

North Devon District Council Audit Progress Report

Year ending 31 March 2022

14 March 2023



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Introduction

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This paper provides the Governance Committee with a report on progress in delivering our responsibilities as your external auditors.

Members of the Governance Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications www.grantthornton.co.uk

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

Progress at March 2023

Financial Statements Audit

We issued our opinion on the Council's financial statements on 30 November 2022. On issuing the opinion we were unable to issue the audit certificate, which signifies that the audit is closed. This was due to:

- Our VFM being incomplete
- The NAO have not yet issued their WGA guidance, and therefore whilst the council are expected to be below the threshold for additional work we have been unable to issue our WGA assurance statement.

Our VFM work is now complete and the findings of this work are included in the Auditors Annual Report, which is included on this agenda.

The NAO have also issued their WGA guidance. This confirmed that North Devon remained below the threshold for full audit requirements. We submitted the WGA Assurance Statement on 22 February 2023.

Following the presentation of the Auditors Annual Report at the March committee we will issue the audit certificate formally closing the 2021/22 audit.

Value for Money

Under the 2020 Code of Audit Practice, for relevant authorities other than local NHS bodies auditors are required to issue our Auditor's Annual Report no later than 30 September or, where this is not possible, issue an audit letter setting out the reasons for delay. This letter was issued to the Chair of the Governance Committee in September 2022.

The National Audit Office has updated its guidance to auditors to allow us to postpone completion of our work on arrangements to secure value for money and focus our resources firstly on the delivery of our opinions on the financial statements. This is intended to help ensure as many as possible could be issued in line with national timetables and legislation. The extended deadline for the issue of the Auditor's Annual Report is now no more than three months after the date of the opinion on the financial statements.

Our VFM work is now complete and the Auditors Annual Report summarising our findings is included on this meeting agenda.

Our work did not identified any significant risks of weaknesses in arrangements. We have made some recommendations for improvement.

Progress at March 2023 (cont.)

Other areas

Certification of claims and returns

We certify the Council's annual Housing Benefit Subsidy claim in accordance with procedures agreed with the Department for Work and Pensions (DWP).

In line with 2020/21 the DWP have extended the deadline for this work for 2021/22 until 31st January 2023.

Our detailed testing took place in January 2023 as planned.

We certified the Council's claim on 14 February 2023. The claim was certified unamended with some minor points included in the Housing Benefit Assurance report.

Meetings

We continue to meet and work with Senior Officers on an ongoing basis to discuss emerging developments and to ensure the audit process is smooth and effective.

Events

Our annual accounts workshop for Chief Accountants is taking place in February 2023 and your finance team has received invites. These will be delivered remotely as in previous years and will cover topical issues and technical areas pertinent to the 2022/23 statutory accounts.

Change of team

As part of the firm's regular rotation policy your audit team is changing for the 2022/23 audit cycle. Your Audit Manager will be Roz Apperley (contact details on page 3). The rest of the team remains unchanged to ensure we maintain continuity.

Audit deliverables 2021/22

2021/22 Deliverables	Planned Date	Status
<p>Accounts Audit Plan</p> <p>We are required to issue a detailed audit plan to the Governance Committee setting out our proposed approach in order to give an opinion on the Council's 2021/22 financial statements.</p>	June 2022	Complete
<p>Interim Audit Findings</p> <p>We will report key findings from our interim audit within our Progress Report.</p>	June 2022	Complete
<p>Audit Findings (ISA260) Report</p> <p>The Audit Findings Report will be reported to the September Governance Committee.</p>	September 2022	Complete
<p>Auditor's Annual Report</p> <p>The key output from local audit work on arrangements to secure VFM is an annual commentary on arrangements, which will be published as part of the Auditor's Annual Report (AAR). The final version of the AAR will be published in line with the timescales to be set out by the National Audit Office. The AAR must be published on your website in line with LG requirements.</p>	February 2023	Complete.
<p>Auditor's Report</p> <p>This will include our opinion on your financial statements and our other reporting requirements, as set out in 'The auditor's statutory responsibilities' section of this report.</p>	November 2022	Complete
<p>Certification of the Council's Housing Benefit return</p> <p>We certify the Council's annual Housing Benefit Subsidy claim in accordance with procedures agreed with the Department for Work and Pensions (DWP). The deadline for this work is 31 January 2022.</p>	January 2023	Complete

Audit deliverables 2022/23

2022/23 Deliverables	Planned Date	Status
<p>Accounts Audit Plan</p> <p>We are required to issue a detailed audit plan to the Governance Committee setting out our proposed approach in order to give an opinion on the Council's 2022/23 financial statements.</p>	June 2023	No yet due
<p>Audit Findings (ISA260) Report</p> <p>The Audit Findings Report will be reported to the September Governance Committee.</p>	TBC	No yet due
<p>Auditor's Annual Report</p> <p>The key output from local audit work on arrangements to secure VFM is an annual commentary on arrangements, which will be published as part of the Auditor's Annual Report (AAR). The final version of the AAR will be published in line with the timescales to be set out by the National Audit Office. The AAR must be published on your website in line with LG requirements.</p>	TBC	No yet due
<p>Auditor's Report</p> <p>This will include our opinion on your financial statements and our other reporting requirements, as set out in 'The auditor's statutory responsibilities' section of this report.</p>	TBC	No yet due
<p>Certification of the Council's Housing Benefit return</p> <p>We certify the Council's annual Housing Benefit Subsidy claim in accordance with procedures agreed with the Department for Work and Pensions (DWP). The deadline for this work is 30 November 2023.</p>	November 2023	No yet due



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