

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting10th January 2013

1. Title of Item/Report

Annual Audit Letter 2012

2. Record of the Decision

Members considered a report relating to the Annual Audit Letter.

Members were reminded that, in recent years, the Audit Commission had been responsible for arranging the audit of the accounts of the Council (either by private firms or through their own auditors) and for assessing the Council's arrangements for securing value for money. The Government had now changed the role of the Commission. Under the new arrangements the Commission had retained a commissioning role while its audit practice had been outsourced to a number of commercial firms. With effect from 1st September 2012 the Council's external audit would be provided by Mazars LLP.

A formal stage in the annual audit process was the production of the "Annual Audit Letter". The Annual Audit Letter for 2011/12 had been received and was provided to members. The District Auditor was in attendance to present the letter and answer any questions. Due to the change of auditor the Annual Audit Letter was much briefer than in previous years therefore the Annual Governance Report was also provided to give greater detail.

The Annual Audit Letter summarised the auditor's findings from the 2011/12 audit. In line with previous practice, a copy of the Annual Audit Letter would be sent to all Members of the Council.

The Audit Commission had issued an unqualified audit opinion on the Council's financial statements for 2011/12 and no material amendments were required.

The Commission had issued an unqualified value for money conclusion stating that it was satisfied that "in all significant respects, Stockton on Tees Borough Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2012".

It considered that “the Council continued to maintain arrangements to secure financial resilience through ongoing medium term financial plan updates and detailed consideration of changes in funding and service provision” and that “the three-year efficiency, improvement and transformation review programme had come to an end and predicted savings were being achieved”.

RESOLVED that members note the contents of the Annual Audit Letter.

3. Reasons for the Decision

The Audit Commission is required to present its findings to Cabinet.

4. Alternative Options Considered and Rejected

none

5. Declared (Cabinet Member) Conflicts of Interest

none

6. Details of any Dispensations

none

7. Date and Time by which Call In must be executed

Midnight on Friday, 18th January 2013

Proper Officer
14 January 2013