

BROMSGROVE DISTRICT COUNCIL

AUDIT BOARD

13th December 2010

AUDIT COMMISSION ANNUAL AUDIT LETTER 2009/10

Relevant Portfolio Holder	Councillor Geoff Denaro Cabinet Member for Finance
Relevant Head of Service	Jayne Pickering, Executive Director Finance and Corporate Resources
Key Decision / Non-Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 To enable Members to consider the Audit Commission Annual Audit Letter for 2009/10 and to note the action to the recommendations.

2. RECOMMENDATIONS

- 2.1 **That Members note the recommendations included in the Annual Audit Letter 2009/10**

3. BACKGROUND

- 3.1 The Annual Audit Letter as attached at Appendix 1 summarises findings from the 2009/10 Audit. This considers 2 elements:
- Audit of financial statements
 - Assessment of Value for Money arrangements.
- 3.2 A number of conclusions have been made by the Commission in relation to these elements. These include:
- that the Council has fully embraced and implemented joint working arrangements with other Councils
 - that the financial accounts were well prepared and included the entries necessary to amend the Spatial accounting issue raised as part of the formal audit
 - the council has demonstrated that it understands its costs
 - there were no significant weaknesses in internal control.
- 3.3 There were 3 recommendations made by the Commission in the Audit Letter. Officers have considered these and have agreed that actions will be undertaken to address the issues raised. The recommendations were:
- To implement all Annual Governance recommendations within the agreed timescale
 - To implement the Shared Service report recommendations

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- To consider the liability arrangements to ensure services are delivered in compliant way in both Councils

4. KEY ISSUES

- 4.1 Officers will continue to work with the Audit Commission to ensure the Councils accounts and financial management arrangements will deliver compliant and informative accounts and policies in the future.

5. FINANCIAL IMPLICATIONS

- 5.1 None other than those covered in this report.

6. LEGAL IMPLICATIONS

- 6.1 The Accounts and Audit Regulations 2003 require that the Council complies with statutory accounting legislation and changes.

7. POLICY IMPLICATIONS

- 7.1 None as a result of this report

8. COUNCIL OBJECTIVES

- 8.1 Compliance with the accounting standards supports the improvement objective across the Council.

9. RISK MANAGEMENT INCLUDING HEALTH & SAFETY CONSIDERATIONS

- 9.1 The Financial Services risk register includes the preparation of the accounts and the controls in place to ensure the accounts are treated in compliance with accounting standards.

10. CUSTOMER IMPLICATIONS

- 10.1 None as a direct result of this report.

11. EQUALITIES AND DIVERSITY IMPLICATIONS

- 11.1 None as a direct result of this report.

12. VALUE FOR MONEY IMPLICATIONS, PROCUREMENT AND ASSET MANAGEMENT

- 12.1 None as a direct result of this report.

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13. CLIMATE CHANGE, CARBON IMPLICATIONS AND BIODIVERSITY

13.1 None as a direct result of this report.

14. HUMAN RESOURCES IMPLICATIONS

14.1 None as a direct result of this report

15. GOVERNANCE/PERFORMANCE MANAGEMENT IMPLICATIONS

15.1 The statement of accounts and the controls in place to ensure the accounts are accurate is key to the effective governance arrangements in place within the Council.

16. COMMUNITY SAFETY IMPLICATIONS INCLUDING SECTION 17 OF CRIME AND DISORDER ACT 1998

16.1 None as a direct result of this report.

17. HEALTH INEQUALITIES IMPLICATIONS

17.1 None as a direct result of this report.

18. LESSONS LEARNT

18.1 Officers continue to seek advice from best practice authorities and the Audit Commission recommendations to ensure the accounts are presented in compliant format for consideration.

19. COMMUNITY AND STAKEHOLDER ENGAGEMENT

19.1 None as a direct result of this report.

20. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	Yes
Chief Executive	N/A
Executive Director (S151 Officer)	Yes
Executive Director – Leisure, Cultural, Environmental and Community Services	N/A
Executive Director – Planning & Regeneration,	N/A

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Regulatory and Housing Services	
Director of Policy, Performance and Partnerships	N/A
Head of Service	N/A
Head of Resources	N/A
Head of Legal, Equalities & Democratic Services	N/A
Corporate Procurement Team	N/A

21. WARDS AFFECTED

All wards

22. APPENDICES

Appendix 1 – Annual Audit Letter 2009/10

23. BACKGROUND PAPERS

Detailed final accounts working papers.

AUTHOR OF REPORT

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