

External Audit Progress - 2023/24

Audit & Scrutiny Committee Thursday, 11th April 2024

Report of: Director of Resources (Section 151)

Purpose: Information

Publication status: Unrestricted

Wards affected: All wards

Executive summary:

This report updates the Committee on the progress of the external audit of the 2023/24 Statement of Accounts and a summary of emerging national issues and developments relevant to Tandridge District Council.

This report supports the Council's priority of: Building a better Council.

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Recommendation to Committee:

That Committee notes the 2023/24 external audit progress and plan for completion.

Reason for recommendation:

To ensure that the Audit and Scrutiny Committee is content with the arrangements of the external auditor for its audit work.

Local authorities are required to prepare annual statement of accounts, publish such accounts and have those accounts audited. Audit and Scrutiny Committee is responsible for approving the final audited statements.

Overview

1. Grant Thornton have been appointed by PSAA Ltd as the external auditor for Tandridge District Council on a five year contract beginning with the 2023/24 Statement of Accounts.
2. The Grant Thornton report in Appendix A updates the Committee with a report on progress in delivering their responsibilities as external auditors. The report also includes
 - a summary of emerging national issues and developments
 - a series of sector updates in respect of emerging local authority issues
3. The report covers the work required to provide the Council with:
 - An audit opinion on whether the financial statements give a true and fair view of the financial position as at 31 March 2024
 - Commentary on the Council's arrangements to secure value for money (VFM) in the use of resources for the relevant period
4. The Audit deliverables are set out on page 5 of the report. Grant Thornton have already met with Finance Officers and continue to be in discussions regarding emerging developments and to ensure the audit process is smooth and effective. The aim is to give their opinion on the 2023/24 statement of accounts by 31 December 2024.
5. A detailed Audit plan will be reported to the Committee in July setting out Grant Thornton's proposed approach to the 2023/24 audit.

Audit Fees

6. Public Sector Audit Appointments (PSAA) have set the 2023/24 scale fee at £151,288. This could be subject to additional costs as the proposals to address the backlog of previous audits are still being finalised.

Other options considered

The completion of the audit is a statutory requirement.

Consultation

Not required.

Key implications

Comments of the Chief Finance Officer

The financial implications of the report are set out above. This fee has been built into the Council's budget for 2024/25.

Comments of the Head of Legal Services

In relation to the Council's Constitution and the specific role and responsibilities of this Committee the Constitution provides that the overall purpose of the Committee is *'to be responsible for the review and scrutiny of the decisions and performance of the Council, audit arrangements and providing opportunities for other organisations to present / explain key aspects of their local services'*. In particular, the Committee is responsible for overseeing both internal and external audit helping to ensure that efficient and effective assurance arrangements are in place.

To discharge its functions effectively, the Committee is required to operate within their agreed Terms of Reference. The external auditor's plan is designed to ensure that.

Equality

There are no Equalities implications directly arising from the statutory audit of the financial statements.

Climate change

There are no Climate Change implications directly arising from the statutory audit of the financial statements.

Appendices

Appendix A – Tandridge District Council Audit Progress Report and Sector Updates

Background papers

None

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