

Audit Progress Report

Trafford Metropolitan Borough Council

March 2023



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Section 01:
Audit Progress

Audit Progress

Purpose of this report

This report provides the Accounts and Audit Committee with an update on progress in delivering our responsibilities as your external auditors.

Audit progress

2021/22 financial statements audit

Our work on the Council's 2021/22 financial statements is making good progress. At the time of drafting this report, we are working with the Finance team towards having all of our work substantially complete by the end of March 20223. This timetable has been agreed with the Finance team to reflect the workload pressures on your team in recent months.

At this stage, there are no matters that we need to bring to your attention as Those Charge with Governance for the Council.

We will report the results of our work in our Audit Completion Report in due course.

2021/22 work on the Council's arrangements to deliver Value for Money

We are completing our work on the Council's arrangements for delivering Value for Money.

We will report our commentary to a subsequent meeting of the Accounts and Audit Committee and will include this in our Auditor's Annual Report.

2022/23 financial statements audit

Our planning work has not yet commenced on the 2022/23 financial statements audit. We will complete our planning and interim work once we have concluded your 2021/22 audit. .

02

Section 02:

National Publications

National publications

	Publication/update	Key points
Chartered Institute of Public Finance and Accountability (CIPFA)		
1	Insourcing in the Public Sector: A Practical Guide (2022 edition)	Guidance for practitioners
2	CIPFA Bulletin 12 Accounting for Infrastructure Assets Temporary Solution	Covers the issues to be considered regarding the temporary solution for the accounting and reporting issues relating to infrastructure assets
Public Sector Audit Appointments Ltd		
3	Directory of Auditor Appointments from 2023/24	Auditor appointments for PSAA opted-in bodies
4	Publication of the 2022/23 fee scale	External audit fees for 2022/23
Department for Levelling up Housing and communities		
5	Local Government Finance settlement	Final local government finance settlement 2023-24
National Audit Office		
6	Education recovery in schools in England	The NAO has published its report on Education recovery in schools in England

NATIONAL PUBLICATIONS

CIPFA

1. Insourcing in the Public Sector: A Practical Guide (2022 edition), December 2022

The guide is an information source for public bodies to help widen their understanding of insourcing and support internal discussion on whether services should be brought back in-house and, if so, how they should be brought back in. In recent times, several outsourced arrangements have failed due to poor quality and unreliability of providers. It is important to note that while insourcing does not require a public body to run a full procurement process, it still needs to follow a process and undertake key steps (for example, TUPE and asset transfer) and is equally reliant on the public body having expert and skilled personnel to manage this.

This practical guide will support public sector practitioners in understanding key areas to focus on when considering insourcing as part of future delivery models.

<https://www.cipfa.org/policy-and-guidance/publications/i/insourcing-in-the-public-sector-a-practical-guide-2022-edition>

2. CIPFA Bulletin 12 Accounting for Infrastructure Assets Temporary Solution, January 2023

The CIPFA Bulletin 12 – Accounting for Infrastructure Assets – Temporary Solution covers the issues to be considered regarding the temporary solution for the accounting and reporting issues relating to infrastructure assets.

The objective of the bulletin is to provide guidance on the temporary solution for accounting for infrastructure assets, focussing on the reporting of the derecognition provisions where there is replacement expenditure and particularly for highways infrastructure assets

The temporary solution includes the Update to the Code and Specifications for Future Codes for Infrastructure Assets (Update to the Code) from 1 April 2021 to 31 March 2025 which features a temporary relief not to report gross cost and accumulated depreciation for infrastructure assets and the statutory prescriptions from England and Wales and Scotland

The Bulletin also includes guidance on accounting for the pattern of consumption of economic benefits and service potential i.e. depreciation.

The Bulletin includes guidance on materiality, an overview of different elements of the temporary solution, the accounting requirements for derecognition including the statutory prescription, the impact on accounting policies and the reporting requirements for disclosure of gross cost and accumulated depreciation

<https://www.cipfa.org/policy-and-guidance/cipfa-bulletins/cipfa-bulletin-12-accounting-for-infrastructure-assets-temporary-solution>

NATIONAL PUBLICATIONS

Public Sector Audit Appointments Ltd

3. Directory of Auditor Appointments from 2023/24, January 2023

PSAA has published its Directory of Auditor Appointments from 2023/24 following the completion of the 2022 procurement. The PSAA Board agreed the appointments at its meeting on 16 December 2022. Mazars will continue as the Council's external auditor from 2023/24.

<https://www.psa.co.uk/2023/01/directory-of-auditor-appointments-from-2023-24/>

4. Publication of the 2022/23 fee scale, November 2022

PSAA has published the 2022/23 audit fee scale following consultation. Information on the fee scale and consultation is available. Most audit work under this fee scale will be undertaken from April 2023 onwards. The Council's scale fee for 2022/23 is £82,498.

The 2022/23 fee scale is the last in the current appointing period which is under the 2017 audit contracts. New contracts will apply from the 2023/24 audit following a procurement during 2022. PSAA intend to consult on the fee scale for the 2023/24 audit in early autumn 2023.

<https://www.psa.co.uk/2022/11/news-release-publication-of-the-2022-23-fee-scale/>

5. Local Government Finance Settlement

The final local government finance settlement 2023-24 was announced on 6th February.

[Final local government finance settlement: England, 2023 to 2024 - GOV.UK \(www.gov.uk\)](#)

6. NAO report - Education recovery in schools in England

The NAO has published its report Education recovery in schools in England that examines whether the Department for Education (DfE) is achieving its objective to help pupils recover lost learning by effectively supporting education recovery in schools following the COVID-19 pandemic.

<https://www.nao.org.uk/reports/education-recovery-in-schools-in-england/#downloads>

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