

**AUDIT PLAN 2007/08**  
**WDA/20/07**

**Recommendation**

That Members approve the content of the Audit Plan for 2007/08.

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**Report of the Director**

**1. Purpose of the Report**

To seek approval to the content of the Audit Plan to be undertaken by the Audit Commission in 2007/08.

**2. Background**

- 2.1. The Authority agrees an Audit Plan with the Audit Commission each year.
- 2.2. The audit plan for 2007/08 complies with the Audit Commission Act 1998 and the Code of Audit Practice as they apply to the Audit Commission's work.
- 2.3. The Audit Commission takes a risk-based approach in determining their approach to audit planning and this is reflected in the proposed Audit Plan 2007/08.

**3. Audit Plan 2007/08**

- 3.1. The Audit Plan for 2007/08 identifies the following key areas of work:
  - Financial Statements
  - Value for Money Conclusion
  - Best Value Performance Plan
- 3.2. The full Audit Plan 2007/08 is attached at Appendix A and includes an initial risk assessment for the use of resources, attached to their report at Appendix 1
- 3.3. The risk assessment specifically highlights the Waste Management Procurement Project and the transition from current contractual arrangement to new contracts as particular areas of risk and have therefore been included in the Audit Plan.

- 3.4. In view of the fact that the 2006/07 audit is yet to be completed, the Audit Commission will reassess risks throughout the year and will continue to review the proposed audit plan.

#### **4. Financial Implications**

- 4.1. The Audit Fees for 2007/08 as described in the Audit Plan are estimated at £50,061 compared to £45,494 in 2006/07. The increase includes an inflationary increase and also reflects the financial growth of the Authority and the additional risks and audit work attached to the Waste Management Procurement Project.
- 4.2. The Audit Fee has been included in the Approved Revenue Budget 2007/08.

#### **5. Conclusion**

Members are asked to consider the content of the Audit Plan 2007/08.

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The background documents to this report are open to inspection in accordance with Section 100D of The Local Government Act 1972 - Nil.