

# Harborough District Council



## Report to Council Meeting of 25 October 2023

<b>Title:</b>	Audit Completion Certificate 2020/21
<b>Status:</b>	Public
<b>Key Decision:</b>	No
<b>Report Author:</b>	Covering Report: Clive Mason; Interim Deputy Chief Executive (& s.151 Officer) Appendix 1: Copy of covering email and audit completion certificate.
<b>Lead Councillor:</b>	Not applicable
<b>Appendices:</b>	1. External Auditors Audit Completion Certificate for the year-ended 31 March 2021.

### Summary

- i. The External Auditor is required to publish on an annual basis its Auditor's Annual Report and following the completion of an audit, an Audit Completion Certificate.
- ii. In respect of the financial year 2020/21; the council received the auditors annual report at its meeting held in April 2022. Due to a delay following instructions by the National Audit Office, the external auditor issued their completion certificate on the 23 August 2023. On the same day, this was circulated to all councillors of Audit & Standards Committee, as those charged with governance.

### Recommendations

That members:

1. Receive the External Audit Audit Completion Certificate for the year ended 31 March 2021 (Appendix 1) and comment as they consider necessary.

### Reasons for Recommendations



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| <p>iii. To ensure that members of the Audit &amp; Standards Committee, as those charged with governance, formally receive the external auditors audit completion certificate for 2020/21.</p> |
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## 1. Purpose of Report

- 1.1 To consider the external auditors Audit Completion Certificate for the year ended 31 March 2021.

## 2. Background

- 2.1 The external audit cycle for a local authority's accounts, as well as including the audit itself, also includes the external auditor issuing an Annual Audit Report and a final Audit Certificate which has to be received by those "charged with governance". For the council, the members of the Audit & Standard Committee are those charged with governance.
- 2.2 As part of the committee process of approving the 2020/21 annual financial report and annual governance statement, at the Audit & Standards Committee of the 27 April 2022 members received the external auditors (Mazars LLP) Auditors Annual Report for the year ended 31 March 2021 ([covering report](#) / [appendix](#)). At this time, the external auditor was not able to issue the Audit Completion Certificate.

## 3. Details

- 3.1 To finalise each cycle of audit review, the external auditors are required to issue an Audit Completion Certificate. Due to instruction by the National Audit Office in respect of the Whole of Government Accounts, the external auditor was not able to issue the Audit Completion Certificate for the year ended 31 March 2021 until the 23 August 2023 (Appendix 1). This was then forwarded to all members of the Audit & Standards Committee on the same day.

### **Securing Economy, Efficiency and Effectiveness**

- 3.3 The Audit Completion Certificate includes a reference to a significant weakness in the Council's arrangements for the year ended 31 March 2021 relating to Governance. Members should note that this was brought to the attention of the Audit & Standards Committee when they considered the respective Auditors Annual Report at the [27 April 2022](#) committee meeting.
- 3.4 Members should note the following:
- The [Auditors Annual Report for 31 March 2021](#) (page 12), confirmed that all recommendations in respect of the governance weakness had been

implemented. Further, that for 2020/21 there were no significant weaknesses in respect of the other aspects of the external auditor's assessment of "value for money"; namely "Financial Sustainability" and "Improving Economy, Efficiency and Effectiveness".

- ii. In a similar vein, at page 3 of the Chief Internal Auditors performance report, [Appendix A](#), presented to the Audit & Standards Committee on [28 June 2022](#) confirmed that they had received evidence that all actions arising from the special investigation reported to the Audit & Standards Committee in March 2022 had been implemented.
- iii. The [Auditors Annual Report for 31 March 2022](#), considered by this committee last July, confirmed that there were no significant weaknesses with regard to any aspect of "value for money" for 2021/22 i.e. the governance weakness (page 15) identified in the preceding year (2020/21) was not brought forward to 2021/22.

## **4. Implications of Decisions**

### **Corporate Priorities**

- 4.1 External Audit provides independent review of the Councils financial and wider governance practices in respect of the delivery of services. This in turn directly supports the achievement of all corporate priorities.

### **Consultation**

- 4.2 Through the issuing of this audit completion certificate, the external auditor is confirming the closure of the 2020/21 audit cycle. The reporting of this to "those charged with governance" (the members of this committee) confirms the completion of the audit.

### **Financial**

- 4.3 There are no direct financial implications arising from this report. With the issue of this certificate, the Council is now waiting for the similar for 2021/22; members considered the 2021/22 Annual Audit Report at its meeting in July.

### **Legal**

- 4.4 There are no direct legal implications arising from this report.

### **Environmental Implications**

- 4.5 There are no direct environmental implications arising from this report.

### **Risk Management**

- 4.6 The external auditors Annual Report and Certificate provides assurance to the Council, and its stakeholders, in respect of its wider governance and public stewardship arrangements in respect of financial reporting, governance and value for money.

### **Equalities Impact**

- 4.7 There are no direct equalities implications arising from this report.

## **Data Protection**

4.8 There are no direct data protection implications arising from the report.

## **Alternative Options Considered**

4.9 Not applicable in this context.

## **Background papers**

5.1 Not applicable in this context.