

 Finance and Audit Scrutiny Committee 27 May 2020		Agenda Item No. 11
Title	2019/20 Audit of Accounts – Update Report	
For further information about this report please contact	Mike Snow 01926 456800	
Wards of the District directly affected	N/A	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No.	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	External audit paper included as appendix	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality Impact Assessment Undertaken	N/A

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	13/5/2020	Andrew Jones
Head of Service	13/5/2020	Mike Snow
CMT	13/5/2020	
Section 151 Officer	13/5/2020	Mike Snow
Monitoring Officer	13/5/2020	Andrew Jones
Portfolio Holder(s)	13/5/2020	Richard Hales
Consultation & Community Engagement		
Insert details of any consultation undertaken or proposed to be undertaken with regard to this report.		
Final Decision?	Yes/No	
Suggested next steps (if not final decision please set out below)		

1. **Summary**

- 1.1 This report is to supplement the report prepared for Finance and Audit Scrutiny Committee in March 2020, presenting an update on the current position for the closure of 2019/20 Accounts.

2. **Recommendations**

It is recommended that Finance and Audit Scrutiny Committee:-

- 2.1 Note the new statutory timetable for the closure of accounts and the plans for the completion of the Council's Statement of Accounts.
- 2.2 Note the Audit Action Plan Update issued by the Council's External Auditors.

3. **Reasons for the Recommendation**

- 3.1 In response to the COVID 19 Pandemic the government has amended to key dates for the completion of the 2019/20 Statement of Accounts. These are now as follows:-
- Draft Accounts – to be available from 31 August 2020 (slipped from 31 May 2020)
 - Draft Accounts to be advertised on or before 1 September 2020 (previously 10 June)
 - Audited accounts to be agreed by 30 November 2020 (previously 31 July 2020).
- 3.2 The Accountants are still seeking to adhere as close as possible to the original timescale, despite some time being lost whilst staff adapted to new working practices and the relevant ICT was rolled out. As a consequence, the draft accounts are now planned on being ready for the middle of June.
- 3.3 The External Auditors were previously planning their next work on site 1 June for a week, followed by 15 June. Slipping the Accounts into June assists the Auditors who would have struggled to adhere to the 1 June date due to other audit commitments, primarily in relation to the NHS. Consequently, the Auditors are planning on being on site for 2 weeks from 15 June, then a further 2 weeks from 6 July. On this basis, it is still currently planned to report the Audited Accounts to Finance and Audit Scrutiny Committee at the end of July.
- 3.4 The Accountants and the Auditors acknowledge there will remain risks to achieving these dates. Within the original timetable, there is believed to be sufficient contingency time. Progress on the completion of the Accounts is being closely monitored, any potential changes to the current plan will be shared with the Finance Portfolio Holder and the Chairman of Finance and Audit Scrutiny Committee.
- 3.5 In response to the current pandemic, the External Auditors have issued the External Audit Plan Update.

4. **Policy Framework**

4.1 **Fit for the Future (FFF)**

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council’s FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Becoming a net-zero carbon organisation by 2025 Total carbon emissions within Warwick District are as close to zero as possible by 2030 Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels
Impacts of Proposal		
No direct impact.	No direct impact.	No direct impact.
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers’ needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
No direct impact.	No direct impact.	The work provided by the Council’s external auditors should provide members with assurance that the Council’s finances are being properly managed and reported upon in accordance with statutory requirements.

4.2 Supporting Strategies

This report indirectly impacts upon all of the Council's strategies on the basis that they all require funding and for that funding to be properly managed. It is part of the role of the external auditors to confirm that the Council's finances are being properly managed.

4.3 Changes to Existing Policies

No changes to existing policies are proposed.

4.3 Impact Assessments

Not applicable.

5. Budgetary Framework

5.1 There are no further budget implications to the March 2020 report.

6. Risks

6.1 The requirement for external auditors is part of the assurance framework under which all local authorities operate. The audit of the accounts and associated grant claims seeks to provide assurance to all stakeholders that the Council's finances, as reported in the Accounts, are being properly managed.

7. Alternative Option(s) considered

7.1 None.