



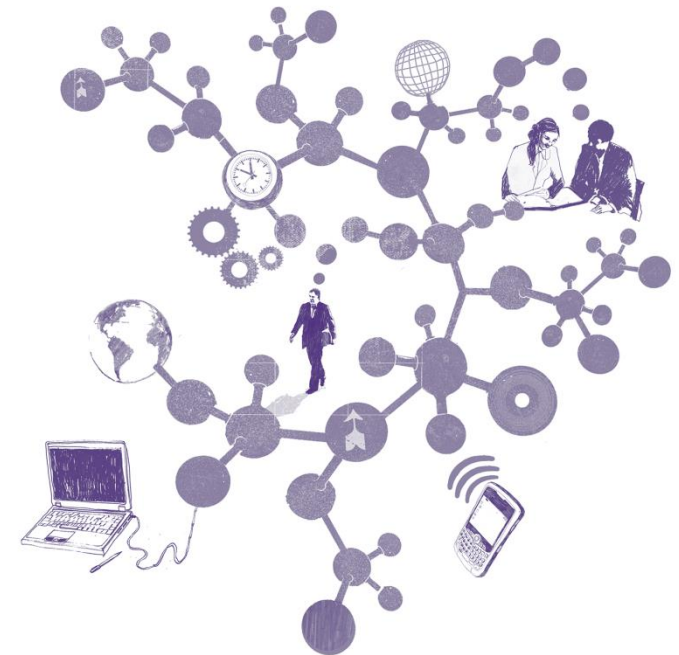
The Annual Audit Letter for Stevenage Borough Council

Year ended 31 March 2014

28 October 2014

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Key messages

Our Annual Audit Letter summarises the key findings arising from the work that we have carried out at Stevenage Borough Council ('the Council') for the year ended 31 March 2014.

The Letter is intended to communicate key messages to the Council and external stakeholders, including members of the public. Our annual work programme, which includes nationally prescribed and locally determined work, has been undertaken in accordance with the Audit Plan that we issued on 24 March 2014 and was conducted in accordance with the Audit Commission's Code of Audit Practice, International Standards on Auditing (UK and Ireland) and other guidance issued by the Audit Commission.

Financial statements audit (including audit opinion)	<p>We reported our findings arising from the audit of the financial statements in our Audit Findings Report on 24 September 2014 to the Audit Committee. The key messages reported were:</p> <ul style="list-style-type: none">• The Council needed review its arrangements for valuing its council dwellings to ensure that material movements from the 1st April valuations were reflected in future accounts.• The Council had taken a reasonable approach to determining the provision for non-domestic rate appeals.• The Government proposes to bring forward the existing deadline dates for submission and approval of the accounts to 31 May and 31 July respectively from 2017-18. This will present a significant challenge for both finance teams and external auditors. <p>We issued an unqualified opinion on the Council's 2013/14 financial statements on 24 September 2014, meeting the deadline set by the Department for Communities and Local Government. Our opinion confirms that the financial statements give a true and fair view of the Council's financial position and of the income and expenditure recorded by the Council.</p>
Value for Money (VfM) conclusion	<p>We issued an unqualified VfM conclusion for 2013/14 on 24 September 2014.</p> <p>On the basis of our work, and having regard to the guidance on the specified criteria published by the Audit Commission, we are satisfied that in all significant respects the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2014.</p>

Key messages

Whole of Government Accounts	We reviewed the consolidation pack which the Council prepared to support the production of Whole of Government Accounts. We reported that the Council's pack was consistent with the audited financial statements.
Certification of grant claims and returns	Two returns required certification under the Audit Commission. We certified the Pooling of Housing Capital Receipts return on 25 September 2014. Our work on the Housing Benefit Subsidy return is nearing completion.
Audit fee	Our fee for 2013/14 was £85,338, excluding VAT. Further detail is included within Appendix A.

Appendix A: Reports issued and fees

We confirm below the fee charged for the audit and the provision of non audit services.

Fees

	Per Audit plan £	Actual fees £
Council audit	84,438	85,338*
Grant certification	14,400	14,400
Total fees	98,838	99,738

*There is additional fee of £900 in respect of work on material business rates balances. This additional work was necessary as auditors are no longer required to carry out work to certify Non Domestic Rate (NDR) returns. The additional fee is 50% of the average fee previously charged for NDR3 certifications for District Councils and is subject to agreement by the Audit Commission.

Reports issued

Report	Date issued
Audit Plan	March 2014
Audit Findings Report	September 2014
Certification report	[Work not yet complete]
Annual Audit Letter	October 2014

Fees for other services

Service	Fees £
Certification of Decent Homes Backlog return to HCA	2,400



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