

Quarterly Progress Report

Blackburn with Darwen Borough Council

Audit 2008/09

September 2009

DRAFT

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Status of our reports

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors/members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or
 - any third party.
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Introduction

- 1 Our audit plan for 2008/09, which we have agreed with you, sets out the work we carry out over the course of the audit.
- 2 This statement shows the current position on our audit work as at 3 September 2009.

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Appendix 1 – Position Statement

Table 1 Position Statement

Audit work	When the work will be carried out	Date and nature of the output	Latest position
CPA and Inspection			
<p>Comprehensive Area Assessment Lead role To act as the Commission's primary point of contact with the Council and the interface at the local level between the Commission and the other inspectorates, government offices and other key stakeholders.</p>	Ongoing	None	Ongoing
<p>Direction of Travel (DoT) assessment An annual assessment, carried out by the CAAL, of how well the Council is securing continuous improvement. The DoT statement will be reported in the Annual Audit and Inspection Letter. The DoT assessment summary will be published on the Commission's website.</p>	November - December 2008	Report in Annual Audit & Inspection Letter (due 31 March 2009)	Incorporated in AAIL on Audit Committee agenda on 22 April 2009
<p>Corporate Assessment A Corporate Assessment will be carried out by the Audit Commission.</p>	Autumn 2008	Report	Complete - report issued 13 January 2009

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Audit work	When the work will be carried out	Date and nature of the output	Latest position
Financial statements			
Financial statements - we will document and test key financial systems to support our work on the financial statements. We will seek to rely on Internal Audit's work, where possible.	January - March 2009	Report where appropriate April 2009	Review of financial systems work is complete. No issues to report to Audit Committee
We will carry out our audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board (APB).	July - September 2009	Audit Opinion September 2009	Work is well underway - aiming to give opinion by 30 September
We are also required to review whether the Annual Governance Statement has been presented in accordance with relevant requirements, and to report if it does not meet these requirements or if the Annual Governance Statement is misleading or inconsistent with our knowledge of the Council.	July - September 2009	Audit Opinion September 2009	Work substantially complete
Use of Resources			
Value for money conclusion. The Code requires us to issue a conclusion on whether the Council has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the value for money conclusion.	August – September 2009	Audit report September 2009	Work substantially complete - aim to issue vfm conclusion by 30 September
We will also follow up work from previous years to assess	March - June 2009	Report where	Incorporating update

progress in implementing agreed recommendations.		appropriate	of Programmes and Governance review into our current Use of Resources work
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Appendix 1 – Position Statement

Audit work	When the work will be carried out	Date and nature of the output	Latest position
Use of resources assessment. The Audit Commission has specified that auditors will complete a use of resources assessment for 2008.	May – October 2008	Report	Final Report to Audit Committee on 21 January 2009
The Council has recently had a corporate assessment. The Council will respond to the corporate assessment and determine what action is needed. We will work with officers to determine where further audit work is required based on the outcomes from the corporate assessment.	March - July 2009	Report where appropriate	Continuing to monitor response to action plan through discussions with officers
A review of Internal Audit by your previous external auditors in 2007 found it did not meet professional standards in a number of areas. We will undertake a review of Internal Audit to assess the progress made since the review in 2007.	February-April 2009	Report	Review complete and agreed with officers. Plan for report to go to September Audit Committee

Audit work	When the work will be carried out	Date and nature of the output	Latest position
Data Quality			
<p>The Audit Commission has specified that auditors will be required to undertake audit work in relation to data quality. This is based on a three-stage approach covering:</p> <ul style="list-style-type: none"> ● Stage 1 - management arrangements; ● Stage 2 - completeness check; and ● Stage 3 - risk-based quality spot checks of a sample of performance indicators. 	Autumn 2008	Report	Complete - Draft report issued to officers December 2008. Responses now received. Report on agenda for 29 June Audit Committee meeting
Whole of Government Accounts (WGA)			
<p>We will be required to review and report on your WGA consolidation pack in accordance with the approach agreed with HM Treasury and the National Audit Office which is proportionate to risk.</p>	September 2009	Audit Report	Awaiting WGA from officers

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Audit work	When the work will be carried out	Date and nature of the output	Latest position
Certification of grant claims and returns			
<p>We will continue to certify the Council's claims and returns on the following basis.</p> <ul style="list-style-type: none"> • Claims below £100,000 will not be subject to certification. • Claims between £100,000 and £500,000 will be subject to a reduced, light-touch certification. • Claims over £500,000 will be subject to a certification approach relevant to the auditor's assessment of the control environment and management preparation of claims. A robust control environment would lead to a reduced certification approach for these claims. 	August - December 2009	Audit Certificates on individual claims	Work on claims underway - expect to meet required deadlines at this stage

Table 2 Other work to be undertaken in 2009 (to be included in 2009/10 plan)

Use of resources 2009		
The Audit Commission has specified that auditors will complete a "new" Use of Resources assessment in 2009	Field work to be undertaken March to July 2009 with report of key findings in our September Annual Governance Report.	Work completed - results reported to the Audit Commission for moderation process. Outcomes to be confirmed mid - September