

North Tyneside Council Report to Council Date: 24 October 2013

ITEM 5

Title: 2012-13 Annual
Audit Letter

Portfolio(s): Elected Mayor Finance	Cabinet Member(s): Norma Redfearn Councillor Ray Glindon
Report from Directorate: Finance and Resources	
Report Author:	Fiona Rooney Strategic Director of Finance and Resources (Chief Finance Officer) Tel 6435724
Wards affected:	All

PART 1

1.1 Purpose

- 1.1.1 The purpose of the report is to present to Council the Annual Audit Letter ("the Letter") from our appointed auditors, Mazars.
- 1.1.2 The Letter summarises many of the points raised in the Audit Completion Report which was presented to Council on 26 September 2013 and the Audit Committee on 25 September 2013.
- 1.1.3 The Letter will be presented by Mazars at Council on 24 October 2013.

1.2 Recommendation(s):

It is recommended that Council notes the contents of the Annual Audit Letter.

1.3 Forward plan:

This report is included on the Forward Plan published on 16 October 2013.

1.4 Council plan, policy framework:

The Letter reflects all aspects of the Council Plan.

1.5 Information

1.5.1 The full Letter is attached as Appendix A to this report. The letter covers the period 1 April 2012 to 31 March 2013.

1.5.2 The Letter covers:

- The overall conclusion in respect of the Authority's Financial statements which includes the annual governance statement; and,
- The assessment of arrangements to achieve value for money in the Authority's use of resources.

1.5.3 The District Auditor issued an **unqualified opinion** on the Authority's accounts for 2012/13. In this context unqualified means that the Auditor was satisfied with the quality of the Authority's accounts which is a positive outcome for the Council. In the report Mazars noted that "The draft financial statements were of a high quality overall; as were the supporting working papers".

1.5.4 The Audit Completion Report presented to Council on 26 September 2013 and to the Audit Committee on 25 September 2013 includes more detailed information in respect of the findings of the audit of the 2012/13 Annual Financial Report.

1.5.5 The District Auditor issued an **unqualified Value for Money conclusion**, confirming that the Authority had adequate arrangements in place for securing economy, efficiency and effectiveness in its use of resources.

1.5.6 No specific recommendations relating to Value for Money are made in the Letter.

1.6 Decision options:

Council is recommended to note the contents of the Annual Audit Letter. Alternatively it could request further information.

1.7 Reasons for recommended option:

Under the Authority's Constitution, it is the responsibility of the Council to ensure that proper arrangements are in place for the conduct of its business, that it safeguards and properly accounts for public money and that proper arrangements are in place to secure value for money. The Accounts and Audit (England) Regulations 2011 require a meeting of the Council to receive, consider and publish the Annual Audit Letter received from the external auditor.

1.8 Appendices:

Appendix A: Annual Audit Letter October 2013

1.9 Contact officers:

Janice Gillespie, Finance Service, Tel 643 5701
Allison Mitchell, Internal Assurance and Risk Management Tel 643 5720
Cathy Davison, Finance Service, Tel 643 5727

1.10 Background information:

The following background papers and research reports have been used in the compilation of this report and are available for inspection at the offices of the author:

- Audit Completion Report, North Tyneside Council, Audit 2012/13 (Mazars) September 2013 (P)
http://www.northtyneside.gov.uk/pls/portal/NTC_PSCM.PSCM_Web.download?p_ID=547947

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

There are no financial implications arising from this report. Where any of the individual actions require financing, this will be reported separately to Cabinet and /or Council as appropriate.

2.2 Legal

The Accounts and Audit (England) Regulations 2011 require a meeting of the Council to receive, consider and publish the Annual Audit Letter received from the external auditor.

2.3 Consultation/community engagement

2.3.1 Internal Consultation has taken place with the Mayor, the Cabinet Member for Finance, Strategic Directors and relevant officers of the Council.

2.3.2 External Consultation/engagement has taken place with Mazars.

2.4 Human rights

There are no human rights implications arising from this report.

2.5 Equalities and diversity

There are no direct equalities and diversity implications arising from this report.

2.6 Risk management

The risks associated with this report have been considered and discussed with the Risk Advisor and will be raised and managed in accordance with the North Tyneside Council risk management process.

2.7 Crime and disorder

There are no crime and disorder implications arising from this report.

2.8 Environment and sustainability

There are no environment and sustainability implications arising from this report.

PART 3 - SIGN OFF

- Strategic Director(s) X
- Mayor/Cabinet Member(s) X
- Chief Finance Officer X
- Monitoring Officer X
- Strategic Manager for Policy,
Partnership, Performance and
Communication X
- Chief Executive X