

EXTERNAL AUDIT – AUDIT FINDINGS REPORT

24th July 2019	Governance and Audit Committee
Report Author	Chris Blundell, Head of Financial Services and deputy s151 Officer
Portfolio Holder	Cllr David Saunders, Cabinet Member for Estates and Finance
Status	For Decision
Classification:	Unrestricted
Key Decision	No
Ward:	All Wards

Executive Summary:

The Council's external auditor Grant Thornton is required to report its audit findings from its audit of the accounts to this Committee.

Recommendation(s):

The Audit Findings Report for 2018-19 be considered as set out in Annex 1

CORPORATE IMPLICATIONS

Financial and Value for Money	The audit fee is disclosed within the Audit Findings Report
Legal	This is a statutory requirement in accordance with the Local Audit and Accountability Act 2014 and, Accounts and Audit Regulations 2015 and The Code of Audit Practice
Corporate	This is part of the external audit process.
Equality Act 2010 & Public Sector Equality Duty	<p>Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it, and (iii) foster good relations between people who share a protected characteristic and people who do not share it.</p> <p>Protected characteristics: age, sex, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy & maternity. Only aim (i) of the Duty applies to Marriage & civil partnership.</p> <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Please indicate which aim is relevant to the report.</div>

	Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,	
	Advance equality of opportunity between people who share a protected characteristic and people who do not share it	
	Foster good relations between people who share a protected characteristic and people who do not share it.	

CORPORATE PRIORITIES (tick those relevant) ✓	
A clean and welcoming Environment	
Promoting inward investment and job creation	
Supporting neighbourhoods	

CORPORATE VALUES (tick those relevant) ✓	
Delivering value for money	✓
Supporting the Workforce	
Promoting open communications	✓

1. Introduction and Background

- 1.1 The Accounts and Audit (England) Regulations 2015, requires this Committee to approve the council's accounts by 31 July.
- 1.2 The draft Statement of Accounts for 2018-19 has now been audited and the audit findings are set out in detail in Grant Thornton's report, shown in Annex 1.
- 1.3 The Committee is asked to consider the audit findings and to note the report.

2. Key Points

- 2.1 Subject to outstanding items being resolved, mainly centred on the valuation of housing council house dwellings, Grant Thornton intends to issue an unqualified audit opinion following the Committee meeting.
- 2.2 A limited number of audit adjustments have been identified and are detailed in Appendix C to the Audit Findings Report. There is one unadjusted item relating to the impact on the McCloud judgement on the council's pension liabilities.
- 2.3 Based on the work Grant Thornton has performed they are satisfied that the council has proper arrangements to secure economy, efficiency and effectiveness in its use of resources and therefore anticipates issuing an unqualified value for money conclusion. However, four objections have been raised by local electors in relation to the council's arrangement. As such, the VFM conclusion cannot be reached until the objections have been considered.
- 2.4 Grant Thornton expects to be able to certify the completion of the audit when the audit opinion is given.

3. Conclusion

- 3.1 The result of Grant Thornton's audit of the accounts is that the council is likely to receive an unqualified opinion on the financial statements and an unqualified value for money conclusion for 2018-19.

Contact Officer:	Chris Blundell, Head of Financial Services
Reporting to:	Tim Willis, Deputy Chief Executive and s151 Officer

Annex List

Annex 1	Audit Findings Report
---------	-----------------------

Background Papers

Title	Details of where to access copy
None	

Corporate Consultation

Finance	Tim Willis, Deputy Chief Executive and s151 Officer
Legal	Tim Howes, Director of Corporate Governance