

Audit Progress Report

Year ending 31 March 2015

Oxfordshire County Council

8 July 2015

Ernst & Young LLP



Building a better
working world



Ernst & Young LLP
Apex Plaza
Forbury Road
Reading
RG1 1YE

Tel: + 44 118 928 1100
Fax: + 44 118 928 1101
ey.com

Audit and Governance Committee
Oxfordshire County Council
County Hall
New Road
Oxford
OX1 1ND

8 July 2015

Direct line: 07769 932604

Email: mgrindley@uk.ey.com

Dear Members

Audit Progress Report 2014/15

We are pleased to attach our Audit Progress Report.

The purpose of this report is to provide the Audit and Governance Committee with an overview of the timetable we are proposing for your 2014/15 audit and to ensure our audit is aligned with the Committee's expectations.

Our audit will be undertaken in accordance with the requirements of the Audit Commission Act 1998, the Code of Audit Practice, the Audit Commission Standing Guidance, auditing standards and other professional requirements.

We provided our Audit Fee Letter to the Chief Executive and the Audit and Governance Committee in April 2014.

We welcome the opportunity to discuss this report with you as well as understand whether there are other matters which you consider may influence our audit.

Yours faithfully

Maria Grindley
Director
For and Behalf of Ernst & Young LLP
UK

Enc

Contents

1. Planned work	2
2. Timetable.....	3
Appendix A Audit Progress.....	4

1. Planned work

2014/15 Planning

Since our last progress report we presented our 2014/15 Audit Plan to the Audit and Governance Committee in April 2015. We will continue to keep the plan under review and will inform you of any changes to our risk assessments and planned work.

Meetings and progress to date

We continue to have regular meetings with key officers as part of our ongoing audit process. These have proved beneficial as we have discussed a number of significant issues including the financial position of the Council, progress on the Hampshire Partnership, progress on the production of the financial statements and review of payments made in relation to claims against the Council. We have undertaken early testing of the de-recognition of schools transferring to academy status.

Following our interim review there are two issues we wish to bring to your attention:

- ▶ the accountant responsible for the production of the plant, property and equipment figures for the balance sheet has left the Council and this has delayed the closure process. We have discussed the issues with the Chief Finance Officer and have agreed to delay the start of our audit by one week to provide Council staff with sufficient time to complete the work and produce supporting working papers;
- ▶ the strategic risk register has not been updated since September 2013. Action 5 of the draft Annual Governance Statement (AGS) is to have the register updated by 31 September 2015. Whilst service risk registers are in place and are updated more regularly we believe that the strategic risk register should be updated quarterly especially during periods of significant change at the Council.

We will undertake:

- ▶ fortnightly meetings with key finance staff during the opinion audit visit to discuss significant risks around the accounts, and provide updates on our work; and
- ▶ quarterly meetings with the Chief Finance Officer to discuss the significant risks faced by the Council and our approach and progress with the audit.

Audit and Governance Committee

If members of the Audit and Governance Committee have any particular issues they want to discuss with us we would be pleased to discuss these.

2. Timetable

Audit and Governance Committee Timeline

We have set out below a timetable showing the key stages of the audit, including the value for money work and the whole of government accounts, and the deliverables we have agreed to provide to you through the 2014/15 and 2015/16 Audit and Governance Committee cycle.

We will provide formal reports to the Audit and Governance Committee throughout our audit process as outlined below. Where required, we will issue an Interim Report, summarising the findings from our audit at that stage. From time to time matters may arise that require immediate communication with the Audit and Governance Committee and we will discuss them with the Audit and Governance Committee Chair as appropriate.

Following the conclusion of our audit we will prepare an Annual Audit Letter in order to communicate to the Council and external stakeholders, including members of the public, the key issues arising from our work.

Audit phase	Timetable	Deliverable
High level planning:	April 2014	Fee Letter provided to the Chief Executive and Chair of the Audit and Governance Committee in April 2014
Risk assessment and setting of scopes	April 2015	Audit Plan – presented to the Audit and Governance Committee in April 2015
Update on progress and interim feedback	July 2015	Progress report - reported to the Audit and Governance Committee in July 2015
Value for money conclusion	Jan to Sept 2015	Ongoing
Year-end audit	July to Sept 2015	Report to the Audit and Governance Committee in September 2015 including: <ul style="list-style-type: none"> - Audit report (including our opinion on the financial statements and a conclusion as to whether the Council has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources); - Audit completion certificate; and - Whole of Government Accounts certification.
Reporting	Nov 2015	Annual Audit Letter
Certification work	Jan 2016	2014/15 Certification of claims and returns annual report if required.

In addition to the above formal reporting and deliverables we will seek to provide practical business insights and updates on regulatory matters through our Sector Briefings.

Planning discussions

We will update our planning throughout the course of our audit.

Appendix A Audit Progress

Progress against key deliverables

Key deliverable	Timetable in plan	Status	Comments
2013/14 Certification of claims and returns annual report	January 2015	Completed	Reported to the Audit and Governance Committee in January 2015
Audit Plan	March 2015	Done	Reported to the Audit and Governance Committee in April 2015
Annual Results Report to the Audit and Governance Committee	September 2015	not due	
Auditor's Report (including opinion and vfm conclusion)	September 2015	not due	
Audit Certificate	September 2015	not due	
WGA Certificate	October 2015	not due	
Annual Audit Letter	November 2015	not due	
2014/15 Certification of claims and returns annual report	January 2016	not due	

EY | Assurance | Tax | Transactions | Advisory

Ernst & Young LLP

© Ernst & Young LLP. Published in the UK.
All Rights Reserved.

The UK firm Ernst & Young LLP is a limited liability partnership registered in England and Wales with registered number OC300001 and is a member firm of Ernst & Young Global Limited.

Ernst & Young LLP, 1 More London Place, London, SE1 2AF.

ey.com