

Torbay Council

Reports issued by the Audit Commission since last meeting

- Certification of claims and returns annual report 2009/10 (attached)
- Joint working protocol – Internal and external audit 2011/12 (attached)
- Joint working protocol for the financial statements audit
- Summary of the main changes in the audit arising from clarification of the International Standards on Auditing (ISAs)

Work in progress

- Interim audit 2010/11
- Value for money conclusion work, including financial resilience assessment
- Review of authority progress in preparing for IFRS

Audit Commission events and national reports

- December 2010 & January 2011 - The value for money (VFM) profiles for councils have been re-released by the Commission. The updates include new charts covering: Back office services; asset management, income from charging and revenues & benefits. A section on financial resilience covers important aspects of financial health including: Reliance on different sources of income; achievement of efficiencies; and levels of financial reserves. All charts in the VFM profiles have now been updated with 2009/10 data.
- December 2010 to February 2011 - The AC consulted on its proposed work programme and scales of fees for 2011/12. The announcement made on 13 August 2010 proposing the AC's abolition means that 2011/12 will be the AC's final year in its current form and this may be the last time it will publish a work programme and set scales of audit fees. The AC proposed to carry through its existing, pre-August, plans for fees which were part of a three-year programme to deliver cost cuts of about £70 million. These included fee rebates for 2010/11 and lower fees for 2011/12. In relation to 2010/11 fees, the AC will rebate a further 3.5 per cent of the 2010/11 scale fee for unitary authorities (in addition to the 6 per cent already refunded).
The AC received a relatively small number of responses to the fees consultation. Responders welcomed the rebates and the reductions in fees but felt that they should be larger. As a result, the AC has agreed, subject to affordability, to make additional rebates in 2011/12. This means that all audited bodies will see a significant net reduction in fees compared to 2010/11. The AC will notify audited bodies of the amount due to them in the summer. If the abolition timetable requires it, there will be further significant fee reductions of up to 15 per cent in 2012/13.
- 19 January - AC local government workshops for accountants were held in Exeter and representatives from Torbay participated.

The documents referred to above are available from the Audit Commission website:
www.audit-commission.gov.uk

Steve Brown,
Audit Manager
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