

19 July 2012		ITEM 7
Audit Committee		
AUDIT PLAN FOR 2011/12 ACCOUNTS		
Wards and communities affected: N/A	Key Decision: N/A	
Accountable Head of Service: Sean Clark, Head of Corporate Finance		
Accountable Director: Martin Hone, Corporate Director of Finance and Corporate Governance		
This report is Public		
Purpose of Report: To receive the Audit Commission's Annual Audit Plan		

1 RECOMMENDATIONS:

That the Audit Committee receive and approve the Audit Commission's Audit Plan for the 2011/12 accounts.

2 INTRODUCTION AND BACKGROUND:

Attached as an Appendix to this report is the Audit Commission's audit plan covering the accounts for 2011/12 and associated matters. It can be seen that the plan picks up issues that have concerned this Committee over the past year:

- The quality of the financial statements and supporting working papers
- The risks of financial misreporting
- The valuation of the Council's property, plant and equipment
- The risks regarding the debt restructuring exercise carried out in July/August 2010
- The upgrading of the Council's financial systems
- The issues regarding the assimilation of the functions of the Thurrock Thames Gateway Development Corporation
- The ongoing problems with the Council's contract for housing repairs

As regards achieving or improving value for money, the auditors will be reviewing both the Medium-Term Financial Strategy and the Asset Management Plan. They will also be looking at the way in which the Council monitors, measures and manages its performance.

3 ISSUES AND/OR OPTIONS

The Committee should note that the estimated fees for the work is £365,380, £82,791 less than the fees for 2010/11.

The Audit Commission intend to issue their final report by 30 September and their Annual Audit letter by 31 October. The Committee will know that this year there were very significant delays in producing these documents because of the issues surrounding the production and completion of the 2010/11 accounts. It is not anticipated that there will be any delays in meeting the deadlines for 2012.

4 IMPACT ON CORPORATE POLICIES, PRIORITIES, PERFORMANCE AND COMMUNITY IMPACT

Completion of the audit plan will provide assurance that the Council's processes and systems for reporting and achieving value for money in the delivery of its services are robust.

5 IMPLICATIONS

5.1 Financial

Implications verified by: **Martin Hone**
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The cost of the audit is estimated to be £365,380.

5.2 Legal

Implications verified by: **David Lawson**
Telephone and email: **01375 652087**
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6.3 Diversity and Equality

Implications verified by: **Samson DeAlyn**
Telephone and email: **01375 652472**
SDeAlyn@thurrock.gov.uk

There are no direct equality, diversity or human rights implications noted in this report.

6.4 Other implications (where significant) – i.e. Section 17, Risk Assessment, Health Impact Assessment, Sustainability, IT, Environmental

None.

7 CONCLUSION

- 7.1 By receiving and approving the audit plan, the Audit Committee is ensuring that the Council's business is conducted legally and to proper standards, and that the Council operates efficiently, effectively and economically.

BACKGROUND PAPERS USED IN PREPARING THIS REPORT:

None.

APPENDICES TO THIS REPORT:

Appendix 1: Audit Plan 2011/12

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