

AUDIT AND RISK COMMITTEE

28 September 2021

EXTERNAL AUDITORS REPORT TO THOSE CHARGED WITH GOVERNANCE

Report of the Strategic Director for Resources

Strategic Aim:	All	
Exempt Information	No	
Cabinet Member(s) Responsible:	Mrs K Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation	
Contact Officer(s):	Saverio Della Rocca, Strategic Director for Resources (s.151 Officer)	01572 758159 sdrocca@rutland.gov.uk
Ward Councillors	N/A	

DECISION RECOMMENDATIONS

That the Committee:

1. Receives the External Auditors Report in Appendix 1 and consider any issues arising; and
2. Approves the letter of representation in Appendix 2 for signing by the Chair of this Committee and the s151 Officer.

1 PURPOSE OF THE REPORT

- 1.1 The external auditors report to those charged with governance is appended to this report. The report informs the Committee on matters arising from the audit of the financial statements and the results of the work undertaken to assess the Council's arrangements to secure value for money in its use of resources.

2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 The Statement of Accounts (SoA) was approved for publication by the s151 Officer on 30 June 2021 and submitted to the external auditor, together with accompanying working papers for the start of the audit in July.

- 2.2 A number of changes were agreed with the external auditor during the course of the audit and these have been incorporated into the final SoA. Details are included in Appendix A of the auditor's report (p23).
- 2.3 None of the changes have affected the overall financial position and the General Fund balance at 31 March 2021. At the time of writing this report, Members will be pleased to note that the Council is again expecting an unmodified audit opinion on the SoA (page 3 of Appendix 1).
- 2.4 The Council is required to provide a signed version of the letter of representation (Appendix 2) stating the basis upon which the SoA have been compiled. The external auditors sometimes request specific assurances about certain areas but this is not the case in this instance.
- 2.5 The Auditors are not expected to conclude the Value for Money (VfM) opinion until December 2021 (page 4 of Appendix 1).

3 CONSULTATION

- 3.1 There is no consultation required in respect of the Auditors report.

4 ALTERNATIVE OPTIONS

- 4.1 The Audit and Risk committee could choose not to sign the Letter of Representation. However, doing so would result in the Council not meeting its statutory duty to approve and publish audited accounts by the end of September 2021.

5 FINANCIAL IMPLICATIONS

- 5.1 The budgeted audit fee was £77,420. The auditors have not raised any issues in their report in respect of additional fees.

6 LEGAL AND GOVERNANCE CONSIDERATIONS

- 6.1 Section 3 of Part 3 of the Councils Constitution state that it is the responsibility of the Audit and Risk Committee to approve the Councils Annual Statement of Accounts and Annual Governance Statement, which the letter of representation forms part of.
- 6.2 Other than the statutory requirement to publish the signed audited accounts by the end of September, there are no further legal considerations.

7 DATA PROTECTION IMPLICATIONS

- 7.1 A data protection impact assessment has not been completed as there are no data protection implications.

8 EQUALITY IMPACT ASSESSMENT

- 8.1 An Equality Impact Assessment (EqIA) has not been completed because the report does not represent the introduction of a new policy or service or a change / review to an existing policy or service.

9 COMMUNITY SAFETY IMPLICATIONS

9.1 There are no community safety implications.

10 HEALTH AND WELLBEING IMPLICATIONS

10.1 There are no health and wellbeing implications.

11 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

11.1 This report presents the opinion from the external auditors and highlights some of the key matters and asks the Audit and Risk Committee to approve the letter in line with their constitutional responsibility.

12 BACKGROUND PAPERS

12.1 There are no additional background papers to the report.

13 APPENDICES – TO BE PRESENTED AT THE MEETING

13.1 Appendix 1 – External audit report

13.2 Appendix 2 – Letter of representation

14 APPENDICES

14.1 None

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577