

Report of: Corporate Director of Resources

Meeting of: Audit Committee

Date: 30<sup>th</sup> January 2023

## Subject: Report of the External Auditor - Audit findings report

### 1. Synopsis

- 1.1 Following the commencement of the external audit in October 2022, Grant Thornton UK LLP is presenting an update report to the Committee. This update sets out their progress in delivering on their responsibilities as our external auditor. The report also includes a summary of emerging national and sector related issues which assist those charged with governance in the performance of their role.
- 1.2 Several areas of the audit are substantially complete (for example an initial report on Value for Money is with Management for review and work is almost complete on the Pension Fund). Despite this good progress and productive working between the auditor and the Council, the increased regulatory requirements and focus underpinning the external audit have meant that the audit will run beyond the date of this Committee.
- 1.3 Although disappointing to encounter a further delay, many Local Authorities currently find themselves in a position of not yet having 2020/21 accounts signed off, let alone 2021/22. Indeed, other Local Authorities within London have received letters from their auditors stating that their 2021/22 audit will not begin until after Summer 2023. This is in the context of a statutory date to complete the audit of 30 November 2022.
- 1.4 Within their progress update, the auditor states that they expect to bring their audit findings report to the March 2023 Audit Committee. The Council continues to prioritise work to support the achievement of this date.
- 1.5 No significant issues or concerns have been raised to date within the audit.

### 2 Recommendation

- 2.1 To note the Audit Progress Report.

### 3 Background

- 3.1 Each year the council's external auditor provides an opinion on the council's Statement of Accounts. The report presents to the Committee the key information that the external auditor feels appropriate to bring to your attention.

## **4 Implications**

4.1 **Financial Implications:** None

4.2 **Legal Implications:** None

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** – Islington Council Audit Progress Report and Sector Update

Background papers: None

### **Responsible Officer:**

Dave Hodgkinson, Corporate Director of Resources

Paul Clarke, Director of Finance

25 January 2023

### **Report Authors:**

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