

Grant Thornton Annual Report and IT Audit Report 2021/22

Date: 20th March 2023

Report of: the Chief Finance Officer

Report to: Corporate Governance and Audit Committee

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

This covering report presents two reports from Grant Thornton in relation to their audit work for 2021/22 financial year - the Annual Auditor's Report and the IT Audit Report.

The Annual Report gives the audit findings relating to the Council's value for money arrangements. The report does not identify any statutory or key recommendations, but it does make a number of recommendations for improvement.

The IT Audit Report is undertaken in support of the audit of the financial statements, and covers the control environment for the Council's main financial systems.

The Annual Report and the IT Audit Report are attached as Appendix 1 and Appendix 2 respectively.

Recommendations

- a) Members are asked to receive the Annual Auditor's Report and the IT Audit Report presented by Grant Thornton and to note the recommendations for improvement which have been made in each report.

What is this report about?

- 1 This report presents Grant Thornton's Annual Auditor's Report for 2021/22 and their IT Audit Report 2021/22.
- 2 The Annual Report gives the outcome of the audit of the Council's value for money arrangements. The report does not identify any statutory or key recommendations, but it does make a number of lower priority recommendations for improvement. The responses from officers to these recommendations are included in the report.
- 3 The IT Audit Report covers the control environment for the Council's main financial systems. It is undertaken to support the audit of the financial statements, to determine the level of reliance which the accounts audit can place on controls within the financial systems. The report makes a number of recommendations and provides an update on previous recommendations.

What impact will this proposal have?

- 4 The two reports outline the conclusions from Grant Thornton's value for money audit and IT audit work for 2021/22, and identify some recommendations for improvement in the Council's arrangements.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 5 The reports relate to the council's underlying financial governance arrangements rather than to the delivery of any specific services.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted?

Yes

No

- 6 The two audit reports do not raise any issues requiring consultation or engagement with the public or individual ward members.

What are the resource implications?

- 7 Grant Thornton's Annual Report outlines the results of their audit work to assess whether during 2021/22 the Council had in place proper arrangements for securing value for money.

What are the key risks and how are they being managed?

- 8 The Annual Report covers Grant Thornton's findings on the risks to the council's financial standing and on the arrangements which are in place to mitigate and manage those risks.
- 9 The IT Audit Report covers Grant Thornton's findings in relation to the control environment which is in place for the Council's main financial systems.

What are the legal implications?

10 The Annual Auditor's Report outlines how Grant Thornton have discharge their responsibilities as defined by in the Local Audit and Accountability Act 2014 and the National Audit Office's Code of Audit Practice.

Options, timescales and measuring success

What other options were considered?

11 The reports are retrospective ones, which present findings from Grant Thornton's 2021/22 audit work.

How will success be measured?

12 Grant Thornton will provide an update on the recommendations made in both reports during their 2022/23 audit.

What is the timetable and who will be responsible for implementation?

13 Those recommendations which have not yet been implemented will be addressed by officers over the coming months. Grant Thornton plan to present their 2022/23 reports on these areas to the November 2023 meeting of the Committee.

Appendices

- Appendix 1 is Grant Thornton's Annual Auditor's Report for 2021/22 and Appendix 2 is the IT Audit Report for 2021/22.

Background papers

- None