



PART B:	RECOMMENDATIONS TO COUNCIL
REPORT TO:	OVERVIEW AND SCRUTINY COMMITTEE
DATE:	21 APRIL 2022
REPORT OF THE:	CHIEF FINANCE OFFICER (s151) ANTON HODGE
TITLE OF REPORT:	EXTERNAL AUDITORS' ANNUAL REPORT
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

1.1 The attached document is the External Auditor's Annual Report for 2020/21.

2.0 RECOMMENDATION(S)

2.1 It is recommended that the Committee notes the External Auditor's Annual Report.

3.0 REASON FOR RECOMMENDATION(S)

3.1 The report gives the Council an independent view of how it is achieving Value for Money

4.0 SIGNIFICANT RISKS

4.1 Risks are taken into account as part of the annual audit and feed through into the attached report.

5.0 POLICY CONTEXT AND CONSULTATION

5.1 The Local Audit and Accountability Act 2014 sets a requirement for auditors to be satisfied that each local the authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

5.2 On 1 April 2020, a new Code of Audit Practice came into force which sets out how local auditors are expected to approach and report their work on VFM arrangements from 2020/21 onwards.

6.0 REPORT DETAILS

- 6.1 The Statement of Accounts was presented to Committee in December 2021 and approved in January 2022 after Policy and Resources had the authority to sign off the accounts to the s151 Officer in consultation with the Chair of the Committee and all Group Leaders (assuming there are no material changes after Audit Committee). However this did not include the Annual Value for Money Report from the Auditors and it was noted that this Report would be brought to Committee in the spring of 2022.
- 6.2 The Committee had previously been made aware of the significant challenges facing public sector audit across the country and the impact this was having on deadlines. The government has recently addressed this by suggesting further changes to the timescales for signing off the 2021/22 accounts.
- 6.3 The Value for Money report is now attached here noting that there are no significant weaknesses in financial sustainability, governance or improving economy, efficiency and effectiveness. There are some recommendations to assist the Council as it moves towards LGR, particularly in respect of the need to maintain appropriate budgetary controls in the run up to the end of RDC as a separate legal entity on 31 March 2023, and also to ensure the 'dual running' of the plans for the new unitary North Yorkshire council and the continuing work of RDC are appropriately planned and monitored.
- 6.4 Members of the committee will have the opportunity to ask the External Auditor and s151 Officer about the detail at the meeting.
- 6.5 Following Audit Committee's consideration of the Report, it will be made available to all members at the next Full Council meeting.

7.0 IMPLICATIONS

- 7.1 The following implications have been identified:
- a) Financial
There are no financial implications regarding this report.
 - b) Legal
There are no legal implications regarding this report.
 - c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental and Climate Change, Crime & Disorder)
None arise from the contents of this report. Such implications are taken into account as part of the budget process

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