

Southend-on-Sea City Council

Report of Deputy Chief Executive and Executive Director
(Finance & Resources)

to

Audit Committee

on

20 July 2022

Report prepared by: Pete Bates, Interim Director of Financial
Services, Caroline Fozzard, Senior Finance Lead (Strategy,
Sustainability & Governance)

**Agenda
Item No.**

External Audit 2020/21 Status Update

A Part 1 Public Agenda Item

1 Purpose of Report

- 1.1 To provide an update to the Audit Committee on the status of the 2020/21 external audit of the Statement of Accounts and to share the early headline planning intentions for the 2021/22 audit.

2 Recommendation

- 2.1 That the update letter from Deloitte LLP at Appendix 1 is noted.

3 Background

- 3.1 The Council's external auditors, Deloitte, provided updates to the Audit Committee on 13 December 2021 and 27 April 2022 regarding the status of the 2020/21 audit of the Statement of Accounts. These updates were provided in letters dated 9 December 2021 and 13 April 2022 and Paul Thomas attended both meetings virtually to provide the updates and to respond to any comments.
- 3.2 The Council have been in regular dialogue with Paul and have formally requested an update for this meeting. The latest position is summarised within the attached correspondence as Appendix 1.

4 Reasons for Recommendations

- 4.1 For the members of the Audit Committee to be kept up to date with the latest situation regarding the 2020/21 independent audit of the Statement of Accounts and to also share the early headline audit planning intentions for the 2021/22 Accounts.

5 Corporate Implications

5.1 Contribution to the Southend 2050 Road Map

Operating robust and appropriate governance arrangements contributes to the delivery of all Council aims and priorities.

The accuracy, format and content of the Statement of Accounts are key determinants in maintaining the Council's reputation for financial probity and effective financial stewardship.

5.2 Financial Implications

The Statement of Accounts is required to present a true and fair view of the Council's financial position as at the end of the financial year and also the income and expenditure for the financial year.

5.3 Legal Implications

The Statement of Accounts is a statutory document required by the Accounts and Audit Regulations 2015 issued by the Secretary of State. Those regulations require that the audited Statement of Accounts 2020/21 are adopted and published by 31 July 2021. These arrangements had been updated for the 2020/21 financial year by the Accounts and Audit (Amendment) Regulations 2021 to 30 September 2021.

In accordance with Regulation 10 of the Accounts and Audit (England) Regulations 2015 notice was given that the conclusion of the audit of the Statement of Accounts for Southend on Sea Borough 2020/21 had been delayed.

5.4 People Implications

There are no people implications arising from this report.

5.5 Property Implications

There are no property implications arising from this report.

5.6 Consultation

There are no consultation implications arising from this report.

5.7 Equalities Impact Assessment

There are no equalities implications arising from this report.

5.8 Risk Assessment

There is the risk of reputational damage if the Council's audited Statement of Accounts are not published by the statutory deadlines.

5.9 Value for Money

The audit arrangements are due to include an independent value for money assessment.

5.10 Community Safety Implications

There are no community safety implications arising from this report.

5.11 Environmental Impact

There are no environmental implications arising from this report.

6 Background Papers

None

7 Appendices

Appendix 1 Update letter from Deloitte LLP – dated 1 July 2022