

Audit & Governance Committee

14 November 2022

Draft 2021/22 outturn report

Choose an item.

Portfolio Holder: Cllr G Suttle, Finance, Commercial & Capital Strategy

Local Councillor(s): Cllr

Executive Director: A Dunn, Executive Director, Corporate Development

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Report Status: Public

Brief Summary:

All financial management reports come to the Committee for review following the Cabinet meeting at which they are presented.

The draft (unaudited) outturn report for 2021/22 was seen by the Cabinet on 21 June 2022 but it has not been seen by Audit & Governance Committee as the meeting where it was due to be reviewed was cancelled. The timeliness of the report therefore makes it of limited value, but it is still important from a financial governance perspective that the Committee is able to review and comment upon the report.

A further, short update is also provided on the progress of the audit of the draft accounts and other matters.

Recommendation:

Members are asked to note the small overspend against the Council's net budget for the year. This was significantly lower than had been forecast earlier in the year and reflects significant work across the Council to reduce costs and generate additional income.

Members are also asked for any further comments on either the financial strategy statement, the arrears position on local taxes or progress against the peer review recommendations.

Members are also asked to note the progress on the completion of the accounts and the position regarding the audit of the financial statements. The external

auditor, Ian Howse, from Deloitte will also be present to give an update on the position.

Reason for Recommendation:

Review of the organisation's financial performance, strategy and processes is a key aspect of this Committee's role.

1. Financial Implications

The Council's performance against budget is detailed in the attached Cabinet report.

2. Climate Implications

None specific.

3. Well-being and Health Implications

None specific.

4. Other Implications

None.

5. Risk Assessment

5.1 HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: Medium

Residual Risk: Medium

A risk assessment of previous financial performance is of very limited value. However, the fact that there was an overspend is an indicator that residual risk will be carried into ensuing periods.

There is also risk around the audit work until such times as all the work is completed and signed by Deloitte.

6. Equalities Impact Assessment

The quarterly financial management report does not have any equalities impacts.

7. Appendices

Cabinet draft outturn report 2021/22

8. Background Papers

[Budget strategy report 2021/22](#)

[Qtr1 financial management report 2021/22](#)

[Qtr2 financial management report 2021/22](#)

[Qtr3 financial management report 2021/22](#)

9. Accounts and audit progress

The Council's draft 2021/22 statement of accounts has not yet been made available for public inspection. The deadline was 1 August 2022, as required by the Regulation 10 paragraph (1) of the Accounts and Audit regulations 2015 as amended by The Accounts and Audit (Amendment) Regulations 2021.

The Council has not been able to complete the draft Statement of Accounts due to update of the CIPFA Code of Practice on Local Authority Accounting to deal with changes to accounting for infrastructure assets, which has caused a delay in the audit, approval, and publication of the 2020/21 Statement of Accounts. This issue is affecting many Councils across the country.

A verbal update on the progress to date will be given at the Committee.