

Audit and Inspection Plan

Date

Audit and Inspection Plan

Tonbridge & Malling Borough Council

Audit 2008/09

External audit is an essential element in the process of accountability for public money and makes an important contribution to the stewardship of public resources and the corporate governance of public services.

Audit in the public sector is underpinned by three fundamental principles:

- auditors are appointed independently from the bodies being audited;
- the scope of auditors' work is extended to cover not only the audit of financial statements but also value for money and the conduct of public business; and
- auditors may report aspects of their work widely to the public and other key stakeholders.

The duties and powers of auditors appointed by the Audit Commission are set out in the Audit Commission Act 1998 and the Local Government Act 1999 and the Commission's statutory Code of Audit Practice. Under the Code of Audit Practice, appointed auditors are also required to comply with the current professional standards issued by the independent Auditing Practices Board.

Appointed auditors act quite separately from the Commission and in meeting their statutory responsibilities are required to exercise their professional judgement independently of both the Commission and the audited body.

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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 members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

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

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Introduction

- 1 This plan has been developed by the outgoing Relationship Manager and the Appointed Auditor. It sets out the audit and inspection work that we propose to undertake for the 2008/09 financial year. The plan is based on the Audit Commission's risk-based approach to audit planning and the requirements of moving towards Comprehensive Area Assessment (CAA). It reflects:
 - audit and inspection work specified by the Audit Commission for 2008/09;
 - current national risks relevant to your local circumstances; and
 - your local risks and improvement priorities.
- 2 During 2008/09, the role of Relationship Manager will be replaced by the post of Comprehensive Area Assessment Lead (CAAL). The CAAL will provide the focal point for the Commission's work in your local area, lead the CAA process, and ensure that the combined inspection programme across all inspectorates is tailored to the level and nature of risk for the area and its constituent public bodies. Under the Local Government and Public Involvement in Health Act 2007 the Commission has also become the statutory gatekeeper of all inspection activity involving local authorities.
- 3 As we have not yet completed our audit for 2007/08, the audit planning process for 2008/09, including the risk assessment, will continue as the year progresses, and the information and fees in this plan will be kept under review and updated as necessary.

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Responsibilities

- 4 We comply with the statutory requirements governing our audit and inspection work, in particular:
 - the Audit Commission Act 1998;
 - the Local Government Act 1999 (best value inspection and audit); and
 - the Code of Audit Practice.
- 5 The Code of Audit Practice (the Code) defines auditors' responsibilities in relation to:
 - the financial statements (including the annual governance statement); and
 - the audited body's arrangements for securing economy, efficiency and effectiveness in its use of resources.
- 6 The Audit Commission's Statement of Responsibilities of Auditors and of Audited Bodies (from April 2008) sets out the respective responsibilities of the auditor and the Council. The Audit Commission has issued a copy of the Statement to every audited body.
- 7 The Statement summarises where the different responsibilities of auditors and of the audited body begin and end, and our audit work is undertaken in the context of these responsibilities.

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Audit fee

- 8 The details of the structure of scale fees are set out in the Audit Commission's "Work programme and fee scales 2008/09". Scale fees are based on a number of variables, including the type, size and location of the audited body.
- 9 The total indicative fee for the work included in this audit and inspection plan for 2008/09 is £99,154. This compares to the planned fee of £97,910 for 2007/08. Our fee is determined by audit risks identified, mandated work and basic assumptions.
- 10 A summary of the 2008/09 fee is shown at Table 1. A more detailed breakdown of the audit and inspection fee is included at Appendix 2.

Table 1 Audit fee

	Planned fee 2008/09	Planned fee 2007/08	Page
	£	£	
Audit	92,584	91,470	9
Inspection	6,570	6,440	13
Total audit and inspection fee	99,154	97,910	
Certification of claims and returns	30,600	26,000	19
Additional services	0	0	

- 11 The Audit Commission scale audit fee for Tonbridge & Malling Borough Council is £103,343. The proposed audit fee for 2008/09 (£92,584) is 10% per cent lower than the scale fee (2007/08: 6% lower) and is within the normal level of 30 per cent variation (upwards or downwards) specified by the Commission.
- 12 In setting the fee, we have assumed that:
- the level of risk in relation to the audit of the financial statements is not significantly different from that identified for 2007/08; and
 - Internal Audit undertakes appropriate work on all systems and good quality working papers and records will be provided to support the financial statements.

Further details of our assumptions are outlined at Appendix 2.

- 13 The Audit Commission has the power to determine the fee above or below the scale fee where it considers that substantially more or less work is required than envisaged by the scale fee. The Audit Commission may, therefore, adjust the scale fee to reflect the actual work that needs to be carried out to meet the auditor's statutory responsibilities, on the basis of the auditor's assessment of risk and complexity at a particular body.
- 14 It is a matter for the auditor to determine the work necessary to complete the audit and, subject to approval by the Audit Commission, to seek to agree an appropriate variation to the scale fee with the Council. This fee then becomes payable.

Specific actions Tonbridge & Malling Borough Council could take to reduce its audit and inspection fees

- 15 The Audit Commission requires its auditors to inform a council of specific actions it could take to reduce its audit and inspection fees. The audit plan for Tonbridge & Malling Borough Council is focussed on core audit work. As a result there is limited scope for the Council to reduce fees in 2008/09.
- 16 The scope of our Use of Resources work will change in 2008/09. Our current fee assumes that the Council will put in place clear and complete evidence trails to support the assessments required under the new framework.
- 17 Our plan does not currently include any allocation for detailed work on issues associated with the Tonbridge Town Centre redevelopment plan. Depending on the timing and nature of any proposals a range of significant legal, governance and performance management issues may need to be considered. Clear reporting frameworks which demonstrate that the Council has identified all relevant issues and has taken appropriate action to address them will help minimise any audit work required.

Process for agreeing any changes in audit fees

- 18 As set out in paragraph 3, our initial risk assessment may change as the year progresses. Where this is the case, we will discuss this in the first instance with the Director of Finance. Where necessary a supplementary audit plan will be issued to update our initial risk assessment and identify any impact on the audit fee.

Auditor's report on the financial statements

- 19 As appointed auditor, the District Auditor is required to issue an audit report giving her:
- opinion on whether the financial statements present fairly the financial position of the Council as at 31 March 2009; and
 - conclusion on whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Financial statements

- 20 We have not undertaken a risk assessment for our audit of the financial statements as many of the specific risks may only become apparent after we have completed our 2007/08 audit. If appropriate we will issue a separate opinion audit plan for our audit of the financial statements in December 2008.
- 21 Our work on the Council's 2006/07 financial statements indicated that strong closedown processes were in place. At this stage our plan assumes that this will continue to be the case for the audit of the 2008/09 accounts.
- 22 As outlined above, at this stage we have not undertaken a detailed risk assessment for opinion purposes. However, there will be a need for the Council to ensure that the financial and accounting implications of any new partnership arrangements are properly considered when preparing the Council's financial statements for 2008/09.
- 23 The adoption of International Financial Reporting Standards (IFRS) is not required by most local government bodies in 2008/09. However, some information may need to be produced on an IFRS basis to support the whole of government accounts (WGA) consolidation packs. Where there is a need to produce information on this basis we will liaise further with the Council on the work required.

VFM conclusion

- 24 In reaching our conclusion, the District Auditor will review evidence that is relevant to the Council's performance management and financial management arrangements.
- 25 In 2008/09 our value for money conclusion will be fully aligned with the outcomes from our use of resources assessment. However, we will need to consider the revised use of resources assessment criteria which will apply for 2008/09.

- 26 In our Use of Resources assessment for 2006/07 the Council received an overall score of 4 ("Well above minimum standards - performing strongly"). Given this strong level of performance we currently assess that there are very few areas of residual risk which may require specific work over and above that generally required to inform our detailed use of resources assessment and the value for money conclusion. These residual risk areas are identified at Table 2. Full details of our risk assessment are included at Appendix 3.

Table 2 Key risks identified

Key risks identified	Planned work to address the risk
<p>Issues associated with the Tonbridge Town Centre redevelopment plan.</p>	<p>A range of performance and financial management issues may be involved. As the exact timing and scope of any plans or partnership arrangements is not yet clear we have not allowed for any detailed work in the current audit plan.</p> <p>We will monitor progress with any partnership arrangements and consider the work required to support our value for money conclusion</p>
<p>Tackling health inequalities is a new formal requirement both on local authorities and PCTs.</p> <p>As there are significant existing health inequalities across Kent, there is a need to ensure that the relevant issues are being effectively addressed through partnership arrangements.</p>	<p>A joint review across key public service providers in Kent to assess the effectiveness of partnership working arrangements in addressing health inequalities issues.</p>

Use of resources

- 27 This will be the first year of a new use of resources assessment which will form an element of the CAA framework. The Audit Commission has specified that auditors will complete a use of resources assessment for 2008/09.
- 28 There have been significant changes to the criteria for 2008/09. Further details are provided at Appendix 1. For each of the significant risks identified in relation to our use of resources work, we will consider the arrangements put in place by the Council to mitigate the risk, and plan our work accordingly.
- 29 Our initial risk assessment for use of resources work is shown in Appendix 3. This will be updated through our continuous planning process as the year progresses.

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Mandated work

30 For 2008/09 the Audit Commission's mandated work programme at district councils comprises;

- data quality;
- whole of government accounts; and
- National Fraud Initiative (NFI).

Appendix 1 highlights the work to be undertaken.

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CPA and inspection

- 31 From April 2009, the Audit Commission, jointly with the other public service inspectorates, will be implementing Comprehensive Area Assessment (CAA). Therefore 2008/09 is the last year in which corporate assessments and programme service inspections will be undertaken as part of the CPA framework.
- 32 The Audit Commission's CPA and inspection activity is underpinned by the principle of targeting our work where it will have the greatest effect, based upon assessments of risk and performance.
- 33 The Council's CPA category is, therefore, a key driver in the Commission's inspection planning process. In its most recent CPA assessment the Council was categorised as excellent.
- 34 We have applied the principles set out in the CPA framework, 'CPA – District Council Framework From 2006', in assessing the work required at the Council in 2008/09. We have concluded that no detailed service inspection activity is required for 2008/09. Our inspection activity for 2008/09 will therefore be as outlined at Table 3.

Table 3 Summary of inspection activity

Inspection activity	Reason/impact
Comprehensive Area Assessment Lead (CAAL) 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.
Direction of Travel (DoT) assessment	An annual assessment, carried out by the CAAL, of how well the Council is securing continuous improvement. A scored assessment will be reported in the Annual Audit and Inspection Letter. The DoT assessment summary will also be published on the Commission's website.

Additional services work

- 35 Under Schedule 2A of the Audit Commission Act 1998, the Commission may provide 'advice and assistance' to another public authority. The Council has not requested that we undertake any work under this heading for 2008/09.

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The audit and inspection team

- 36 The key members of the audit and inspection team for the 2008/09 audit are shown in the table below.

Table 4 Audit and inspection team

Name	Contact details	Responsibilities
Paul Chambers Comprehensive Area Assessment Lead (successor to be appointed)	p-chambers@audit-commission.gov.uk 0844 798 1357	The 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.
Lindsey Mallors District Auditor (successor to be appointed)	l-mallors@audit-commission.gov.uk 0844 798 1369	As appointed auditor, responsible for the overall delivery of the audit including the quality of outputs, signing the opinion and conclusion, and liaison with the Chief Executive and Audit Committee.
Trevor Greenlee Audit Manager	t-greenlee@audit-commission.gov.uk 07909 534624	Manages and co-ordinates the different elements of the audit work. Key point of contact for the Head of Finance.
Graham Short Team Leader	g-short@audit-commission.gov.uk 07815 880171	Responsible for the day to day delivery of the audit. Key point of contact for finance staff.

Quality of service

- 37 We are committed to providing you with a high quality service. If you are in any way dissatisfied, or would like to discuss how we can improve our service, please contact the CAAL or District Auditor in the first instance. Alternatively you may wish to contact Chris Westwood, Head of Operations, South East.
- 38 If we are unable to satisfy your concerns, you have the right to make a formal complaint to the Audit Commission. The complaints procedure is set out in the leaflet '*Something to Complain About*', which is available from the Commission's website or on request.

Planned outputs

- 39 Reports will be discussed and agreed with the appropriate officers before being issued to the Audit Committee.

Table 5 Planned outputs

Planned output	Indicative date
Data quality report	November 2008
Opinion Audit Plan (if appropriate)	December 2008
Direction of travel report (included in 2007/08 Annual Audit and Inspection Letter)	March 2009
Interim audit memorandum (if appropriate)	May/June 2009
Audit opinion and value for money conclusion	September 2009
Annual governance report	September 2009
WGA auditor's report	October 2009
Final accounts memorandum (if appropriate)	October/November 2009
Use of resources report	December 2009
Annual Audit and Inspection Letter	March 2010

Appendix 1 – Work under the Code of Audit Practice

Financial statements

- 1 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).
- 2 We are required to issue an opinion on whether the financial statements present fairly, in accordance with applicable laws and regulations and the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2008, the financial position of the Council as at 31 March 2009 and its income and expenditure for the year.
- 3 We are also required to review whether the Annual Corporate Governance Statement has been presented in accordance with relevant requirements, and to report if it does not meet these requirements or if the Annual Corporate Governance Statement is misleading or inconsistent with our knowledge of the Council.

Value for money conclusion

- 4 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. The Code also requires the auditor to have regard to a standard set of relevant criteria, issued by the Audit Commission, in arriving at her conclusion.
- 5 In meeting this responsibility, we will review evidence that is relevant to the Council's corporate performance management and financial management arrangements. Where relevant work has been undertaken by other regulators, for example Communities and Local Government, we will normally place reliance on their reported results to inform our work.
- 6 We will also follow up our work from previous years to assess progress in implementing agreed recommendations.

Use of resources assessment

- 7 The Commission has now consulted on its proposals for the 2008/09 use of resources assessment. It proposes that the work required to arrive at the 2008/09 Use of Resources assessment is fully aligned with that required to arrive at the auditor's 2008/09 value for money conclusion.
- 8 The Commission proposes that the assessment will be based upon the evidence from three themes:

- Managing money
 - Managing the business
 - Managing other resources.
- 9 The Commission proposes that Data Quality will become an element of the use of resources framework from 2008/09.
- 10 We will report details of the scores and judgements made to the Council. The scores will be accompanied, where appropriate, by recommendations for improvement.
- 11 The auditor's scores are reported to the Commission and are used as the basis for its overall use of resources judgement for the purposes of CAA.

Data quality

- 12 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:
- Stage 1 – management arrangements;
 - Stage 2 – analytical review; and
 - Stage 3 – risk-based data quality spot checks of a sample of performance indicators.
- 13 Work will be focused on the overall arrangements for data quality, particularly on the responsibility of the Council to manage the quality of its data including data from partners where relevant.
- 14 Our fee estimate reflects an assessment of risk in relation to the Council's data quality arrangements and performance indicators. This risk assessment may change depending on our assessment of your overall management arrangements at stage 1 and we will update our plan accordingly, including any impact on the fee.

Whole of government accounts

- 15 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. Some information to support the 2008/09 WGA consolidated pack will for the first time need to be produced in accordance with the International Financial Reporting Standards (IFRS). However, as the scope of our work for 2008/09 has yet to be centrally agreed in relation to adjustments required to comply with IFRS our proposed fee does not reflect any additional associated work at this stage. We will update our plan should additional work be required.

National Fraud Initiative

- 16 The Council participates in the National Fraud Initiative, which is the Audit Commission's computerised data matching exercise designed to detect fraud perpetrated against public bodies.
- 17 From 2008/09 the NFI will be undertaken under the Commission's new data matching powers inserted into the Audit Commission Act 1998 by the Serious Crime Act 2007. The NFI will therefore no longer be part of the Code audit and will be covered by a separate fee scale. This will be the subject of consultation in April 2008 when the new statutory provisions come into force.

Certification of grant claims and returns

- 18 We will continue to certify the Council's claims and returns on the following basis:
 - 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; and
 - 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.
- 19 Our fee for grant claims work is based on the actual time taken. An indicative fee is included in the current plan. This indicative fee takes into account the actual outcomes for work on the Council's 2006/07 grant claims in the period to December 2007.

Appendix 2 – Basis for fee

- 1 The Audit Commission is committed to targeting its work where it will have the greatest effect, based upon assessments of risk and performance. This means planning our audit work to address areas of risk relevant to our audit responsibilities and reflecting this in the audit fees. It also means making sure that our work is coordinated with the work of other regulators, and that our work helps you to improve.
- 2 Our risk assessment process starts with the identification of the significant financial and operational risks applying at the Council with reference to:
 - our cumulative knowledge of the Council;
 - planning guidance issued by the Audit Commission;
 - the specific results of previous and ongoing audit work;
 - interviews with Council officers;
 - liaison with internal audit; and
 - the results of other review agencies' work where relevant.

Assumptions

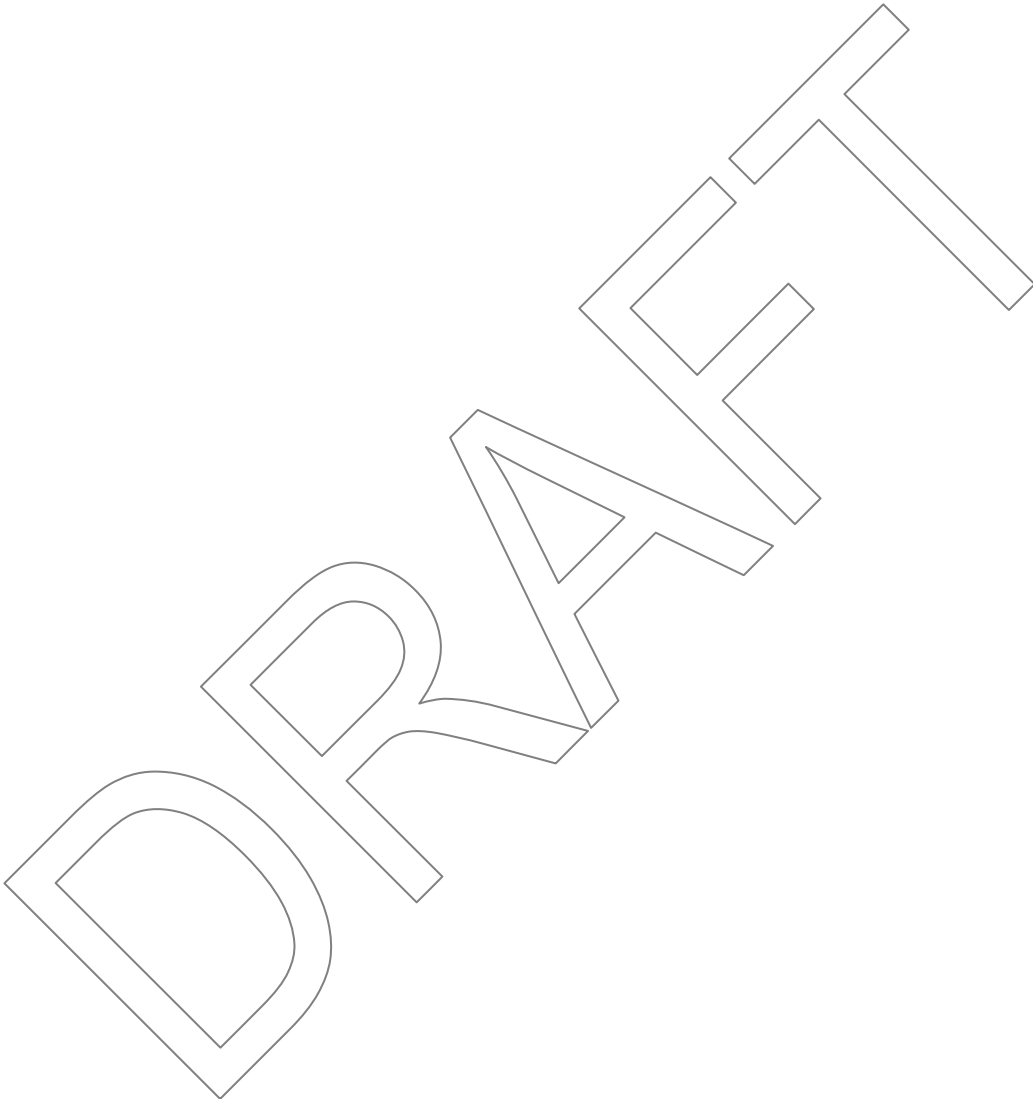
- 3 In setting the fee, we have assumed that:
 - the level of risk in relation to the audit of the financial statements is not significantly different from that identified for 2007/08;
 - you will inform us of significant developments impacting on our audit;
 - the requirement to prepare the 2008/09 WGA consolidated pack in accordance with IFRS will not result in additional work;
 - Internal Audit meets the appropriate professional standards;
 - Internal Audit undertakes appropriate work on all systems that provide material figures in the financial statements sufficient that we can place reliance for the purposes of our audit;
 - good quality working papers and records will be provided to support the financial statements;
 - requested information will be provided within agreed timescales;
 - prompt responses will be provided to draft reports; and
 - additional work will not be required to address questions or objections raised by local government electors.
- 4 Where these assumptions are not met, we will be required to undertake additional work which is likely to result in an increased audit fee. The fee for the audit of the financial statements will be re-visited when we issue the opinion audit plan.
- 5 Changes to the plan will be agreed with you. These may be required if:

- new residual audit risks emerge;
 - additional work is required by the Audit Commission or other regulators; or
 - additional work is required as a result of changes in legislation, professional standards or as a result of changes in financial reporting.
- 6 Below is a detailed breakdown of the audit and inspection fee for 2008/09.
- 7 The fee (plus VAT) will be charged in 12 equal instalments from April 2008 to March 2009.

Table 6 Detailed audit and inspection fee

Audit area	Planned fee 2008/09 £	Planned fee 2007/08 £	Page
Audit			
Financial statements	64,027	62,490	9
Use of resources	18,362	22,565	11
Data quality	8,395	7,290	12
Whole of government accounts	1,800	500	12
National Fraud Initiative	- *	625	12
Total audit fee	92,584	91,470	
Inspection			
Relationship management	3,285	3,195	13
Direction of travel	3,285	3,245	13
Service inspection	0	0	13
Total inspection fee	6,570	6,440	
Total audit and inspection fee	99,154	97,910	
Certification of claims and returns	30,600	26,000	19
Additional services work	0	0	

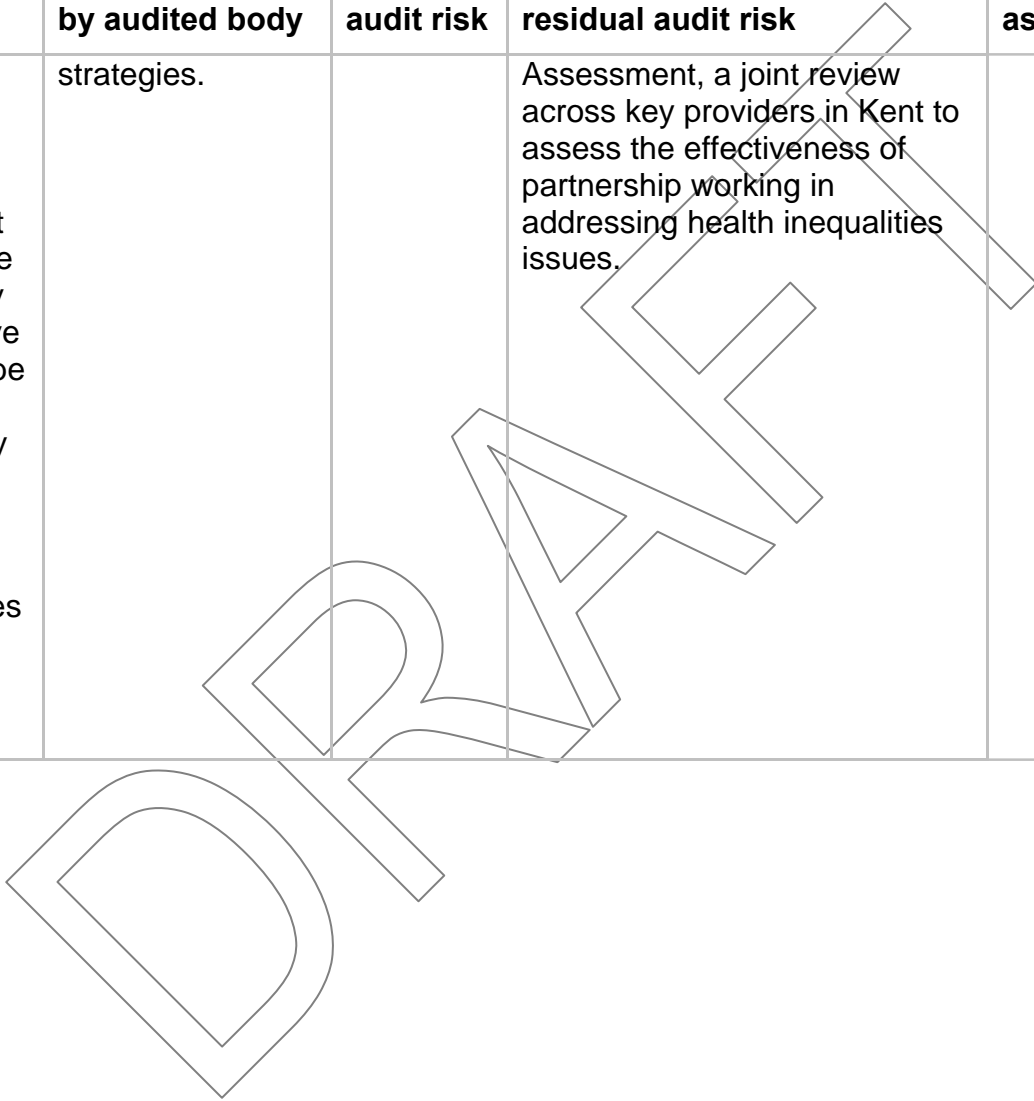
* No longer part of the Code Audit for 2008/09. Fees to be invoiced by the Audit Commission centrally following consultation on fee scales in April 2008.



Appendix 3 – Initial risk assessment – Use of resources and VFM conclusion

Significant risks identified	Mitigating action by audited body	Residual audit risk	Action in response to residual audit risk	Link to use of resources assessment criteria
The new use of resources framework for 2008/09 will require assessments in a number of areas not previously considered.	Further work required to identify.	Yes	Need to identify evidence requirements to support the new assessment criteria and review as part of the 2008/09 Use of Resources assessment.	<ul style="list-style-type: none"> Managing money Managing the business Managing other resources.
Issues associated with the Tonbridge Town Centre redevelopment plan.	Project management arrangements.	Yes	<p>A range of performance and financial management issues may be involved.</p> <p>As the timing and scope of any partnership arrangements is not yet clear we have not allowed for any detailed work in the current audit plan.</p> <p>We will monitor progress with the development of the scheme and of any related partnership arrangements and consider the work required to support our value for money conclusion.</p>	<p>Potentially relevant to a range of criteria under;</p> <ul style="list-style-type: none"> Managing money Managing the business Managing other resources.
Tackling health inequalities is a new	Involvement with county-wide	Yes	Within the context of Comprehensive Area	Potentially relevant to a range of criteria under;

Significant risks identified	Mitigating action by audited body	Residual audit risk	Action in response to residual audit risk	Link to use of resources assessment criteria
<p>formal requirement both on local authorities and PCTs, and includes the need to meet a range of public service agreement (PSA) targets. Very large amounts of public money are involved, and effective partnership working will be required to ensure that optimum value for money is achieved.</p> <p>There are significant existing health inequalities across Kent.</p>	<p>strategies.</p>		<p>Assessment, a joint review across key providers in Kent to assess the effectiveness of partnership working in addressing health inequalities issues.</p>	<ul style="list-style-type: none"> Managing the business.



Appendix 4 – Independence and objectivity

- 1 We are not aware of one relationship that may affect the independence and objectivity of the District Auditor and the audit staff, which we are required by auditing and ethical standards to communicate to you.
- 2 We comply with the ethical standards issued by the APB and with the Commission's requirements in respect of independence and objectivity as summarised below.
- 3 Auditors appointed by the Audit Commission are required to comply with the Commission's Code of Audit Practice and Standing Guidance for Auditors, which defines the terms of my appointment. When auditing the financial statements, auditors are also required to comply with auditing standards and ethical standards issued by the Auditing Practices Board (APB).
- 4 The main requirements of the Code of Audit Practice, Standing Guidance for Auditors and the standards are summarised below.
- 5 International Standard on Auditing (UK and Ireland) 260 (Communication of audit matters with those charged with governance) requires that the appointed auditor:
 - discloses in writing all relationships that may bear on the auditor's objectivity and independence, the related safeguards put in place to protect against these threats and the total amount of fee that the auditor has charged the client; and
 - confirms in writing that the APB's ethical standards are complied with and that, in the auditor's professional judgement, they are independent and their objectivity is not compromised.
- 6 The standard defines 'those charged with governance' as 'those persons entrusted with the supervision, control and direction of an entity'. In your case, the appropriate addressee of communications from the auditor to those charged with governance is the Audit Committee. The auditor reserves the right, however, to communicate directly with the Council on matters which are considered to be of sufficient importance.
- 7 The Commission's Code of Audit Practice has an overriding general requirement that appointed auditors carry out their work independently and objectively, and ensure that they do not act in any way that might give rise to, or could reasonably be perceived to give rise to, a conflict of interest. In particular, appointed auditors and their staff should avoid entering into any official, professional or personal relationships which may, or could reasonably be perceived to, cause them inappropriately or unjustifiably to limit the scope, extent or rigour of their work or impair the objectivity of their judgement.
- 8 The Standing Guidance for Auditors includes a number of specific rules. The key rules relevant to this audit appointment are as follows.

- Appointed auditors should not perform additional work for an audited body (i.e. work over and above the minimum required to meet their statutory responsibilities) if it would compromise their independence or might give rise to a reasonable perception that their independence could be compromised. Where the audited body invites the auditor to carry out risk-based work in a particular area that cannot otherwise be justified as necessary to support the auditor's opinion and conclusions, it should be clearly differentiated within the Audit and Inspection Plan as being 'additional work' and charged for separately from the normal audit fee.
- Auditors should not accept engagements that involve commenting on the performance of other auditors appointed by the Commission on Commission work without first consulting the Commission.
- The District Auditor responsible for the audit should, in all but the most exceptional circumstances, be changed at least once every five years.
- The District Auditor and senior members of the audit team are prevented from taking part in political activity on behalf of a political party, or special interest group, whose activities relate directly to the functions of local government or NHS bodies in general, or to a particular local government or NHS body.
- The District Auditor and members of the audit team must abide by the Commission's policy on gifts, hospitality and entertainment.

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Appendix 5 – Working together

Meetings

- 1 The audit team will maintain knowledge of your issues to inform our risk-based audit through regular liaison with key officers, including the:
 - Chief Executive;
 - Director of Finance; and
 - Head of Audit.
- 2 We will also seek to attend all Audit Committee meetings during the year.

Sustainability

- 3 The Audit Commission is committed to promoting sustainability in our working practices and we will actively consider opportunities to reduce our impact on the environment. This will include:
 - reducing paper flow by encouraging you to submit documentation and working papers electronically;
 - use of video and telephone conferencing for meetings as appropriate;
 - reducing travel; and
 - other initiatives.