to current economic environment and increased financial pressures.	All	Discussions with senior Council officers regarding controls that mitigate the risk of fraud. Letters of assurance to be obtained from management and those charged with governance (TCWG). Monitoring of the Council's reported financial performance.

## Identification of specific risks

Risk area	Assertions	Audit response
		Completion of a fraud risk assessment. Review of the Letter of Representation.
The Council is reviewing a number of accounting areas as part of the transition to IFRS work. There is a risk that detailed review of accounting entries may identify errors under UKGAAP.	All	Ongoing discussions with finance officers regarding progress in the transition to IFRS.
Housing benefits expenditure and grant income are material entries in the accounts. Our deadline to complete the certification of the housing benefits subsidy claim is after our opinion deadline on the accounts.	All	We will agree amounts in the housing benefits system to the general ledger at the year end. We will complete sufficient work on the housing benefit subsidy claim to demonstrate that the claim is not materially misstated.
<b>Risks specific to Halton BC</b>		
Impact of the organisational restructure and the loss of corporate knowledge increases the risk of error and/or delay in producing the 2009/10 accounts.	All	Ongoing discussions with finance officers on the 2009/10 accounts closedown process, including early discussion of technical issues and working paper requirements.
A number of staff will leave the Council through redundancy or early retirement before the end of March 2010. Risk that these costs may be accounted for incorrectly.	All	Review a sample of payments to ensure correctly recorded within the 2009/10 accounts.
The Council has a number of equal pay claims and job evaluation claims in progress. Risk that these may be incorrectly recorded in the accounts.	All	Review a sample of claims to ensure correctly treated as either creditor payments, provisions or contingent liabilities.

## Identification of specific risks

Risk area	Assertions	Audit response
Previous years audits have identified revenue expenditure incorrectly classified as capital expenditure. Risk continues into 2009/10.	Accuracy and classification	Test a sample of capital expenditure to ensure correctly classified - relying where we can on testing carried out by Internal Audit.
Mersey Gateway development costs continue to be significant. Risk that the 2009/19 accounting treatment may not be in line with the required financial reporting standards.	Accuracy and classification	Test a sample of Mersey Gateway costs to ensure they have been correctly reflected in the accounts.
Last year's audit identified a material error in the Council's accounts relating to the existence of building assets, this was subsequently corrected via a prior period adjustment. This risk continues into 2009/10.	Completeness, existence and valuation and allocation	Verify a sample of assets to deeds/rights of ownership.
The financial instruments note last year required significant amendment. Risk of incorrect disclosure in 2009/10.	All	Review financial instruments disclosure note and test entries to supporting working papers/underlying evidence.
The 2008/09 audit identified errors in the related party transactions note. Risk of non-disclosure of politically sensitive items in the accounts approved by members in June 2010.	Completeness	Review related party transactions note against previous year, known changes in year and general ledger.  Other audit procedures will be made to ensure that all disclosures have been made, for example Companies House searches and following up NFI matches.

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# Testing strategy

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- 25 On the basis of risks identified above we will produce a testing strategy which will consist of testing key controls and substantive tests of transaction streams and material account balances at year end.
- 26 Our testing can be carried out both before and after the draft financial statements have been produced (pre- and post-statement testing).
- 27 Wherever possible, we will complete some substantive testing earlier in the year before the financial statements are available for audit. We have identified the following areas where substantive testing could be carried out early.
- Review of accounting policies.
  - Bank reconciliation.
  - Year end feeder system reconciliations.
  - Investments.
  - Loans.
  - Fixed assets - confirmation of ownership and existence.
  - Annual Governance Statement.

Where other early testing is identified as being possible, this will be discussed with officers.

- 28 Wherever possible, we seek to rely on the work of Internal Audit to help meet our responsibilities. For 2009/10, we expect to be able to use the results of the following pieces of work.
- Debtors.
  - Housing Benefits.
  - Creditors.
  - Payroll.
  - Fixed Assets.
  - Testing of journals within the main accounting system.

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# Key milestones and deadlines

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- 29 The Council is required to prepare the financial statements by 30 June 2010. We are required to complete our audit and issue our opinion by 30 September 2010. The key stages in the process of producing and auditing the financial statements are shown in Table 3.
- 30 We will agree with you a schedule of working papers required to support the entries in the financial statements.
- 31 Every week during the audit of the financial statements (July to September), we will meet with the key contact and review the status of all queries. If appropriate, we will meet at a different frequency depending upon the need and the number of issues arising.

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**Table 3**      **Proposed timetable**

<b>Task</b>	<b>Deadline</b>
Control and early substantive testing	February/March 2010
Receipt of accounts	30 June 2010
Forwarding audit working papers to the auditor	1 July 2010
Start of detailed testing	1 July 2010
Progress meetings	Weekly
Present report to those charged with governance at the Audit committee	By 30 September 2010
Issue opinion	By 30 September 2010

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# The audit team

32 The key members of the audit team for the 2009/10 audit are shown in the table below.

**Table 4**      **Audit team**

Name	Contact details	Responsibilities
Mike Thomas District Auditor	<a href="mailto:m-thomas@audit-commission.gov.uk">m-thomas@audit-commission.gov.uk</a> 0844 798 7043	Responsible for the overall delivery of the audit including the quality of outputs, signing the opinion and conclusion, and liaison with the Chief Executive.
Colette Williams Audit Manager	<a href="mailto:c-williams@audit-commission.gov.uk">c-williams@audit-commission.gov.uk</a> 0844 798 3572	Manages and coordinates the different elements of the audit work. Key point of contact for the Director of Finance.

## Independence and objectivity

- 33 I am not aware of any relationships that may affect the independence and objectivity of the District Auditor and the audit staff, which we are required by auditing and ethical standards to communicate to you.
- 34 I comply with the ethical standards issued by the APB and with the Commission's requirements in respect of independence and objectivity as summarised in Appendix 2.

## Meetings

- 35 The audit team will maintain knowledge of your issues to inform our risk-based audit through regular liaison with key officers. Our proposals are set out in Appendix 3.

## The audit team

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### Quality of service

- 36** 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 Terry Cater, our sub-regional Head of Operations.
- 37** 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.
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### Planned outputs

- 38** Reports will be discussed and agreed with the appropriate officers before being issued to the Business Efficiency Board.
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**Table 5**      **Planned outputs**

<b>Planned output</b>	<b>Indicative date</b>
Opinion audit plan	29 January 2010
Annual governance report	17 September 2010
Auditor's report giving an opinion on the financial statements	30 September 2010
Opinion report	29 October 2010

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# Appendix 1 – Fees letter

27 April 2009

Bill Dodd  
Operational Director Financial Services  
Halton Borough Council  
Municipal Building  
Kingsway  
Widnes  
Cheshire WA8 7QF

Dear Bill

Audit fee letter 2009/10

Further to our discussions I am writing to confirm the audit work that we propose to undertake for the 2009/10 financial year at Halton Borough Council. The audit work and fee:

- is based on the risk-based approach to audit planning as set out in the Code of Audit Practice and work mandated by the Audit Commission for 2009/10; and
- reflects only the audit element of our work, excluding any inspection and assessment fees. Peter Forrester, your Comprehensive Area Assessment Lead, has written to you separately with the proposed inspection fees.

As I have not yet completed my audit for 2008/09 the audit planning process for 2009/10, including the risk assessment will continue as the year progresses and fees will be reviewed and updated as necessary.

The Audit Commission has published its work programme and scales of fees 2009/10. The scale fee for Halton BC is £256,860. I am proposing a total indicative fee for the 2009/10 audit of £239,408 (exclusive of VAT) which is 6.8 per cent below the scale fee. This also compares to the planned fee of £222,554 for 2008/09. A summary of this is shown in the table below.

## Audit fee

Audit area	Planned fee 2009/10	Planned fee 2008/09
Financial statements	174,767	147,146
Use of Resources/VFM Conclusion	62,247	72,579
WGA	2,394	2,829

## Appendix 1 – Fees letter

<b>Audit area</b>	<b>Planned fee 2009/10</b>	<b>Planned fee 2008/09</b>
Total audit fee	239,408	222,554
Certification of claims and returns	78,000	70,000

In setting the fee at this level, I have assumed that the general level of risk in relation to the audit of the financial statements is slightly higher than that identified in 2008/09, mainly as a result of:

- continued pressure to achieve financial balance;
- changes to the SORP and the need to comply with these;
- issues around the categorisation of expenditure between capital and revenue;
- new funding and accountability arrangements for the Adults with Learning Disabilities pooled budget; and
- planning for the implementation of IFRS and the potential impact on this on capacity within the finance team.

A separate plan for the audit of the financial statements will be issued in December 2009. This will detail the risks identified, planned audit procedures and any changes in fee. The quoted fee for grant certification work is an estimate only and will be charged at published daily rates. If I need to make any significant amendments to the audit fee during the course of the audit, I will first discuss this with the Operational Director Financial Services and then prepare a report outlining the reasons why the fee needs to change for discussion with the Business Efficiency Board (the Council's audit committee).

My use of resources assessments will be based upon the evidence from three themes.

- Managing finances.
- Governing the business.
- Managing resources.

The key lines of enquiry specified for the assessment are set out in the Audit Commission's work programme and scales of fees 2009/10. My work on use of resources informs my 2009/10 value for money conclusion. However, I have identified a number of significant risks in relation to my value for money conclusion. For each risk, I consider the arrangements put in place by the Council to mitigate the risk, and plan my work accordingly. My initial risk assessment for value for money audit work is shown in the table overleaf.

Risk	Planned work	Timing of work
The Council will need to continue to progress some challenging and high cost projects, including the Mersey Gateway (MG) and Building Schools for the Future (BSF), during the current economic climate.	PFI specialist to review progress on the MG and BSF schemes, particularly affordability and vfm.	January – March 2010
The Council will need to deliver significant planned efficiency savings in 2009/10 whilst at the same time dealing with the impact of the economic downturn.	Carry out a review of the Council's progress against its efficiency targets as part of the 2009/10 Use of Resources assessment.	December 2009 – March 2010
The workforce element of the Use of Resources review will be applied for the first time in 2009/10.	Carry out a review of workforce arrangements as part of the 2009/10 Use of Resources assessment.	December 2009 – March 2010
Our 2007/08 use of resources work identified weaknesses in the Council's asset management arrangements.	Review progress in strengthening asset management arrangements as part of the 2009/10 Use of Resources assessment.	December 2009 – March 2010

The proposed fee for the certification of grant claims and returns has increased slightly for 2009/10. This is because of the unexpected increase in ERDF grant claims requiring audit in 2007/08. The proposed fee will be revisited once the 2008/09 audit of grant claims and returns is complete.

I will issue a number of reports relating to my work over the course of the audit. These are listed at Appendix 1.

The above fee excludes any work requested by you that the Commission may agree to undertake using its advice and assistance powers. Each piece of work will be separately negotiated and a detailed project specification agreed with you.

## Appendix 1 – Fees letter

The key members of the audit team for 2009/10 are:

Audit Manager – Colette Williams      0844 798 3572

Team Leader –      Judith Smith   0844 798 3596

I am 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 Northern Region Head of Operations, Terry Carter at [t-carter@audit-commission.gov.uk](mailto:t-carter@audit-commission.gov.uk).

Yours sincerely

Mike Thomas  
District Auditor

cc     David Parr, Chief Executive  
       Ian Leivesley, Strategic Director Corporate and Policy  
       Councillor Leadbetter, Chair of the Business Efficiency Board

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# Appendix 2 – Basis for fee

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- 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 work to address areas of risk relevant to our audit responsibilities and reflecting this in the audit fees.
- 2 The risk assessment process starts with the identification of the significant financial and operational risks applying to 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; and
  - liaison with Internal Audit.

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## Assumptions

- 3 The level of risk in relation to the audit of the 2009/10 financial statements is slightly higher than that identified for 2008/09. In setting the fee, I have assumed that:
  - you will inform us of significant developments impacting on the audit;
  - Internal Audit meets the appropriate professional standards;
  - good quality working papers and records will be provided to support the financial statements by 1 July;
  - 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.

# Appendix 3 – Independence and objectivity

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- 1 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 the 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).
- 2 The main requirements of the Code of Audit Practice, Standing Guidance for Auditors and the standards are summarised below.
- 3 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
- 4 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 Business Efficiency Board. The auditor reserves the right, however, to communicate directly with the Council on matters which are considered to be of sufficient importance.
- 5 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.

- 6 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.
- 7 The District Auditor and members of the audit team must abide by the Commission's policy on gifts, hospitality and entertainment.

# Appendix 4 – 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 Our proposal for the meetings is as follows.

**Table 6 Proposed meetings with officers**

Council officers	Audit Commission staff	Timing	Purpose
Chief Executive, Strategic Director Corporate and Policy, Operational Directors: Policy & Performance and Financial Services	CAAL, DA and AM	January, April, June and September	Quarterly liaison meetings to provide an update on issues.
Strategic Director Corporate and Policy and Operational Director Financial Services	DA and AM	March, July and September	General update on current issues including: <ul style="list-style-type: none"> <li>• Audit Plan;</li> <li>• Annual Governance Report; and</li> <li>• Annual Audit Letter.</li> </ul>
Chief Accountant	AM and Team Leader (TL)	Bi-monthly	Update on audit and accounting issues.
Business Efficiency Board	DA and AM, with TL as appropriate	As determined by the Committee	Formal reporting of: <ul style="list-style-type: none"> <li>• Audit Plan;</li> <li>• Annual Governance Report; and</li> <li>• other issues as appropriate</li> </ul>

## 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.

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# 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, auditing the £200 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.

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## Copies of this report

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