

EXTERNAL AUDIT UPDATE

Committee name	Audit Committee
Officer reporting	James Lake, Finance
Papers with report	None
Ward	All

HEADLINES

This report gives the latest position regarding the progress of the 2023/24 Statement of Accounts along with updates relating to external audit activities and the recent ministerial announcement regarding the national audit backlog and suggested remedies.

RECOMMENDATIONS:

That the Committee note the report.

SUPPORTING INFORMATION

Draft 2023/24 Accounts

The Council published the draft 2023/24 Statement of Accounts on the 28 June 2024. As no guidance or information was received regarding an extension to the statutory 31 May deadline, a delay notice was published in the intervening period. The 30-day Public Inspection period began on 1 July 2024.

2023/24 External Audit

The 2023/24 external audit commenced in line with the proposed timetable on 22 July 2024.

Regulatory Update

On the 30 July 2024 a series of proposed backstop dates with a provision for disclaimed opinions was announced by minister of state for local government, Jim McMahon. This followed on from the consultation relating to the national audit backlog that was published before the general election.

The revised and newly proposed backstop dates are:

- FY up-to-and-including 2022/23: 13 December 2024
- FY2023/24: 28 February 2025
- FY2024/25: 27 February 2026
- FY2025/26: 31 January 2027
- FY2026/27: 30 November 2027
- FY2027/28: 30 November 2028

The minister also noted that for financial years 2024/25 to 2027/28, the date by which draft accounts should be published will change from 31 May to 30 Jun.

As noted in previous reports, where auditors have been unable to complete audits, they will issue a 'disclaimed' or 'modified' audit opinion. The communication also noted that local bodies should not be unfairly judged based on disclaimed or modified opinions caused by the introduction of backstop dates that are largely beyond their control and auditors will be expected to clearly set out the reasons for the issuing of such opinions to mitigate the potential reputational risk that local bodies may face

EY are aiming to complete the 2022/23 and 2023/24 audits in line with the revised backstop date.

2022/23 Housing Benefit Assurance Process

The field work has been completed for the 2022/23 Housing Benefit Assurance Process and is currently at the Partner review stage. EY expect this to be completed in September 2024.

Financial Implications

Where relevant Included within the body of this report.

Legal Implications

Where relevant Included within the body of this report.