

**Committee:** Audit and Standards Committee  
**Title:** External audit of outstanding accounts  
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## Summary

1. This report sets out the current position of Government on plans to clear the backlog of unaudited accounts.

## Recommendations

2. Members note the report.

## Financial Implications

3. None

## Background Papers

4. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

## Situation

5. In July 2023 the then Minister for Local Government wrote to all councils setting out a plan to consult on a timetable for the external auditors to clear the unaudited accounts backlog within a nine month period starting with the first phase being completed by 31 December 2023 (for UDC this was the 2019/20 accounts), the 2020/21 and 2021/22 accounts by 31 March 2024 and the final 2022/23 accounts being completed by 30 September 2024.
6. For whatever reason the consultation did not happen and the situation remains unresolved.
7. On 19 January 2024 the Council received a copy of a letter sent from the new Minister for Local Government to the Chair, Levelling up, Housing and Communities Committee (attached at appendix One) setting out that there would soon be a new consultation issued with the backstop date (final date) for completion of all audits up to 2022/23 being completed by 30 September 2024.
8. The 19 January letter is in response to a critical report from the Levelling up, Housing and Communities Committee issued in November 2023. A link to that report is below

<https://committees.parliament.uk/publications/42279/documents/210125/default/>

9. Given that the consultation has not yet started a completion date only eight months away when this Council has four sets of accounts to be audited seems an improbable target if the proposal will be for full audits to be undertaken on all years.
10. If available, further information on the consultation will be brought to the March meeting of this Committee.
11. A verbal update on the current position with regards to the audit of the 2019/20 accounts by BDO will be given at the meeting, but at the time of the writing of this report, despite chasing, no contact has been had with BDO since 17 November 2023 and no timetable for audit clearance exists.
12. Members will however be pleased to note that the Council's new auditors KPMG have started preparatory work on the 2023/24 accounts and are working with officers to gain a full understanding of the way in which the Council works. The audit director for KPMG will bring an update on their audit plan for the 2023/24 accounts to the March meeting of this Committee.