

Audit Progress Report

Rossendale Borough Council

Audit and Accounts Committee November 2023



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Section 01:

Audit Progress and Audit Planning

1. Audit progress

Purpose of this report

This report provides the November 2023 Audit and Accounts Committee meeting with an update on progress, since we last reported to the Committee in September 2023 in delivering our responsibilities as your external auditors. It also includes, at Section 2, a summary of recent national reports and publications for your information.

2018/19 Audit

Financial Statements audit

At the July 2023 Committee we reported that the finance team had shifted their focus to produce the Council's unpublished financial statements for 2021/22 and 2022/23 which has resulted in us pausing our audit work for 2018/19. Since the last Committee meeting in September, the Council have published their 2021/22 accounts but have not yet published the 2022/23 accounts. We will continue to monitor the Council's progress and will take this into consideration when reporting the outcome of our value for money arrangements work.

Reporting the financial position at the end of each year is a key element of the Council's financial governance duties and it is rightly continuing to focus on rectifying that position in advance of the budget setting process for 2024/25.

The Council will be aware of the public announcements by the government on the state of outstanding local audits nationally. In late October, the Local Government Minister in DLUHC published an article in the Municipal Journal. This article is accessible here [Rebuilding audit \(themj.co.uk\)](https://www.themj.co.uk/rebuilding-audit).

In the article the Minister outlines the scale of the challenge and their broad proposals to tackle the challenges. The proposals include setting a series of statutory deadlines for account preparers and auditors. Under the proposals, auditors would be expected to provide as much assurance as possible, reporting any significant concerns as normal. The setting of 'backstop dates' may result in some qualifications and disclaimers of opinion for outstanding accounts audits. The detailed proposals continue to be subject to extensive discussion and agreement between all stakeholders and we will be subject to consultation once published. The article also highlights other elements to the proposals including the CIPFA Code and the NAO Code of Audit Practice.

As a result of both the Council's finance team's focus on producing the 2022/23 financial statements, and the expected government proposals on the national backlog of outstanding audits, we have not yet recommenced our audit of the 2018/19 accounts. When the detailed proposals are available we will discuss them with the Chief Finance Officer and Chief Executive, and will report back to the Audit Committee with the way forward for our external audit of the Council's accounts. In reporting this position, we remind the Committee that the outstanding unaudited accounts at the Council is a situation that has been inherited by ourselves, and the current Council management team, being the impact of, firstly delays in the previous auditor completing audit of accounts up to 2017/18, and secondly delays in the Council producing its accounts for 2019/20 to 2022/23.

1. Audit progress

[2018/19 Audit \(continued\)](#)

Value for Money arrangements

The article linked on the previous page, highlights that external auditors duty to report on 'value for money' arrangements will remain unchanged.

We reported in September 2023 that we had commenced our work on the Council's value for money arrangements. Since then we have held discussions with the Chief Finance Officer regarding our requirements and our requests for information. Our proposal is to report our value for money work for 2022/23 and previous years together. While this is a significant undertaking for ourselves and the Council officers to support our work, this will enable us to report future years VFM arrangements work on a timely basis. Once we have received the requested information from the Council we will conclude our work and will report back to future committee meetings with our reporting commentary and any recommendations.

02

Section 02:

National publications

National publications

	Publication/update	Key points
National Audit Office (NAO)		
1	Reforming Adult Social Care in England	This report looks at how DHSC is responding to the challenges facing adult social care in England, and its progress with delivering the reforms set out in the 2021 white paper.
2	Investigation into the Home for Ukraine scheme	This report aims to increase transparency by taking stock of what has been achieved to date, for what cost, and what can be learned.
4	Whole of Government Accounts 22/23	The NAO's Whole of Government Accounts (WGA) team has issued Group Audit Instructions and the Assurance Statement in respect of the 22/23 WGA process.

NATIONAL PUBLICATIONS

National Audit Office

1. Reforming Adult Social Care in England – November 2023

The NAO has published a report looking at how DHSC is responding to the challenges facing adult social care in England. As people live longer and with more complex conditions more people are likely to need adult social care to support them to live the lives they want. In 2019, the government promised to 'fix the crisis in social care'. Following the COVID-19 pandemic, in September 2021, DHSC published 'Build Back Better: Our Plan for Health and Social Care'.

This report can be accessed using the following link:

[Reforming adult social care in England - NAO report](#)

2. Investigation into the Homes for Ukraine scheme – October 2023

The NAO has published a report which aims to increase transparency by taking stock of what has been achieved to date, for what cost, and what can be learned. They set out:

- how the scheme was set up at speed and the scheme objectives,
- arrival numbers and the checks conducted on applicants and sponsors,
- the funding provided,
- challenges and future risks with the scheme.

This report can be accessed using the following link:

[Investigation into the Homes for Ukraine scheme - NAO report](#)

NATIONAL PUBLICATIONS

National Audit Office

3. Whole of Government Accounts 22/23 – October 2023

The NAO's Whole of Government Accounts (WGA) team has now issued Group Audit Instructions (GAI) and the Assurance Statement in respect of the 2022-23 WGA process.

Due to current conditions in the wider public sector finance and audit environment, the WGA team are aware that a number of component statutory audits have not yet been completed for 2022-23. The group risk assessment does include considerations from underlying audits and as such may be subject to further updates as further information is made available.

Contact

Mazars

Mazars LLP

One St Peter's Square

Manchester

M2 3DE

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