

**TONBRIDGE & MALLING BOROUGH COUNCIL**

**AUDIT COMMITTEE**

**23 September 2024**

**Report of the Director of Finance and Transformation**

**Part 1- Public**

**Delegated**

**1 LOCAL AUDIT BACKLOGS – NATIONAL TIMETABLE**

**A report updating Members on the timetable for audits following receipt of a letter from the new Minister of State for Housing, Communities and Local Government.**

**1.1 Introduction**

1.1.1 In April 2024, Members were advised of a Statement from the (then) Minister for Local Government on the proposed way forward in relation to the national backlog on the audit of local authority accounts.

1.1.2 Whilst this has not affected Tonbridge and Malling Borough Council greatly (in that the Council's 2022/23 Accounts were signed off in October 2023), a number of councils have accounts dating back several years that are being worked on.

1.1.3 The (then) Minister wrote advising that the 2023/24 (current year) to 2027/28 financial Statements with proposed sign off dates for the accounts to be no later than the details shown below:-

<i>Financial year beginning</i>	<i>Financial Year</i>	<i>Date accounts to be signed by</i>
1 <sup>st</sup> April 2023	2023/24	31st May 2025
1 <sup>st</sup> April 2024	2024/25	31st March 2026
1 <sup>st</sup> April 2025	2025/26	31st January 2027
1 <sup>st</sup> April 2026	2026/27	30th November 2027
1 <sup>st</sup> April 2027	2027/28	30th November 2028

1.1.4 In respect of TMBC, for the 2023/24 Audit, Grant Thornton advised that the Audit of the 2023/24 accounts would commence until October 2024 with conclusion of the Audit in December 2024.

**1.2 Update**

1.2.1 Attached at **[Annex 1]** is a letter received from the new Minister of State for Housing, Communities and Local Government, Jim McMahon OBE.

- 1.2.2 Members will note that the Minister intends to lay secondary legislation when parliamentary time allows to provide backstop dates as follows:

<b>Financial Year</b>	<b>Backstop date</b>
2023/24	28 February 2025
2024/25	27 February 2026
2025/26	31 January 2027
2026/27	30 November 2027
2027/28	30 November 2028

- 1.2.3 This is slightly different to the previous proposal (items highlighted in red font) from the outgoing Minister as Members will note.

### **1.3 Legal Implications**

- 1.3.1 Compliance with the Accounts and Audit Regulations and the Code of Practice on Local Authority Accounting in the United Kingdom is a statutory requirement. There are a number of legislative requirements to consider in the preparation and publication of the Statement of Accounts which will be addressed as we move through the closedown process.

### **1.4 Financial and Value for Money Considerations**

- 1.4.1 The proposed audit fee for the 2023/24 accounts is £139,930.

### **1.5 Risk Assessment**

- 1.5.1 The Statement of Accounts is a statutory document and, therefore, failure to prepare and publish the Accounts in accordance with proper accounting practice and within the statutory timescales could adversely affect the Council.

### **1.6 Equality Impact Assessment**

- 1.6.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

### **1.7 Policy Considerations**

- 1.7.1 Business Continuity/Resilience

Due to the timing of the audit and the workload on the preparation of the Budget, there is a potential risk that work being split between the two statutory areas and the current resources could lead to delays if they audit enquiries are significantly challenging.

### **1.8 Recommendations**

- 1.8.1 Members are asked to **NOTE** the slight change to the timetable for backstop dates for the sign off of local authority accounts.

Background papers:

contact: Paul Worden

Nil

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