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Standards and Audit Committee

Tuesday, 3 October 2023 at 7.30 pm

Council Chamber - Civic Centre

Supplementary Agenda

	<u>Page</u>
Supplementary Agenda Item 5 External Audit Update	2 - 6



RUNNYMEDE BOROUGH COUNCIL

Audit Update

27 September 2023

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EXECUTIVE SUMMARY

The purpose of this paper is

- To provide members with an update on progress for the 2019/20 audit against the timeline previous presented to the Standards and Audit Committee
- Provide an update on the work currently ongoing to address the significant backlogs within the Local government audit market



31 MARCH 2020

Audit Progress

At the last meeting of this Committee we provided a verbal update on the progress of the Council's 2019/20 audit. We indicated that the key areas in which we needed to conclude our work were:

- The Council's significant investment property portfolio, and in particular consideration of any legal issues and governance arrangements in relation to the acquisition of those assets
- Consideration of audit testing completed to identify any additional procedures/testing required to meet current accounting, auditing and quality standards.

We also indicated that we expected that work to be complete before the October meeting of this Committee.

We continue to work through these matters, however, this work has taken to longer than anticipated owing to:

- The complex nature of the considerations
- Continued challenges in the delivery of our NHS and Local Government audits, which has resulted in some resources being re-prioritised.

We will continue to draw our work on these areas to a conclusion and will provide Members with a draft Audit Completion Report as soon as that work has been concluded.



LOCAL GOVERNMENT BACKLOGS

Members will be aware that in July 2023, the Under-Secretary of State for Local Government wrote to local authority Chief Executives providing an update on the work that is ongoing to address the significant backlogs in local authority audits.

The letter proposed that the National Audit Office (NAO) and the Department for Levelling-Up, Homes and Communities set a series of statutory deadlines for accounts preparers and auditors to clear the backlog of delayed audits for financial years 2015/16 to present. Auditors would then be required to provide as much assurance as possible for these outstanding years.

The NAO has established a Programme Board and a number of working groups to consider how these proposals can be delivered. That process is ongoing and BDO is represented on each of those working groups. However, at this stage, we await a further update from the Government on these statutory deadlines and how they should be implemented by both auditors and local authorities.



FOR MORE INFORMATION:

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