

Ryedale District Council

External Audit Progress Report

April 2014

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 December 2013.

Summary of activities

Audit of financial statements

We met with Peter and the finance team on 3 March and our audit planning visit will take place on 28-30 April 2014. Our audit plan is presented separately at this meeting.

Certification of claims and returns

Our annual report on this work was presented at the meeting in February.

Other matters

Local Audit and Accountability Act 2014

The Local Audit and Accountability Act 2014 received Royal Assent on 30 January 2014.

The Act makes it possible for the Audit Commission to close, in line with Government expectations, on 31 March 2015. In the statement the Commission's Chairman, Jeremy Newman, explained the main aims of the organisation in its final 14 months. He also confirmed plans are already in place for many of the residual responsibilities that will transfer to new organisations and highlighted those for which a new owner has not yet been agreed.

In the place of the Audit Commission, there will be a new framework for local public audit, due to start after the Commission's current contracts with audit suppliers end in 2016/17, or potentially in 2019/20 if all the contracts are extended. A transitional body will oversee the contracts in the intervening period.

The Commission is planning for its responsibilities to move to new homes as follows:

- The responsibility for managing the Commission's audit contracts will transfer to a transitional body, together with the relevant Audit Commission staff. This body will assume the statutory functions in relation to audit; including setting the standards of performance, appointing auditors, setting and determining fees, and making arrangements for housing benefit subsidy certification;
- The National Audit Office will take on the statutory responsibility to produce and maintain the Code of Audit Practice and issue guidance to auditors; and
- The National Fraud Initiative will transfer to the Cabinet Office on 1 April 2015.

The Commission is still working with several government departments to determine the most suitable organisation to assume responsibility for its Value for Money Profiles tool and its work around counter-fraud.

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