



Update on 2020/21 and 2021/22 audits

The purpose of this note is to update the Audit, Governance and Standards Committee on the progress of the 2020/21 and 2021/22 audits.

We will present a further latest position update on progress at the Audit, Governance and Standards Committee meeting on 30 January 2023.

2020/21

Work on finalising the 2020/21 audits of the main Council's accounts and of the Pension Fund is underway. The audit team are currently focused on the following matters:

- Completion of quality review processes, including clearance of review points following completion of partner and manager review and final technical and External Quality Review sign-offs. At the point of drafting, no further information requests have been made to officers
- Resolution of the infrastructure issue:
 - CIPFA/LASAAC published an update to the Code of Practice on Local Authority Accounting in November 2022 and the statutory override prepared by DLUHC came into force on 25 December 2022. CIPFA issued a bulletin on 11 January 2023 to accompany these changes in relation to infrastructure assets, to explain the impact of the changes and to demonstrate how accounting for infrastructure assets can be applied.
 - In light of the guidance provided by the CIPFA Bulletin, the Council is currently preparing revised workings and sensitivity analysis, and disclosures reflecting the temporary solutions to the infrastructure issue afforded by the statutory override and amendments to the Code. This is expected to be prepared by officers and shared with BDO during w/c 16 January 2023.
 - Information relating the Council's assessment of useful economic lives of infrastructure assets drawing upon Essex County Council's Surveyor/Engineer specialist knowledge, is anticipated for w/c 23 January 2023.
 - These will be reviewed by the audit team when received.
- We anticipate the above will conclude by the end of February 2023.
- Completion of NAO Code work in relation to Use of Resources, which we anticipate will conclude by the end of March 2023.

2021/22

Work on the main Council and Pension Fund audits has commenced.

Initial focus was on the Pension Fund audit (which started in August 2022) given the reliance on some of that work placed by auditors of member bodies (for example, other Essex District and Unitary Councils, Essex Police, Care Quality Commission, and some other entities).

The majority of the Pension Fund fieldwork (including procedures to support the Letters of Assurance and other areas of the audit) is now complete and early priority Letters of Assurance have been issued to the respective auditors.

The fieldwork phase of the main Council audit (which began in November 2022) is ongoing.

David Eagles, Partner and Engagement Lead
For and on behalf of **BDO LLP**, Appointed Auditor

16 January 2023