

Name of meeting: Corporate Governance and Audit Committee
 23 September 2020

Title of report: Informing the Audit Risk Assessment for
 Kirklees Metropolitan Council

Purpose of report

The report updates Members on the final accounts and audit processes for 2019/20.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Not applicable
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports)?	No
The Decision - Is it eligible for "call in" by Scrutiny?	No
Date signed off by Strategic Director & name	Not applicable
Is it also signed off by the Service Director for Finance, IT and Transactional Services?	Eamonn Croston 11/9/2020
Is it also signed off by the Service Director for Governance and Commissioning Support?	Julie Muscroft 11/9/2020
Cabinet member portfolio	Not applicable

Electoral wards affected: Not applicable

Ward councillors consulted: Not applicable

Public or private: **Public**

GDPR: This report contains no information that falls within the scope of General Data Protection Regulations.

1. Summary

1.1 The Council's external auditor Grant Thornton has asked that council officers complete the attached 'Fraud, Laws and Regulation Letter to Management' (Appendix A), which consists mainly of a schedule of issues entitled:

"Auditor Question"(by GT)

"Response" (by KMC officers)

1.2 They have also requested that the Chair of Corporate Governance and Audit Committee undertake a similar exercise and complete the attached 'Fraud, Laws and Regulation Letter to Cllr Simpson' (Appendix B).

1.3 These relate to the following topics:

Financial Reporting and changes in 2019-20

Internal Control

Fraud and Ethics

Laws and Regulations

Going Concern - that the council as a "business" will continue to operate

Litigation and Claims

Related Parties with whom the council has or records transactions

Other Accounting Areas – including the use of estimated figures in the accounts and the use of financial instruments.

1.4 External Audit will use these assurance letters to support their overall opinion on the Audited Statement of Accounts and Annual Governance Statement which will be presented to this Committee for approval on 24 November 2020.

1.5 The auditors want this committee to affirm that they believe these assertions to be true (or have no reason to believe that they are untrue). The documents are attached.

2. Information required to take a decision

2.1 The Committee need to read the statements and assertions

2.2 If there are questions arising they can ask officers for an explanation.

3. Implications for the Council

3.1 **Working with People**

N/A

3.2 **Working with Partners**

N/A

3.3 **Placed based working**

N/A

3.4 **Improving Outcomes for Children**

N/A

3.5 **Reducing demand of services**

N/A

3.6 **Other (e.g. Legal/Financial or Human Resources)**

These assertions related to the annual statement of accounts enable the appointed auditors to ensure that they are satisfied that the Council funds are also properly accounted for, and the financial position presented by the accounts is reasonable, true and fair.

4. Consultees and their opinions

The responses were completed by the Service Director Finance, Service Director Legal, Governance & Commissioning, Head of Accountancy and Head of Risk & Internal Audit, along with the Chair of Corporate Governance and Audit Committee.

5. Next steps

The auditors will consider the responses and use this in providing their opinion on the Audited Statement of Accounts and Annual Governance Statement which will be presented to this Committee for approval on 24 November 2020.

6. Officer recommendations and reasons

For Corporate Governance and Audit Committee to agree the risk assessment document, and for it to be formally submitted to Grant Thornton.

7. Cabinet portfolio holder's recommendations

Not applicable

8. Contact officer

James Anderson Head of Accountancy

9. Background Papers and History of Decisions

None

10. Service Directors responsible

Eamonn Croston
Julie Muscroft

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