

Central Bedfordshire Council

2010/11 External Audit Plan – Position Statement at June 2011

Area of work	Work performed/to be performed	Status	Report due
2010/11 Indicative Fee Letter	<p>A letter will be sent to the Council setting out the indicative audit fee for 2010/11.</p> <p>The fee is will be 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 2010/11.</p> <p>More detailed planning documents for particular pieces of work will be issued during the year.</p>	<p>The fee letter has been issued to officers and the indicative fee was presented to the April 2010 Audit Committee meeting.</p> <p>The Audit Commission published the proposed work programme and scales of fees 2011/12 in December 2010. The Commission's proposals include rebates for 2010/11. The proposed rebates for 2010/11 are as follows:</p> <ul style="list-style-type: none"> • A rebate of 3.5 per cent of the 2010/11 scale fee for single tier councils. The 2010/11 scale fee for Central Bedfordshire was some £316,900 and on this basis the rebate would be some £11,090. • This rebate is in addition to the earlier rebate of 6 per cent of the 2010/11 scale fee that the Audit Commission made in respect of the additional audit costs arising from the transition to International Financial Reporting Standards (IFRS). This rebate was some £19,000 and paid in April 2010. • The Commission will also not charge inspection fees for work already carried out in 2010/11 on the managing performance element of the organisational assessment. This element was included at £18,293. 	April 2010

Area of work	Work performed/to be performed	Status	Report due
2010/11 Audit Plan	The Audit Plan will detail the risks identified, planned audit procedures and any changes in fee.	A detailed plan for the audit of the financial statements has been agreed with officers and was presented to the April 2011 Audit Committee.	April 2011
Final accounts	Audit of the Council's financial statements.	<p>The findings from our review of the Council's key financial systems are set out in the Pre Statements Memorandum which will be presented to the June 2011 Audit Committee.</p> <p>The detailed work on the statement of accounts will take place from July to September 2011.</p>	<p>Pre Statements Memorandum – June 2011</p> <p>Annual Governance Report – September 2011.</p> <p>Audit Opinion - September 2011.</p>
Value for money conclusion	<p>We will issue a conclusion on whether the Council has established proper arrangements for securing economy, efficiency and effectiveness in its use of resources.</p> <p>From 2010/11 auditors will give their statutory value for money (VFM) conclusion based on two criteria specified by the Commission, as follows:</p> <ul style="list-style-type: none"> - The organisation has proper arrangements in place for securing financial resilience - The organisation has proper arrangements for challenging how it secures economy, efficiency and effectiveness, 	Our work on the value for money conclusion is largely complete. Our provisional conclusion based on work completed to April 2011 is that the Council has proper arrangements in place to meet the two specified criteria. We will revisit this conclusion once the final outturn position for 2010/11 is known and report our conclusion in the Annual Governance Report.	September 2011

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Grant claims 2010/11	<p>Our work on grant claims is charged at published daily rates, the fee is not included within the audit plan as part of the overall audit fee.</p> <p>The time taken to audit grant claims depends on the quality of working papers, whether we can rely on underlying systems and the extent of work needed to meet the requirements of government departments.</p> <p>An estimate of £100,562 for grant claims work has been included in the fee letter.</p>	We will audit claims when they are made available to us.	We will issue a report when we have completed the audit of all relevant 2010/11 claims.
Annual Audit Letter 2010/11	Summary of conclusions and significant issues arising from our audit work.	We will draft the Annual Audit Letter after we have issued the audit opinion and VFM Conclusion.	Issue to all Members by 30 November 2011.

Area of work	Work performed/to be performed	Status	Report due
2011/12 Indicative Fee Letter	<p>A letter will be sent to the Council setting out the indicative audit fee for 2011/12.</p> <p>More detailed planning documents for particular pieces of work will be issued during the year.</p>	<p>The Audit Commission's proposed fee for 2011/12 is £308,142.</p> <p>The 2011/12 fee reflects a reduction of 10% on the planned 2010/11 fee of £342,380. The Audit Commission has agreed, subject to affordability, to make additional rebates of up to £7.2 million (8%) in 2011/12.</p> <p>The indicative fee letter was issued to officers in April 2011 and will be reported to the June 2011 Audit Committee meeting.</p>	April 2011

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<p>Piloting Simplify and Perfect in Housing Benefit services at Central Bedfordshire</p>	<p>The Advisory Services arm of the Audit Practice has developed a process improvement approach based on lean six sigma methodology to help the public sector in its drive for improved productivity - known as Simplify & Perfect.</p> <p>We are piloting this approach, at no cost, with Central Bedfordshire to improve its Housing Benefit service to people who report a change in circumstances.</p> <p>This aims are to identify a set of recommended options, owned by the team to apply and test in order to improve service outcomes. In addition to service improvements we aim to share learning and build capacity.</p>	<p>Two of the three stages have now been completed and the project is on schedule to conclude by the end of June.</p>	<p>The project will have concluded by the end of June 2011.</p>