

EXTERNAL AUDIT UPDATE

Head of Service:	Brendan Bradley, Head of Finance
Wards affected:	(All Wards);
Urgent Decision?	No
If yes, reason urgent decision required:	N/A
Appendices (attached):	1 – Management Responses to Auditors' Enquiries

Summary

This report presents management's responses to Grant Thornton's enquiries. In accordance with best practice, these items must be presented to Committee.

Recommendation (s)

The Committee is asked to:

- (1) Consider and approve the management responses to Grant Thornton's enquiries, as set out in Appendix 1.**

1 Reason for Recommendation

- 1.1 The annual audit is an integral part of the controls in place for ensuring that the Council achieves its key Corporate Plan priority of being an Effective Council.
- 1.2 The recommendations will also enable the Council to meet its statutory obligations with regard to external audit.

2 Background

- 2.1 Grant Thornton provides the Council's external audit work.
- 2.2 In September, this Committee approved the External Audit Plan for the 2022/23's Statement of Accounts. The audit of the accounts is now underway, having been delayed from the summer as previously communicated.

3 Proposals

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- 3.1 Grant Thornton will undertake the external audit in accordance with International Standards on Auditing (ISAs). Under ISA240 guidance, Grant Thornton submitted a number of audit queries to management, to inform its risk assessment for the audit.
- 3.2 ISAs emphasise the importance of two-way communication between auditors and audit committees. As such, Grant Thornton has requested that Audit and Scrutiny Committee consider whether the management responses to the audit queries, at Appendix 1, are consistent with members' understanding and whether there are any further comments the committee wishes to make.

4 Risk Assessment

Legal or other duties

- 4.1 Impact Assessment
 - 4.1.1 None arising from the contents of this report.
- 4.2 Crime & Disorder
 - 4.2.1 None arising from the contents of this report.
- 4.3 Safeguarding
 - 4.3.1 None arising from the contents of this report.
- 4.4 Dependencies
 - 4.4.1 None arising from the contents of this report.
- 4.5 Other
 - 4.5.1 None arising from the contents of this report.

5 Financial Implications

- 5.1 None arising from the contents of this report.
- 5.2 **Section 151 Officer's comments:** The next scheduled external update report will be provided to this Committee in February 2024.

6 Legal Implications

- 6.1 The Local Audit and Accountability Act 2014 sets out the framework for audit of local authorities. Grant Thornton's work is undertaken in the context of the Statement of Responsibilities of Auditors and Audit Bodies issued by the Comptroller and Auditor General.
- 6.2 **Legal Officer's comments:** None arising from the contents of this report.

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7 Policies, Plans & Partnerships

- 7.1 **Council's Key Priorities:** The following Key Priorities are engaged:
Effective Council
- 7.2 **Service Plans:** The matter is included within the current Service Delivery Plan.
- 7.3 **Climate & Environmental Impact of recommendations:** No specific implications.
- 7.4 **Sustainability Policy & Community Safety Implications:** No specific implications.
- 7.5 **Partnerships:** No specific implications.

8 Background papers

- 8.1 The documents referred to in compiling this report are as follows:

Previous reports:

- External Audit Update – Audit & Scrutiny Committee, 24 September 2023.

Other papers:

- None.