

Audit and Inspection Plan

Salford City Council

Audit 2008-2009

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.

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.

Copies of this report

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Contents

Introduction	4
Work under the Code of Audit Practice	5
Financial statements	5
Value for money conclusion	5
CPA and inspection	9
Fees	10
The audit and inspection team	12
Planned outputs	14
Appendix 1 – Basis for fee	15
Appendix 2 – Initial risk assessment – Use of resources and VFM conclusion	18
Appendix 3 – Independence and objectivity	20

Introduction

- 1 This plan 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. The Commission has 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.

Responsibilities

- 4 The Audit Commission comply with the statutory requirements governing our audit and inspection work, in particular:
 - the Audit Commission Act 1998;
 - the Local Government Act 1999; 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 audit work is undertaken in the context of these responsibilities.

Work under the Code of Audit Practice

Financial statements

- 8** We will carry out the audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board (APB).
- 9** 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.
- 10** 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.
- 11** We have not undertaken a risk assessment for the audit of the financial statements for 2008/09 as specific risks may become more apparent after we have completed the 2007/08 audit. A separate opinion plan for the audit of the financial statements will be issued, if necessary, around January 2009.

Value for money conclusion

- 12** 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 auditors to have regard to a standard set of relevant criteria, issued by the Audit Commission, in arriving at their conclusion.
- 13** 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, we will normally place reliance on their reported results to inform our work.
- 14** We will also follow up audit work from previous years to assess progress in implementing agreed recommendations.

Use of resources – local risks

- 15 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. For each of the significant risks identified in relation to our use of resources work, we consider the arrangements put in place by the Council to mitigate the risk, and plan our work accordingly. Our initial risk assessment for use of resources work is provided in Appendix 2. This will be updated through our continuous planning process as the year progresses.
- 16 Our 2008/09 plan will also need to be updated to take account of the outcomes from our 2007/08 use of resources and inspection work which is planned to be substantially completed by the end of September 2008. Specific areas which fall in to this category include:
- the review of the Council's management arrangements relating to the delivery of its Local Area Agreement;
 - the outcomes from the inspection of the Council's Strategic Housing Services;
 - the level of improvement which has been achieved in council tax collection, reducing housing rent arrears and eliminating school budget deficits; and
 - the findings and conclusions from the review of the Council's governance arrangements. (This is the 'pilot' that Salford is currently assisting the Audit Commission with).

Use of resources – assessments in 2008

- 17 This audit plan covers the last year of the current regime for the use of resources assessment as part of the CPA framework. The work required to arrive at the 2007/08 use of resources assessment is fully aligned to that required to arrive at the auditor's 2007/08 value for money conclusion. The use of resources themes and key lines of enquiries (KLOEs) are outlined below. We will arrive at a score of 1 to 4, based on the underlying KLOE, for each of the following themes.

Table 1

Theme	Description (KLOEs)
Financial reporting	<ul style="list-style-type: none"> • preparation of financial statements • external reporting
Financial management	<ul style="list-style-type: none"> • medium-term financial strategy • budget monitoring • asset management
Financial standing	<ul style="list-style-type: none"> • managing spending within available resources
Internal control	<ul style="list-style-type: none"> • risk management • system of internal control • probity and propriety
Value for money	<ul style="list-style-type: none"> • achieving value for money • managing and improving value for money

- 18 We will report details of the scores and judgements made to the Council. The scores will be accompanied, where appropriate, by recommendations of what the Council needs to improve.
- 19 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 the CPA.

Use of resources – assessments in 2009

- 20** The Audit Commission has specified that auditors will complete a use of resources assessment for 2008/09. This will be a new assessment forming part of the CAA framework for 2009.
- 21** 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. The Commission proposes that the assessment will be based upon the evidence from three themes:
- managing money;
 - managing the business; and
 - managing other resources.
- 22** Work which is planned to be carried out before 1 April 2009 on the use of resources assessment for 2009 is included in the audit fee.

Data quality

- 23** This plan covers the data quality work to be completed during 2008. 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 2007/08 performance indicators.
- 24** Work will be focused on the 2007/08 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.
- 25** 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.

CPA and inspection

- 26 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.
- 27 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.
- 28 The Council's CPA category is, therefore, a key driver in the Commission's inspection planning process. For CPA 2007, the Council was categorised as three stars.
- 29 We have applied the principles set out in the CPA framework, '*CPA - The Harder Test*', recognising the key strengths and areas for improvement in the Council's performance.
- 30 On the basis of the planning process we have identified where inspection activity will be focused for 2008/09 as follows.

Table 2 Summary of inspection activity

Inspection activity	Reason/impact
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.
Direction of Travel (DoT) assessment	An annual assessment 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.
ALMO inspection	Our Housing Inspectorate will carry out an inspection of your ALMO, Salix Homes.

Fees

- 31** 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.
- 32** The total indicative fee for the audit and inspection work included in this audit and inspection plan for 2008/09 is for £351,400, which compares to the planned fee of £368,700 for 2007/08.
- 33** A summary of this is shown in the table below. The fee is determined by audit risks identified, mandated work and basic assumptions. A detailed breakdown of the audit and inspection fee is included in Appendix 1.

Table 3 Audit and Inspection fees

Audit area	Planned fee 2008/09 (£)	Planned fee 2007/08 (£)
Audit fee	329,000	320,540
Inspection fee	22,400	48,160
Total audit and inspection fee	351,400	368,700
Certification of claims and returns	84,000	86,000

Whole of government accounts (WGA)

- 34** 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. This work is included in the audit fee above.

Certification of grant claims and returns

- 35** 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.
 - 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.
- 36** We estimate that we will charge approximately £84,000 for the certification of claims and returns relating to 2008/09.

Advice and assistance

- 37** Under paragraph 9 of Schedule 2A of the Audit Commission Act 1998 we have powers to provide 'advice and assistance' to another public body where this is requested. In accordance with these powers we have agreed an additional piece of work on Strategic Commissioning in the Adults and Community Directorate. The work will assist the Directorate in meeting its continued ambition for developing excellence by focusing on further capacity development. The extra fee for this work will be between a minimum of £8,600 and £13,000 (plus VAT) depending on the exact needs as the work progresses.
- 38** If you wish the Commission to provide any further additional services under these powers, please contact either Mick Waite or James Foster, see Table 4 for contact details.

National Fraud Initiative

- 39** From 2008/09 work relating to the National Fraud Initiative (NFI) will be carried out directly by the Commission under its new data matching powers under the Serious Crime Act 2007. The Commission will be consulting audited bodies on the work programme and fee scales for the NFI later this year.

The audit and inspection team

- 40 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
Mick Waite District Auditor	Email address: m-waite@audit-commission.gov.uk Telephone number 01204 877300	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.
James Foster Comprehensive Area Assessment Lead	Email address: j-foster@audit-commission.gov.uk Telephone number 01204 877300	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.
Tommy Rooney Audit Manager (with effect from November 2008)	Email address: t-rooney@audit-commission.gov.uk Telephone number 0161 603 4160	Manages and coordinates the different elements of the audit work. Key point of contact for the City Treasurer.

Independence and objectivity

- 41 We are not aware of any relationships 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.
- 42 We comply with the ethical standards issued by the APB and with the Commission's requirements in respect of independence and objectivity as summarised at Appendix 3.

Working together

- 43 The audit team will maintain knowledge of your issues to inform our risk-based audit through regular liaison with key officers and the Audit Committee. Our proposal for the meetings is as follows.

Table 5 Proposed meetings with officers and the Audit Committee

Council officers	Audit Commission staff	Timing	Purpose
Chief Executive	Comprehensive Area Assessment Lead (CAAL) District Auditor (DA)	Quarterly	Includes agreement of: <ul style="list-style-type: none"> • Annual Audit and Inspection Letter • Audit and Inspection Plan
Assistant Chief Executive (Regeneration) and Director of Change	DA/CAAL	Quarterly	General update and liaison
Strategic Director of Customer and Support Services, City Treasurer, City Solicitor, Head of Internal Audit	DA and AM	Monthly	General update and liaison
Head of Internal Audit	AM and Team Leader (TL)	Quarterly	Update on audit progress and any issues arising.
Audit and Accounts Committee(s)	DA and AM as appropriate	Quarterly	Formal reporting of: <ul style="list-style-type: none"> • Annual Audit and Inspection Letter • Audit and Inspection Plan; • Annual governance report, and • Progress reports and any other issues as appropriate.

Sustainability

- 44 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; and
 - reducing travel.

Planned outputs

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

Table 6 **Planned outputs**

Planned output	Indicative date
Data quality report	October 2008
Use of resources report	December 2008
Opinion Audit Plan (if required)	January 2009
Annual governance report	September 2009
Auditor's report giving an opinion on the financial statements and value for money conclusion	September 2009
Final accounts memorandum	November 2009
Annual Audit and Inspection Letter	To be confirmed

Quality of service

- 46 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 either Mick Waite or James Foster in the first instance. Alternatively, you may wish to contact Frank Kerkham, Head of Operations, North West.
- 47 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.

Mick Waite
District Auditor

James Foster
Comprehensive Area Assessment Lead

Appendix 1 – 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 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 The 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 the audit;
 - internal audit meets the appropriate professional standards;
 - good quality working papers and records will be provided to support the financial statements by 30 June 2009;
 - requested information will be provided within agreed timescales; and
 - 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.

Table 7 Detailed audit and inspection fee

Audit area	Planned fee 2008/09 (£)	Planned fee 2007/08 (£)	See notes below
Audit			
Financial statements (including whole of government accounts)	187,220	181,640	
Use of resources (including data quality)	141,780	137,700	
National fraud initiative	-	1,200	1
Total audit fee	329,000	320,540	
Inspection			
Relationship management	11,200	11,060	
Direction of Travel	11,200	11,060	
Service inspection	0	26,040	
Corporate inspection	0	0	
Total inspection fee	22,400	48,160	
Total audit and inspection fee	351,400	368,700	2
Certification of claims and returns	84,000	86,000	3

Notes:

1. Work carried out in respect of the National Fraud Initiative in 2008/09 will be billed separately. The fee for this work has not yet been agreed.
2. The fee (plus VAT) will be charged in 12 equal instalments from May 2008 to April 2009.
3. The planned fee for grant claims was originally estimated in the 2007/08 plan at £92,000. This is now expected to be less due to the reduced number of claims requiring audit certification.

- 7 The Audit Commission has the power to determine the audit 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.
- 8 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. The Audit Commission expects normally to vary the scale fee by no more than 30 per cent (upwards or downwards).
- 9 The Audit Commission scale fee for Salford City Council is £325k. The fee proposed for 2008/09 is therefore approximately one per cent above the scale fee and is well within the normal level of variation specified by the Commission.

Specific actions Salford City Council could take to reduce its audit fees

- 10 The Audit Commission requires its auditors to inform a council of specific actions it could take to reduce its audit fees. We have identified the following actions Salford City Council could take:
 - continue to take appropriate action on the key areas identified for improvement following the Corporate Assessment in 2006;
 - continue to implement the agreed recommendations included in past reports on the Council's final accounts, data quality arrangements and processes for producing PI data;
 - continue to improve documentation of key processes and controls relating to the main accounting system and material supporting information systems so that maximum reliance can be placed on these in accordance with our responsibilities set out in the International Standards on auditing; and
 - maintain improvements in compiling final accounts working papers and grant claim submissions.

Process for agreeing any changes in audit fees

- 11 As set out in paragraph 3 of this plan, we expect that the initial risk assessment may change as the year progresses. Where this is the case, we will discuss this in the first instance with the Chief Executive and the Strategic Director of Customer and Support Services, as appropriate. Any changes to the fees and the reasons for this will be included in our progress reports for discussion with the Audit Committee.

Appendix 2 – Initial risk assessment – Use of resources and VFM conclusion

NB The Audit Commission is still considering its approach to the 2008/09 Use of Resources assessment in the light of the recent revision to the fee setting guidance. The risk assessment outlined below will have to be revisited once the updated guidance is issued.

Significant risks identified	Mitigating action by audited body	Residual audit risk	Action in response to residual audit risk	Link to auditor's responsibilities
Community safety High crime, fear of crime and anti-social behaviour remain important resident priorities. Better joint working and collaboration can help improve outcomes in this area, with alcohol abuse an emerging problem. There is a risk that current arrangements are not maximising joint working, use of resources or performance management arrangements.	Established partnership working and performance management arrangements include the local area agreement and crime and disorder partnership. There remains a residual risk that challenging targets and residents concerns may not be addressed.	Yes	During 2008/09 we will continue to review the effectiveness of partnership working across Greater Manchester in relation to improving crime and improving community safety. In particular we will examine the effectiveness of arrangements to tackle the impact of alcohol abuse.	VFM – criteria 1,2,3 and 7. Arrangements for <ul style="list-style-type: none"> • establishing strategic and operational objectives • determining policy and making decisions • ensuring that services meet the needs of users and taxpayers, and for engaging with the wider community • monitoring and reviewing performance • ensuring compliance with the general duty of best value.

Significant risks identified	Mitigating action by audited body	Residual audit risk	Action in response to residual audit risk	Link to auditor's responsibilities
Partnership working Partnership working has inherent legal and financial risks and there are risks that they may not meet the objectives for which they were originally set up.	Salford has many partnerships and has acknowledged the risks associated with these. Arrangements need to be put in place to strengthen the internal control framework, consequently residual risks remain until this is achieved.	Yes	We will challenge the effectiveness of governance arrangements for partnership working and review the progress which the Council is making in implementing a stronger internal control framework.	UoR, KLOE 4.1: The Council manages its significant business risks and KLOE 4.2: The Council has arrangements in place to maintain a sound system of internal control'.
Housing Revenue Account (HRA) The Council is making major changes to the management of its housing stock. There is an increased risk during this period of change that the HRA could fall into deficit.	The Council's 2008/09 budget recognises this risk and that there are some mitigating factors which could yet prove favourable. There however remains a residual risk that the Council may not meet its statutory financial responsibilities in relation to the HRA.	Yes	Receive regular updates from the City Treasurer on the projected outturn of the HRA, whether it is at risk of falling into deficit and how this risk is being mitigated in practice.	UoR, KLOE 3.1: The Council manages its spending within available resources.

Appendix 3 – Independence and objectivity

- 1 We are not aware of any relationships 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 Auditing Practices Board (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 the appointment. When auditing the financial statements, auditors are also required to comply with auditing standards and ethical standards issued by the 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 Accounts 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 (ie 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 'advice and assistance' 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.