

Report of the External Auditor to the meeting of Governance and Audit Committee to be held on 15 April 2016.

Subject:

AU

Value for Money audit risk assessment 2015/16

Summary statement:

The report updates the Governance and Audit Committee on our audit risk assessment for the 2015/16 value for money conclusion and the specific work considered we plan to support a safe VFM conclusion

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1. SUMMARY

We have a statutory duty to reach a conclusion as to whether you have made proper arrangements for securing economy, efficiency and effectiveness in your use of resources (the value for money conclusion).

The VFM audit risk assessment report sets out the considerations which underpin our assessment of the specific work we need to do to reach an evidence-based conclusion. We have identified a significant audit risk for the VFM conclusion in relation to sustainable resource deployment, one of the sub-criteria identified by the National Audit Office as relevant to the auditor's overall conclusion.

To mitigate our audit risk we plan to review the Council's arrangements for:

- monitoring budgets and ensuring that identified savings are being achieved;
- revising the medium term financial plan; and
- developing plans to bridge the funding gap for future years through the New Deal process.

We will also review a sample of project plans for saving proposals and their delivery arrangements.

The report is an audit risk assessment and not an audit judgement or conclusion on the Council's VFM arrangements.

2. BACKGROUND

Not applicable.

3. OTHER CONSIDERATIONS

None.

4. OPTIONS

Not applicable.

5. FINANCIAL & RESOURCE APPRAISAL

Not applicable.

6. RISK MANAGEMENT AND GOVERNANCE ISSUES

None.

7. LEGAL APPRAISAL

Not applicable.

8. OTHER IMPLICATIONS

8.1 EQUALITY & DIVERSITY

Not applicable.

8.2 SUSTAINABILITY IMPLICATIONS

Not applicable.

8.3 GREENHOUSE GAS EMISSIONS IMPACTS

Not applicable.

8.4 COMMUNITY SAFETY IMPLICATIONS

Not applicable.

8.5 HUMAN RIGHTS ACT

Not applicable.

8.6 TRADE UNION

Not applicable.

8.7 WARD IMPLICATIONS

Not applicable.

9. NOT FOR PUBLICATION DOCUMENTS

None.

10. RECOMMENDATION

That the Governance and Audit Committee considers the VFM audit risk assessment report.

11. APPENDICES

The VFM audit risk assessment report is attached as a separate document

12. BACKGROUND DOCUMENTS

None.