

Ryedale District Council

External Audit Progress Report

June 2013

Summary of activity

We are pleased to present our progress report to the Overview and Scrutiny Committee. This summarises the activities that we have completed since our report in April 2013.

Summary of activities

Audit of financial statements

Our audit planning visit took place on 2-5 April 2013. Our audit plan is presented separately at this meeting.

National Fraud Initiative 2012/13 - Auditor risk assessment data return

At the time of writing this report we are gathering data from management to enable us to complete this data return. Our assessment will be discussed with S151 officer prior to the submission deadline of 28 June.

Other matters

Audit fees 2013/14

Our letter setting out the 2013/14 fees was issued on 17 April 2013. The fee for 2013/14 is £54,868 which, as expected, has remained the same as 2012/13.

Local Audit and Accountability Bill

The Local Audit and Accountability Bill was announced in the Queen's Speech and received its first reading in the House of Lords on 9 May and its second reading in the Lords on 22 May. The Bill will close down the Audit Commission and replace it with a new local audit framework. The aim is for the Bill to receive Royal Assent by March 2014, and for the Audit Commission to close by 31 March 2015.

The Bill applies to local authorities and health service bodies. The Bill makes provision for:

- the abolition of the Audit Commission
- the accounts of local and certain other public authorities and the auditing of those accounts
- the appointment, functions and regulation of local auditors
- data matching
- examinations by the Comptroller and Auditor-General relating to English local and other public authorities
- the publication of information by smaller authorities
- directions to comply with codes of practice on local authority publicity
- council tax referendums
- and connected purposes.

The requirement to have an independent "auditor panel" has been retained. The auditor panel's function will be to "advise the authority on the maintenance of an independent relationship with the local auditor appointed to audit its accounts" and to "advise the authority on the selection and appointment of a local auditor to audit its accounts".

Audit Commission contracts

On 2 April 2013, the Audit Commission announced that it will retender audit contracts that were initially awarded to firms like Deloitte LLP in 2006 and 2007 (and extended in 2010) in order to generate further savings for local public bodies. This includes our contract as your auditors. The retender process will be led by the Audit Commission and will be completed such that the new appointed auditors are in place for the year beginning 1 April 2015. Our last year as auditors under the current contract will be the year ended 31 March 2015. We currently have no details of the timing of the retender process but we will keep you updated as the retender process progresses.

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