

31 July 2012

Mr Neil Dart
Director of Corporate Services
Hastings Borough Council
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Direct line 0844 798 2447
Email auditor-appointments@audit-commission.gov.uk

Dear Mr Dart

Hastings Borough Council - Appointment of external auditor

I wrote on 16 April to consult you about my proposal for the appointment of an external auditor to Hastings Borough Council from 1 September 2012.

Auditor appointment

This letter confirms the appointment of PKF (UK) LLP as external auditor to audit the accounts of Hastings Borough Council for five years from 2012/13. This appointment is made under section 3 of the Audit Commission Act 1998 and was approved by the Audit Commission Board at its meeting on 26 July.

Audit quality and regulation

The Audit Commission will continue to regulate the local public audit market and monitor the performance of the firms providing audit services until the government implements a new local public audit regime. This will ensure that local public bodies receive high-quality and effective audit services which provide value for money to the local taxpayer. We will:

- assess each year auditors' compliance with their statutory terms of appointment;
- assess each year the quality of the audit work the firms carry out;
- consider and, if appropriate, approve auditors' requests for variations to the scale audit fee where they have had to carry out more (or less) work;
- consider and, where we are satisfied that the work does not create a threat to the auditor's independence, approve auditors' proposals to provide non-audit services to audited bodies; and
- monitor audited bodies' satisfaction with the audit services provided by the firms.

We will continue to report publicly on the results of our quality review programme each year. This provides you with assurance that the firms have put in place systems and processes to deliver audit work of an appropriate quality.

We are currently updating auditors' statutory terms of appointment, which specify the Commission's regulatory requirements. I will write to you again in early September with more information on these terms of appointment. I will also provide details of the standards of performance that auditors will be expected to meet.

Next steps

I have passed the contact details for Hastings Borough Council to the appointed firm and it will contact you about the arrangements for the audit in due course. In the meantime, if you have any questions about the appointment, please contact us via email at auditor-appointments@audit-commission.gov.uk.

Yours sincerely



Marcine Waterman
Director, Audit Policy and Regulation

cc PKF (UK) LLP