

| Bath & North East Somerset Council | | |
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| MEETING: | Corporate Audit Committee | |
| MEETING DATE: | 7th February 2012 | AGENDA ITEM NUMBER |
| TITLE: | External Audit Update Reports | EXECUTIVE FORWARD PLAN REFERENCE: E |
| AN OPEN PUBLIC ITEM | | |
| <p>List of attachments to this report:</p> <p>Appendix 1 – Audit Plan 2011/12 – Bath & North East Somerset Council</p> <p>Appendix 2 – Audit Plan 2011/12 – Avon Pension Fund</p> <p>Appendix 3 – Certification of Claims & Returns – External Audit Annual Report</p> <p>Appendix 4 - External Audit Update Report for Audit Committee</p> <p>Appendix 5 – Government Response to the future of local audit consultation</p> | | |

1 THE ISSUE

- 1.1 The External Auditor will update the Committee on a range of issues affecting the Councils audit work. This will include the Audit Plans for 2011/12 for the Council and Pension Fund, results of audit work of grant returns and a general update on emerging national issues.(Appendices 1 to 5).

2 RECOMMENDATION

2.1 The Corporate Audit Committee is asked to –

- a) Approve the External Audit Plan for the Council for 2011/12
- b) Approve the External Audit Plan for the Avon Pension Fund for 2011/12
- c) Note the findings from the External Audit Annual Report on Grant Claims
- d) Note the emerging issues identified from the External Audit Update Report

3 FINANCIAL IMPLICATIONS

- 3.1 The financial implications as a result of this report are primarily related to the fees for the external audit of the Council and Pension Fund. In both cases the net fees are a reduction from last year's figure and can be contained within existing resources.

4 THE REPORT

- 4.1 The purpose of each of the reports attached is as follows –

- a) Appendix 1 – External Audit Report for the Council 2011/12 – This document sets out the work which the Audit Commission wish to carry out for the 2011/12 audit and which will cost the Council £273,398 before rebates. The Plan is compiled from a risk based approach to audit planning and the document sets out the key risks which may potentially impact on their work and key dates for the completion of its work. The Committee is asked to approve the plan.
- b) Appendix 2 – External Audit Report for the Avon Pension Fund 2011/12 - This document sets out the work which the Audit Commission wish to carry out for the 2011/12 audit and which will cost the Avon Pension Fund £46,622. The Plan is compiled from a risk based approach to audit planning and the document sets out the key risks which may potentially impact on their work and key dates for the completion of its work. The Pension Fund Committee will also review the plan but the Audit Committee is charged with its governance and is asked to approve the plan.
- c) Appendix 3 – External Audit Annual Report – Certification of Claims and Returns – This document summarises the outcomes of the Audit Commission work in certifying claims including a summary of recommendations and progress. The Committee is asked to note the report.
- d) Appendix 4 – External Audit Update Report – This document seeks to highlight key emerging national issues and developments which may be of interest to members of the Corporate Audit Committee. The paper concludes by asking a number of questions which the Committee may wish to consider in order to assess whether it has received sufficient assurance on emerging issues. The Committee is asked to note the report.

5 RISK MANAGEMENT

- 5.1 A proportionate risk assessment has been carried out in relation to the Council's risk management guidance. There are no new significant risks or issues to report to the Committee as a result of this report.

6. EQUALITIES

6.1 A proportionate equalities impact assessment has been carried out using corporate guidelines, no significant issues to report.

7CONSULTATION

7.1 Consultation has been carried out with the Section 151 Finance Officer.

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| Contact person | Jeff Wring (01225 47323) |
| Background papers | None |
| Please contact the report author if you need to access this report in an alternative format | |