

Report of: Corporate Director of Resources

Meeting of	Date	Agenda Item	Ward(s)
Audit Committee	13 th June 2022		All
Delete as appropriate	Exempt		Non-exempt

External Auditor Reports

1. Synopsis

- 1.1. Grant Thornton UK LLP is presenting two reports to the Committee. The first is their Annual Audit Report for the year ending 31 March 2021. The second is the audit plan for the external audit of the Council and the Pension Fund for 2021/22.

2. Recommendations

- 2.1. To note the total anticipated fees for the external audits of the Council and Pension Fund for the year ending 31 March 2022 is £290,237.
- 2.2. To note the contents of the Audit Plan for the Council and Pension Fund Accounts for the year ending 31st March 2022.
- 2.3. To note the contents of the Annual Audit Report 2020/21.

3. Background

- 3.1. Each year the Council's external auditor presents to the Audit Committee their audit plan for the year end accounts. This also includes management progress updates on the recommendations made during the previous external audit.
- 3.2. The Annual Audit Report 2020/21 formally concludes the prior years audit process and summarises the findings previously considered by the Committee within the Audit Findings Report. The Annual Audit Report also includes the outcome of the auditors updated Value for Money assessment.

4 Implications

- 4.1. Financial Implications: The fees for the audit will be £252,429 (prior year £285,000) for the Council and £37,308 (prior year £54,000) for the Pension Fund, subject to the Council and Pension Fund delivering a good set of financial statements and working papers.
- 4.2. Legal Implications: The Annual Audit Report has no major legal implications. An unqualified audit opinion has been issued. The Report confirms that overall the Council has appropriate arrangements in place to ensure it manages risks to its financial

sustainability, that no risks of serious weaknesses have been identified, that no evidence has been found of significant weaknesses in the Council's arrangements for ensuring that it makes informed decisions and properly manages its risks, that it has in place a robust performance management framework to ensure effective delivery of services and priorities, that no evidence has been found of significant weaknesses in its arrangements for ensuring that it makes informed decisions and properly manages its risks, and that significant risks have not been identified in the Council's Value for Money arrangements for responding to the Covid-19 pandemic. However, under each of the headings Financial Sustainability, Governance, and Improving the 3 best value Es under the Local Government Act 1999 and the Local Audit and Accountability Act 2014, economy, efficiency and effectiveness, the Report identifies opportunities for improvement. Due regard must be had to these 8 Recommendations on respectively pages 12-14, 18-22 and 27/28 of the Report.

- 4.3 Environmental Implications: This report does not have any direct environmental implications.
- 4.4 Equality Impact Assessment: The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.
- 4.5 A resident impact assessment has not been carried out since the contents of this report relate to a purely administrative function and there are no direct impacts on residents.

Appendices:

- Appendix 1 – Annual Audit Report 2020/21
- Appendix 2 – External Audit plan 2021/22

Background papers: None

Responsible Officer:

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Legal Implications Author: Peter Fehler, Director of Law and Governance