

Body: **ANNUAL ACCOUNTS COMMITTEE**

Date: **26th June 2006**

Subject: **AUDIT AND INSPECTION PLAN 2006/2007**

Report Of: **Director of Financial Services**

Ward(s) All

Purpose To report the Audit Commission's Audit and Inspection Plan for Eastbourne Borough Council for the audit year 2006/2007

Decision Type: Key Decision

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Recommendation: Committee is asked to note the content of the Audit and Inspection Plan 2006/2007 and the implications arising for Eastbourne Borough Council

1.0 Introduction

- 1.1 Each year the Audit Commission prepares an individual annual audit and inspection plan for every local authority. It then presents its plan to the Council through 'those charged with corporate governance'.
- 1.2 For Eastbourne Borough Council presentation of the annual plan has previously been made to Council through Cabinet. However, this year marks a change as the presentation will be made to this Committee at its inaugural meeting today. This is because the new Committee has been established by Council with the specific duty, delegated power and responsibility to approve the annual accounts. As a consequence, it has taken on the role of 'those charged with corporate governance'.

2.0 Audit and Inspection Plan 2006/2007

- 2.1 The Audit Commission's 2006/2007 plan for Eastbourne is attached. In addition to those items traditionally covered within the plan, it includes a commentary on the new use of resources judgement. This is particularly important as the use of resources judgement will form a key part of the Audit Commission's assessment in reaching a value for money conclusion for the Council.
- 2.2 Two representatives from the Audit Commission, Darren Wells the Relationship Manager & Appointed Auditor and Simon Mathers the Audit Manager, will present the Plan in detail at today's Committee, and will be available to take Member questions.

2.3 Councillor Williams as chair of this new Committee provides a direct link with the Executive of the Council since he is the Cabinet portfolio holding Member for finance. This is an important relationship since it is to Cabinet that substantive financial reports are taken for approval and onward recommendation to full Council. Cabinet will continue to play the key role in the Council's management of its day to day financial affairs and planning, and will continue to have an important relationship with the Council's appointed auditor. This will include meetings with the Audit Commission on both a formal and an informal basis as part of developing an ongoing working relationship between the Council, its Members and officers, and the appointed auditor.

2.4 With Councillor Williams' consent an invitation has been made to the two members of the Audit Task Group, Councillors Warner and Tester, to attend today's meeting as observers. Another clear link exists here since Councillor Tester is an approved Member substitute for the Accounts Committee.

3.0 Consultations

3.1 Not relevant for this report

4.0 Implications

4.1 Not relevant for this report

5.0 Summary

5.1 The Audit and Inspection Plan 2006/2007 is presented to Committee for information to note the content and implications for the Council.

Bruce Bird
Director of Financial Services

Background Papers:

The Background Papers used in compiling this report were as follows:

Audit Commission, Audit and Inspection Plan, Audit 2006/2007

To inspect or obtain copies of background papers please refer to the contact officer listed above.