

3 May 2023

Agenda Item: 9

**REPORT OF SERVICE DIRECTOR – FINANCE, INFRASTRUCTURE AND
IMPROVEMENT.**

EXTERNAL AUDIT – ANNUAL AUDIT REPORT 2021/22

Purpose of the Report

1. To inform Members of the External Auditors' Annual Audit Report 2021/22.

Information and Advice

2. A new Code of Audit Practice came into force from 1 April 2020 for financial years 2020/23 onwards. The most significant change under the new Code was the introduction of an Auditor's Annual Report, containing commentary on the Council's arrangements for securing Value for Money alongside the audit opinion on the Council's accounts. This report replaced the Annual Audit Letter which was reported to this Committee previously.
3. The purpose of preparing and issuing the Annual Audit Report is to communicate to the audited body and key external stakeholders, including members of the public, the key issues arising from the auditors' work.
4. The Auditor's Annual Audit Report 2021/22 is attached at Appendix A and covers both the County Council and Nottinghamshire Pension Fund. It summarises all of the work completed as part of the 2021/22 annual audit and a review of value for money arrangements.
5. The report is presented to Members for their information. The Audit Director (Grant Thornton), Andrew Smith, will be in attendance at the meeting to introduce the report and respond to Members' queries.

Other Options Considered

6. The other option would be to not accept the external report. This option was rejected as external auditors are required by statute (Section 20(1c)) of the Local Audit and Accountability Act 2014 to report their Annual Audit Report to the Council

Reason/s for Recommendation/s

7. To provide information to Members on the External Auditors' Annual Audit Report 2021/22.

Statutory and Policy Implications

8. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

1) That Members accept the External Auditors' Annual Audit Report 2021/22.

Nigel Stevenson

Service Director – Finance, Infrastructure & Improvement

For any enquiries about this report please contact:

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Constitutional Comments (KK 20/04/2023)

9. Governance and Ethics Committee is the appropriate body to consider the content of this report.

Financial Comments (GB 19/04/2023)

10. The total audit fees were £146k for Nottinghamshire County Council and £44k for the Nottinghamshire Pension Fund.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All