

Committee(s): Ordinary Council	Date: 2 nd November 2022
Subject: Chairs Report for Audit and Scrutiny Committee Committee Chair: Cllr Thomas Heard (Cllr Sandy Tanner when meetings took place)	Wards Affected: All
	For Information

Audit & Scrutiny updates since the last Ordinary Council on 27th July

Unaudited Statement of Accounts 2020/21

Conclusion of the audit is still in progress due to auditors resourcing and delegated authority was requested to approve the statements, should no material amendments arise upon completion. It is expected the Audit will be concluded by the end of November 2022.

Unaudited Statement of Accounts 2021/22 and Annual Governance Statement.

In March 2021 MHCLG published The Accounts and Audit (Coronavirus) (Amendment) Regulations 2021 (SI 2021/263). These extended the statutory audit deadline for 2021/22 for all local public authorities in England, police and fire bodies.

The draft accounts publication deadline has continued to be extended from 1st June to 1st August. Public Inspection notices and the Unaudited Statement of Account 2021/22 along with the Annual Governance Statement were published on the Council's website on 28th July 2022 in advance of the inspection period 1st August to 12th September 2022. No notices of objections were received.

Under the 2020 Code of Audit Practice, for Local Government bodies, the Auditors are required to issue their Auditor's Annual Report (AAR) by 30 September or, where this is not possible, issue an audit letter setting out the reasons for delay. A notice of explanation has been published alongside the Council's unaudited accounts on our website from 30th September to meet appropriate legislation.

Discussions are ongoing with regards to the Audit timetable and Audit Plan.

<https://www.brentwood.gov.uk/-/statement-of-accounts>

Internal Audit annual opinion 2021/22

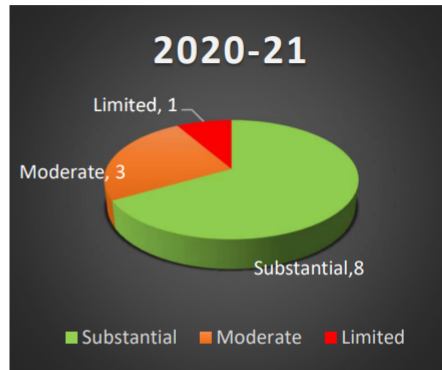
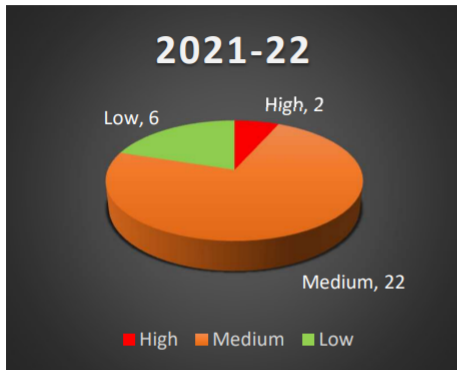
The Internal Annual Audit opinion has also been reported and has been included within the Annual Governance Statement. The overall opinion was of a moderate assurance that there is sound system of internal control, designed to meet the Council's objectives and that controls are being applied consistently.

Internal Auditors BDO, noted an improvement in the control environment compared

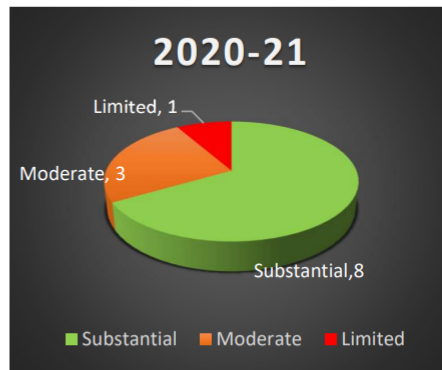
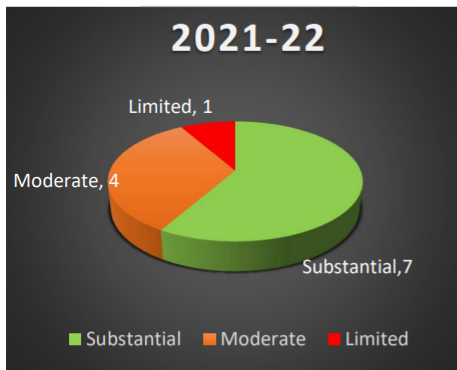
to last year, although not to the extent that is necessary to upgrade our overall opinion.

A summary on the internal Audit plan for 2021/22 is shown below.

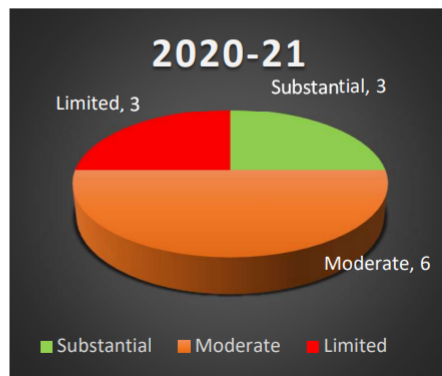
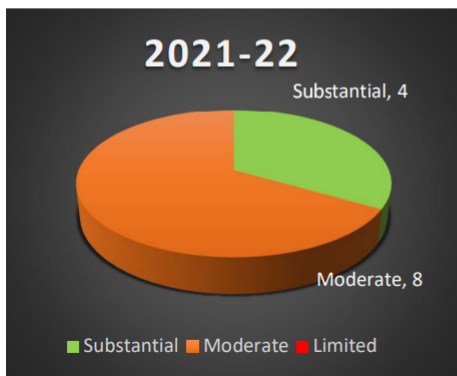
Recommendations and Significance



Control Design



Operational Effectiveness



Internal Audit Progress Report 2022/23

The reports presented at this committee informed the Audit and Scrutiny Committee of progress made against the 2022/23 internal audit plan. It summarised the work internal audit had done, together with their assessment of the systems reviewed and the recommendations they have raised.

Their work complied with Public Sector Internal Audit Standards. As part of their audit approach, they had agreed terms of reference for each piece of work with the risk

owner, identifying the headline and sub-risks, which had been covered as part of the assignment. This approach was designed to enable them to give assurance on the risk management and internal control processes in place to mitigate the risks identified.

The Audit Committee approved the 2022/23 outline summary audit plan in July 2022 and the full audit plan was presented as a separate agenda item for the Audit and Scrutiny Committee meeting in September 2022. The progress against plan is reported at every Audit and Scrutiny Committee during 2022/23.

No audits have currently been completed and follow up recommendations continue to be monitored.

Internal Audit Plan 2022/23

The report covered the Internal Audit Plan for 2022/23. BDO has been the appointed Internal Auditor for the Council since 1 April 2014.

Formal Complaints & Performance Indicator Working Group

The report submitted the report and recommendations of the Formal Complaints and Performance Indicators Working Group for consideration by the Audit & Scrutiny Committee.

Member Working Groups

At the Audit and Scrutiny Committee held on 5th July 2022, Councillor Cloke put forward for consideration the following:

“Formation, make up and running of working groups. The membership of these groups does not seem to be assigned consistently or according to Widdecombe principles and I wonder if a standard approach should be applied. The work planned and completed by these groups is also opaque at best. My primary concern is the constitution working group but a review of the overall approach and other working groups would be of benefit”.

This was **RESOLVED UNANIMOUSLY** and now forms part of the Scrutiny Work Programme.

Scrutiny Work Programme 2022/23

The Constitution requires that the Audit & Scrutiny Committee agrees its Scrutiny work programme at each meeting of the Committee. The report provided an update of the current scrutiny work programme.