

Central Bedfordshire Council

Year ending 31 March 2015

Audit Progress Report

March 2015



Building a better
working world

Mike Blair
Chairman Audit Committee
Central Bedfordshire Council
Priory House
Monks Walk
Shefford
Bedfordshire SG17 5TQ

11th March 2015

Dear Mike

Audit progress report - 2014-15

We are pleased to attach our audit progress report.

The purpose of this report is to provide the Audit Committee with an overview of the stage we have reached in carrying out your 2014-15 audit. Our report sets out the work we have undertaken since our last progress report to you in January 2015.

This report also includes, at Appendix 2, two sector briefings which cover issues which may have an impact on your Council, the local government sector and the audits that we undertake. These briefings are one of the ways that we hope to continue to support you and your organisation in an environment that is constantly changing and evolving. Two briefings have been issued since we last reported to the Audit Committee and therefore both have been included in this report.

We welcome the opportunity to discuss this report with you as well as understand whether there are other matters which you consider may influence our audit.

Yours sincerely

Mick West
Director
For and behalf of Ernst & Young LLP
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Work completed

2014-15 Audit Plan

The Audit Plan for 2014-15 is included in the agenda for this meeting of the Audit Committee. The plan sets out the financial statements and value for money conclusion risks that we had identified and our proposed response to those risks.

In addition to the general risk of management override we have identified one other significant risk. Following changes to the Code of Practice and the issue of LAAP bulletin 101 we have identified accounting for schools as an area for audit attention in our financial statements work.

Completion of walkthroughs and tests of control

We are in the process of carrying out our walkthroughs and some controls testing of the Council's key financial systems, placing reliance on the work of internal audit where possible.

Our work to date has not identified any issues that we need to bring to your attention as those charged with governance.

Financial statements

The detailed work on the financial statements will take place from June to September 2015. We will report our findings in our Annual Results Report to the 28th September Audit Committee.

Value for money conclusion assessment

We have completed our initial risk assessment for our value for money conclusion work against the Audit Commission's specified criteria and areas of focus. As set out in the Audit Plan for 2014-15 we have not identified any significant risks that we need to undertake additional local risk based work to address.

Grant claim certification

The results of our work on Central Bedfordshire Council's 2013-14 claims and returns were reported to the January 2015 meeting of this Committee.

We have not yet started certification work for 2014-15 claims and returns, apart from our early planning work in respect of the housing and benefits subsidy claim. The DWP (Department of Works and Pensions) have not asked us to carry out any additional work in respect of our qualification letter on the 2014-15 housing and council tax benefits claim. The DWP did ask your officers to provide assurances that procedures have, or will be, put in place in order to reduce the possibility of the qualifications reported being repeated in future. This was provided by the due date of 26th February 2015.

2015-16 audit Fee

At the time of drafting this report the Audit Commission had yet to publish the final work programme and fees for 2015-16. They expect to do this in March 2015. The Audit Commission is proposing to reduce scale fees by a further 25 per cent from 2015-16, based on the scale fees applicable for 2014-15. They do not plan to make changes to the overall work programme. The fee reduction will apply to all principal bodies.

Timetable

Audit Committee timeline

The deliverables we have agreed to provide to you through the 2013-14 Audit Committee cycle are set out at Appendix 1.

Appendix 1: Audit Progress on Deliverables

Progress against key deliverables

Key deliverable	Timetable in plan	Status	Comments
Fee letter	June 2014	Completed	June 2014
Audit plan	March - April 2015	Completed	March 2015
Report to those charged with governance	September 2015		
Auditor's report (including opinion and value for money conclusion)	September 2015		
Audit completion certificate	September 2015		
Auditor's report on WGA return	September 2015		
Annual audit letter	October 2015		
Annual report on certification of claims and returns	December 2015		