

AUDIT AND STANDARDS COMMITTEE

16 January 2019

Title: Annual Audit Letter 2017/18	
Report of the Chief Operating Officer	
Open Report	For information
Wards Affected: All	Key Decision: No
Report Author: Charles Medley, KPMG	Contact Details: E-mail: Charles.medley@kpmg.co.uk
Accountable Director: Helen Seechurn, Interim Director of Finance	
Summary: This report summarises the key findings from the 2017/18 external audit of the Council, which covered the 2017/18 Financial Statements and Value for Money conclusion. An unqualified opinion was issued in respect of the accounts and KPMG were satisfied that the Council had satisfactory arrangements in place to secure value for money. All the issues in the letter have been previously reported. The key recommendations are listed in appendix 1 of the report.	

Recommendation That the Committee notes the contents of this report.
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1. Introduction and Background

1.1. The Independent Auditors, KPMG, annual audit letter 2017/18 sets out for the benefit of those charged with governance (in the case of London Borough of Barking and Dagenham, Audit and Standards Committee), the outcome from KPMG's audit work at the Council in relation to the 2017/18 audit year. Although it is addressed to Members of the Council, it is also intended to communicate key messages to key stakeholders, including members of the public, and is placed on the Council's website.

1.2. An unqualified conclusion on the Council's arrangements to secure value for money was issued. The same conclusion also applied on the Council's financial statements.

2. Financial Implications

2.1. Other than the audit fees mentioned in the Audit Plan, there are no financial implications arising from the report.

3. Legal Implications

Implications completed by: Dr. Paul Feild Senior Governance Lawyer

- 3.1 The Accounts and Audit (England) Regulations 2015 (the “Regs”) Reg 3(a)(b) & (c), requires that the Council must ensure that it has a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives; that the financial and operational management of the authority is effective; and includes effective arrangements for the management of risk. In addition Reg 6 (1)(a) requires that each financial year a review is carried out of the effectiveness of the system of internal control as required by Reg 3.
- 3.2 Furthermore the Director of Finance has a statutory duty, under Section 151 of the Local Government Act 1972 and Section 73 of the Local Government Act 1985, to ensure that there are proper arrangements in place to administer the Council’s financial affairs.
- 3.3 The Annual Audit letter does not in itself identify any matters of specific legal concern.

4. Recommendation

- 4.1. Audit and Standards Committee is asked to note the contents of the Audit Plan.

5. Appendix

- 5.1. Appendix 1 – KPMG Annual Audit letter 2017-18