

Report to: **Cabinet**

Date: **15 July 2005**

By: **Deputy Chief Executive and Director of Corporate Resources**

Title of report: **External Audit and Inspection Plans 2005/06**

Purpose of report: **To seek Cabinet's approval of the External Audit and Inspection Plan for 2005/06**

---

## **RECOMMENDATIONS**

**Cabinet is recommended to consider the External Audit and Inspection Plan for 2005/06 and consider whether the audit is of sufficient depth..**

---

### **1. Financial Appraisal**

1.1 The proposed audit fee represents a small reduction from last year, in line with the Audit Commission's fee scales for 'good' authorities and is within existing budgets.

### **2. Supporting Information**

2.1 Attached is the Audit and Inspection Plan for 2005/06 which has been drafted in close consultation with officers. The aim has been to produce an integrated plan, which supports the Council's aspirations for improvement and addresses key areas of risk. It has close links with the programme of Best Value Reviews planned for the next three years and with the proposed work of the Scrutiny Committees. There has also been close consultation with the Council's internal audit service to ensure that the plans of internal and external audit are complimentary and make best use of audit resources.

2.2 Further discussions will take place with the relevant officers to agree the objectives and scope for those reviews being carried out in support of the Council's improvement agenda.

2.3 The Plan sets out the main changes in the new Audit Code of Practice, which governs the work carried out by the Audit Commission, as follows:

- Refocusing the auditor's responsibilities into two main areas, the Council's accounts and its use of resources;
- Within the work on use of resources, a clearer focus on financial and performance management arrangements in support of an annual conclusion on arrangements for securing value for money;
- A more explicit focus on improvement and risk arising from partnerships and joint working.

As well as meeting statutory requirements, the Plan looks to carry out work which will support the Council's improvement agenda for 2005/06. There will, of course, be opportunities to review and revise the proposals as the Council's priorities develop.

2.4 The Plan for 2005/06 will be subject to moderation by the Audit Commission once it has been agreed by Cabinet. It will then be published as part of a database of combined audit and inspection work for local authorities on the Office of the Deputy Prime Minister's website.

SEAN NOLAN

Deputy Chief Executive and Director of Corporate Resources

Contact Officers Duncan Savage, 01273 482330

Jane Mackney, 01273 482146