

ANNUAL AUDIT FEE AND AUDIT PLAN 2009/10
WDA/13/09

Recommendation

That Members note the fees and planned audit work proposed by the Audit Commission for 2009/10.

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Report of the Director

1. Purpose of the Report

- 1.1 To inform Members of the proposed audit work identified by the Audit Commission for 2009/10 and their associated fees.

2. Background

- 2.1 The Authority agrees an Audit Plan each year with the Audit Commission, who are the Authority's external auditors.
- 2.2 In previous years, the Audit Commission have produced a detailed audit plan document which was then submitted to the Authority for approval.
- 2.3 The Audit Commission have since reviewed this approach and will now only submit a high level indication of planned audit work and proposed fees. The work plan will be reviewed as the year progresses and once the outcome of the previous year's audit work is known.
- 2.4 The Audit Commission's notification of audit fees and proposed audit work for 2009/10 is attached at Appendix 1.

3. Audit Plan 2009/10

- 3.1 The audit work and fees excludes any inspection and assessment fees in relation to Comprehensive Area Assessment. The Auditor will notify the Authority separately of any implications in relation to this aspect of their work.
- 3.2 The proposed audit work for 2009/10 identifies the following key audit areas:
- Financial Statements
 - Value for Money Conclusion

- Whole of Government Accounts

4. Risk Implications

- 4.1 The Authority's Audit Plan is developed by the Audit Commission using a risk-based approach to audit planning as set out in the Code of Audit Practice. The initial risk assessment identified by the Audit Commission in relation to the Authority is set out on page 2 of Appendix 1.
- 4.2 The Audit Commission will not complete their audit work for 2008/09 until later in the year. Whilst the outcome of this audit work is not known, the proposed work plan and fees assume a general level of risk.
- 4.3 In brief, the auditor highlighted the following key risks for 2009/10:
- Maintaining strong governance arrangements and demonstrating value for money in the procurement of waste disposal facilities.
 - Managing the transition to the new Waste Management and Recycling Contract.
 - Managing capacity to deal with the significant planned changes including the strengthening of the finance function.
- 4.4 The Audit Commission will reassess risks throughout the year which will inform the proposed audit work.

5. Financial Implications

- 5.1 The total indicative fee for 2009/10 is £75,780. This compares to the revised planned fee of £75,782 in 2008/09.
- 5.2 A sum of £90,650 has been included in the Approved Revenue Budget 2009/10 which covers the proposed fees and allows for additional work required to be undertaken by the auditor during the year.

6. Conclusion

- 6.1 Members are asked to note the planned audit work and fees proposed by the Audit Commission for 2009/10.

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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.