



**Report on the
results of auditors'
work at Smaller
Authorities 2019-20**

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Executive Summary

2019-20 was the third year in which smaller authorities were subject to the limited assurance regime introduced in response to the Local Audit and Accountability Act 2014.

The number of smaller authorities did not increase significantly, but there was a 6.3 per cent increase (273 authorities) in the number of limited assurance reviews required. Some of the increase may have been a consequence of authorities failing to certify themselves as exempt from review; 100 small parish meetings fell into that category. Undoubtedly there will also have been authorities where income or expenditure exceeded for the first time the exemption threshold of £25,000. The proportion of authorities requiring a review varied from county to county.

Against this background of an increased requirement for reviews, the number of opinions issued by 31 December was in fact slightly lower in 2020 than in 2019. As a result, the number of 'open audits' rose from 98 to 386. 164 of these were in progress at 31 December 2020, but there were still 222 authorities that had failed to submit the Annual Governance and Accountability Return (AGAR) that is required by law, even though the deadline for submission had been extended by two months. These widespread failures created additional pressure on auditors who had already had to re-schedule audit work to take account of the temporary changes in the Accounts and Audit Regulations introduced in response to the Covid-19 pandemic.

On the positive side, the number of authorities receiving an unqualified opinion rose once again. Unqualified opinions accounted for 73 per cent of opinions issued, compared to 70 per cent in 2019 and 66 per cent in 2018. This indicates that authorities' understanding of the new regime and its requirements is continuing to improve. The proportion of unqualified opinions and the rate of improvement in that proportion were broadly consistent across fee bands, although the former measure showed marked differences between counties.

The Covid-19 pandemic had a significant impact on both the completion by smaller authorities of their accounting statements and the ability of auditors to conclude their reviews. Although legislation was introduced in April to enable authorities other than parish meetings to meet remotely, anecdotal evidence suggests that some were reluctant to do so or slow to put the necessary arrangements in place. Parish meetings were only permitted to meet remotely from August and many chairs of parish meetings may have been daunted by the challenge of arranging an online meeting for the whole parish.

As noted above, the legislation that allowed authorities to publish their 2019-20 accounting statements and (where relevant) auditors' certificates two months later than usual (by 31 August and 30 November instead of the normal deadlines of 30 June and 30 September) also had an impact on auditors, who had to reschedule work for what is normally a busier time of year, as well as having to send out a larger than normal number of reminder letters.

Internal drainage boards (IDBs), which are generally larger bodies with more management resources at their disposal, were less affected by these issues: as at 31 December 2020 only one IDB had failed to submit an AGAR, and in all other cases the reviews had been completed. The percentage of unqualified opinions in respect of IDBs also remained high at over 90 per cent.

To date, far fewer public interest reports (PIRs) have been issued in relation for 2019-20 than for either of the two preceding years; this is, however, changing as auditors are now preparing to issue PIRs in respect of authorities that have failed, despite reminders, to submit their accounting statements or a certificate of exemption. It is expected that the first of these PIRs will be published towards the end of March 2021.

There continue to be a large number of authorities where audits remain open because auditors' questions remain unanswered or there are outstanding objections to the accounts. It is a matter for concern that the number of smaller authorities with two or more years' audits remaining open has increased markedly.

Introduction

This is the third report on the results of auditors' work issued by Smaller Authorities' Audit Appointments Ltd (SAAA) and summarises the results of auditors' work at smaller authorities (local government bodies with annual turnover below £6.5 million) in relation to the year that began on 1 April 2019 and ended on 31 March 2020.

In 2019-20 there were a total of **9,798** such smaller authorities, comprising:

9,653 'local councils' (town councils, parish councils, community councils, neighbourhood councils, and parish meetings (in parishes where there is no parish council));

112 internal drainage boards (IDBs); and

33 other local government bodies, including 32 smaller authorities (such as Charter Trustees, Port Authorities and Conservators) not classified as 'local councils' and one 'shadow' authority created by the Ministry of Housing, Communities and Local Government (MHCLG) for the single year of 2019-20 in anticipation of a new Unitary Council coming into being in 2020-21. This body had no financial transactions.

Background

Smaller Authorities

A 'smaller authority' is defined in legislation as an authority where for three years the higher of gross annual income or expenditure does not exceed £6.5 million.

Local councils are the first tier of local government and are statutory bodies. They are independently elected bodies that represent their communities and provide or contribute to a range of services – for example, parks and open spaces, cemeteries, allotments and village halls. They serve about 15 million people in England and spend over £600 million of public money each year.

This expenditure is funded mainly through an annual charge, known as a precept, set by the local council and collected on its behalf as part of council tax.

An Internal Drainage Board (IDB) is a public body that manages water levels in an area, known as an internal drainage district, where there is a special need for drainage. IDBs undertake works to reduce flood risk to people and property and manage water levels for agricultural and environmental needs within their district.

There are **112** IDBs in England whose districts cover 1.2 million hectares (9.7 per cent of England's landmass). They play a key role in reducing flood risk to over 600,000 people and nearly 900,000 properties. They operate and maintain over 500 pumping stations, 22,000 km of watercourse, 175 automatic weed screen cleaners and numerous sluices and weirs.

Internal Drainage Boards spend around £70 million of public money each year. This expenditure is funded mainly through drainage rates on land occupiers and special levies on the local authorities in each drainage area.

The Local Audit and Accountability Act 2014

The Local Audit and Accountability Act 2014 established new arrangements for the accountability and audit of local public bodies in England. The legislation requires every smaller authority to appoint its own auditor for the financial year starting on 1 April 2017 and each subsequent financial year.

Smaller Authorities' Audit Appointments Ltd (SAAA)

SAAA was established as the sector-led 'not for profit' company to assist smaller authorities to procure and appoint external auditors. It was formed by the national sector membership organisations, the National Association of Local Councils, Society of Local Council Clerks and Association of Drainage Authorities.

The Secretary of State at the then Department of Communities and Local Government (now the Ministry of Housing, Communities and Local Government (MHCLG)) appointed SAAA as the 'specified person' to procure and appoint external auditors to smaller authorities that did not choose to appoint their auditors directly, and to set audit fees for those authorities in compliance with the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015, and the Local Audit (Smaller Authority) Regulations 2015.

In 2016 all smaller authorities agreed to have auditors appointed by SAAA. SAAA then undertook a comprehensive and robust procurement tender exercise and was able to appoint external auditors to all smaller authorities in a cost-effective way. This resulted in significant financial savings for the smaller authority sector.

Three firms of external auditors were appointed as auditors to smaller authorities – PKF Littlejohn, Mazars, and Moore Stephens (now Moore (East Midlands)).

Responsibilities of smaller authorities

Smaller authorities are required to prepare their accounting statements in accordance with statutory requirements and timetables, as set out in the Accounts and Audit Regulations 2015.

For 2019-20, in response to the Covid-19 pandemic, these requirements were amended. The Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 extended by two months the statutory deadlines for the preparation and publication of accounting statements and associated documents. In parallel, the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings (England and Wales) Regulations 2020 released local authorities from the requirement to hold an annual meeting in 2020-21 and allowed meetings to be held remotely. These flexibilities did not initially apply to parish meetings in parishes where there is no parish council but were later extended to include those parish meetings. The Standing Orders of Internal Drainage Boards were also amended to bring them in line with other smaller authorities.

Smaller authorities are also required to ensure that their accounting statements are prepared in accordance with 'proper practices' as set out in *Governance and Accountability for Smaller Authorities in England - A Practitioners' Guide to Proper Practices* approved by the Joint Panel on Accountability and Governance (JPAG) and published jointly by the National Association of Local Councils, the Society of Local Council Clerks and the Association of Drainage Authorities.

Smaller authorities complete their accounting statements in the form of an Annual Governance and Accountability Return (AGAR). The AGAR includes the:

- annual internal audit report;
- annual governance statement (AGS);
- accounting statements; and
- external auditor report and certificate (where required).

All smaller authorities (except Parish Meetings) are required to publish their AGAR on a freely accessible public website. It is, however, apparent that a significant number of smaller authorities have not complied with this Transparency Code requirement.

Smaller authorities are required under the Freedom of Information Act 2000 to publish contact details, but these are not always kept up to date. Auditors report difficulties in contacting some authorities that have failed to notify the auditor as required when the email address of the Chairman, Responsible Financial Officer or Clerk has changed. For that reason both JPAG and SAAA strongly recommend that every smaller authority maintain and publish a generic email address (for example clerk@ambridgeparishcouncil.gov.uk or chair@lakeygreenparishmeeting.gov.uk).

'Exempt' smaller authorities

The Local Audit and Accountability Act 2014 and Local Audit (Smaller Authorities) Regulations 2015 introduced a new category of authorities that can declare themselves exempt from a limited assurance review by the external auditor.

The main exemption criteria are as follows:

- The authority must certify that, for the financial year in question, the higher of its gross income and gross expenditure did not exceed **£25,000**;
- The financial year must not be one of the first three years of the authority's existence; and
- In relation to the preceding financial year, the external auditor must not have:
 - issued a public interest report in respect of the authority; or
 - made a statutory recommendation to the authority.

The full qualifying criteria for an authority to declare itself as exempt are as set out in Regulation 9 of the Local Audit (Smaller Authorities) Regulations 2015 and are listed on the Certificate of Exemption which is part of the Annual Governance and Accountability Return.

If the authority can confirm that all the criteria apply and that it neither received gross income nor incurred gross expenditure exceeding £25,000, then the authority can declare itself exempt at a full meeting of the authority held after the end of the financial year. The authority must then notify its appointed external auditor by completing and signing a Certificate of Exemption and returning it to the appointed external auditor by 30 June (in 2020, exceptionally, by 31 August).

An authority that meets the exemption criteria can still opt for a limited assurance review by its external auditor for a fee if it so chooses.

Responsibilities of auditors

Auditors are required to undertake their work at smaller authorities under the Local Audit and Accountability Act 2014 (the 'Act') and the National Audit Office (NAO) Code of Audit Practice (the 'Code').

Chapter 6 of the Code specifically relates to smaller authority assurance engagements and sets out the work required in relation to these engagements. To support auditors in meeting the requirements of the Act and the Code, the NAO also publishes detailed guidance in its Auditor Guidance Note (AGN) 02 *Specified Procedures for Assurance Engagements at Smaller Authorities*, to which auditors must have regard. The Code of Audit Practice and Auditor Guidance Notes are available on the NAO website.

A smaller authority limited assurance review is not an audit in accordance with professional auditing standards, but a limited assurance review which provides a level of assurance proportionate to the amounts of public money managed by smaller authorities. Auditors give a limited assurance opinion and certify completion of their work. Auditors issue an unqualified opinion where they consider that the annual return meets the specified requirements.

Where authorities fail to comply with the specified requirements or certain matters come to the auditor's attention, under schedule 7 of the Act auditors are required to consider whether they should exercise any of their additional reporting powers by issuing a written statutory recommendation or a public interest report.

An authority whose auditor has exercised these additional powers cannot then declare itself as exempt in the following year of account but must submit an AGAR to the external auditor for a limited assurance review and pay the relevant fee.

Analysis of outcomes 2019-20

The 2019-20 information in this report is based on the position reported by the auditors to SAAA as at 31 December 2020 and is compared to the 2018-19 figures reported by the auditors as at 31 December 2019.

Exemption

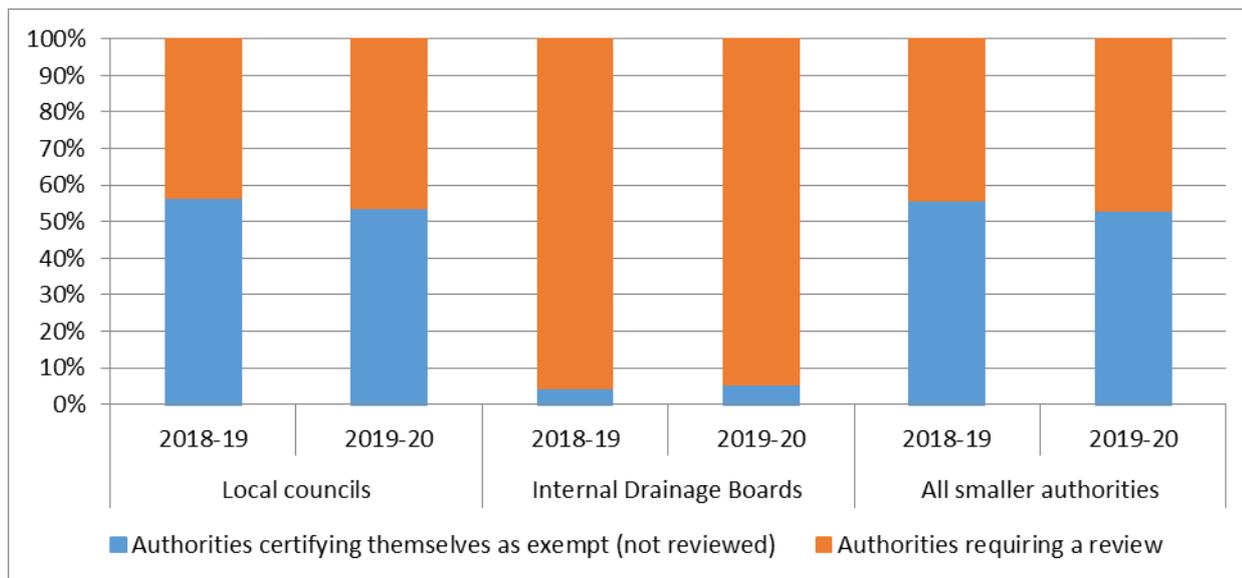
Once an authority has declared and certified itself as exempt, then the auditor does not have duties in respect of that authority unless an objection is received. In 2019-20 a total of **5,215** smaller authorities (53 per cent of all smaller authorities) declared themselves exempt from a limited assurance review by the external auditor – a reduction from the 5,479 (56 per cent) declaring themselves exempt in 2018-19. The number of smaller authorities requiring a review included 160 where neither income nor expenditure exceeded £25k but that either were unable to certify themselves as exempt or had specifically requested a limited assurance review. This number has reduced over the last two years (in 2018-19 there were 234 such authorities) as the opportunities that the new regime offers for exemption from audit have become more widely understood.

Table 1 shows the number and proportion of all smaller authorities requiring a review or certifying themselves as exempt (not requiring a review) as at 31 December 2019 and 31 December 2020, with separate totals for local councils (including miscellaneous local government bodies) and internal drainage boards.

Table 1: Authorities requiring a review												
	Local councils and Other 2018-19		Local councils and Other 2019-20		Internal Drainage Boards 2018-19		Internal Drainage Boards 2019-20		All smaller authorities 2018-19		All smaller authorities 2019-20	
	Number of authorities	9,676		9,686		113		112		9,789		9,798
Authorities certifying themselves as exempt (not reviewed)	5,474	57%	5,209	54%	5	4%	6	5%	5,479	56%	5,215	53%
Authorities requiring a review	4,202	43%	4,477	46%	108	96%	106	95%	4,310	44%	4,583	47%

Figure 1 shows the percentage of smaller authorities requiring and not requiring a review in 2019-20.

Figure 1: Authorities requiring a review



For 2019-20 the number of authorities that did not certify themselves as exempt (and so are included in the number shown as requiring a review) included 100 parish meetings that either raised no precept in 2019-20 or raised a precept of £2,500 or less. Parish meetings were effectively unable (under Coronavirus legislation) to meet before 1 August 2020 and although from that date they were permitted to meet remotely many will have found practical obstacles in their way. Recognising the unusual circumstances, the SAAA Board decided in October 2020 that auditors should continue to remind these parish meetings of their obligation to submit an AGAR but should not charge fees for issuing reminder letters where one of these very small authorities had failed to certify itself as exempt. As at 28 February 2021 the number of such parish meetings had reduced to 89.

Opinions issued

Auditors aimed to issue their opinions and certificates on smaller authorities' 2019-20 annual returns in time to enable the authorities to publish their annual returns with the auditor's report and certificate by the statutory deadline for the publication of accounts: normally 30 September, but in relation to 2019-20 accounts 30 November. If there are outstanding objections and challenges the auditor may issue an interim certificate pending a review and/or investigation into objections and the auditor's opinion will be issued later. The interim certificate must normally be issued by the statutory deadline of 30 September (in 2020, 30 November).

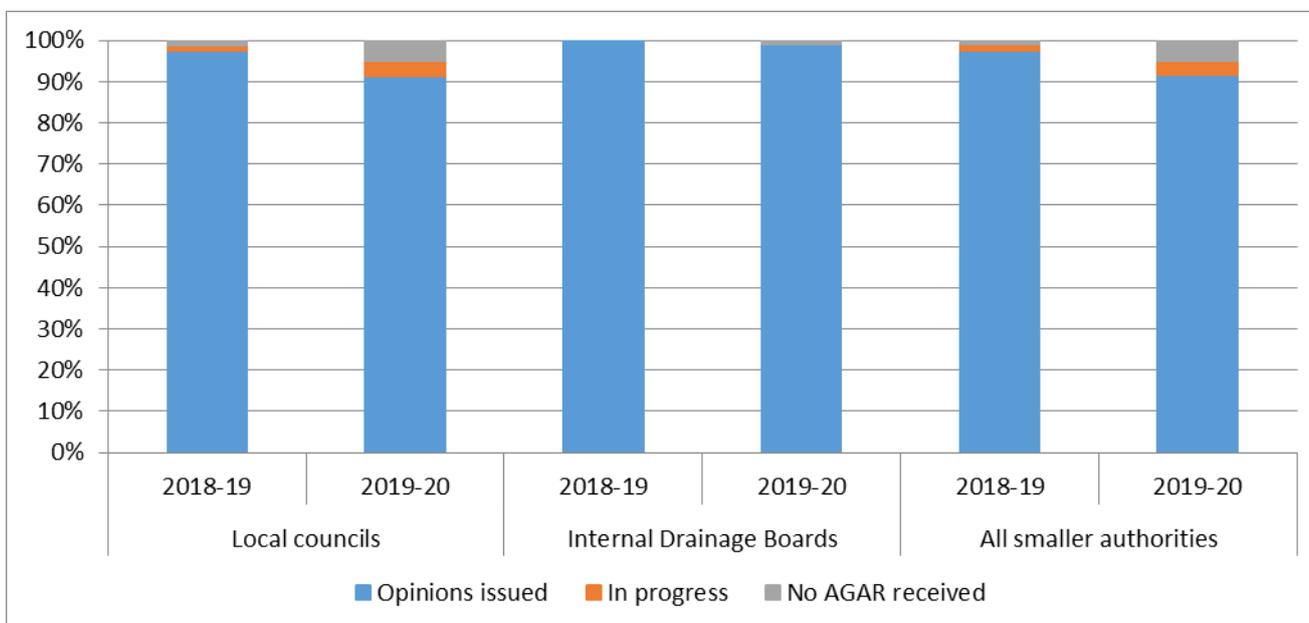
By 31 December 2020, auditors had issued a final opinion and certificate on the 2019-20 annual return at **4,092** local councils and other authorities (91 per cent of local councils requiring a review), and **105** IDBs (99 per cent). In respect of local councils, this was a significantly lower proportion than in 2018-19. The slower progress was partly due to the later submission of AGARs (which put pressure on audit resources at a time of year when capacity was limited), but to a greater extent to non-submission. Only one IDB failed to submit its AGAR in time for the auditor to complete its review by 31 December.

Table 2 shows the number and proportion of opinions issued as at 31 December 2019 and 31 December 2020, with separate totals for local councils (including miscellaneous local government bodies) and internal drainage boards.

Table 2: Opinions issued and not issued												
	Local councils and Other 2018-19		Local councils and Other 2019-20		Internal Drainage Boards 2018-19		Internal Drainage Boards 2019-20		All smaller authorities 2018-19		All smaller authorities 2019-20	
Authorities requiring a review	4,202		4,477		108		106		4,310		4,583	
Opinions issued	4,104	98%	4,092	91%	108	100%	105	99%	4,212	98%	4,197	92%
In progress	55	1%	164	4%	0	0%	0	0%	55	1%	164	4%
No AGAR received	43	1%	221	5%	0	0%	1	1%	43	1%	222	5%

Figure 2 shows the percentages of opinions issued and (as at 31 December) still to be issued in relation to those authorities requiring a review.

Figure 2: Opinions issued and not issued



Appendix A provides an analysis by contract area¹ of the numbers of local councils requiring and not requiring a review and (in the former category) of the numbers of local councils where opinions have or have not been issued (Table A.1 and Figure A.1).

Qualified and unqualified opinions

Auditors issue an unqualified opinion where they consider that the Annual Governance and Accountability Return (AGAR) meets with the specified requirements. Where this is not the case, the auditor will qualify the opinion, setting out the reasons.

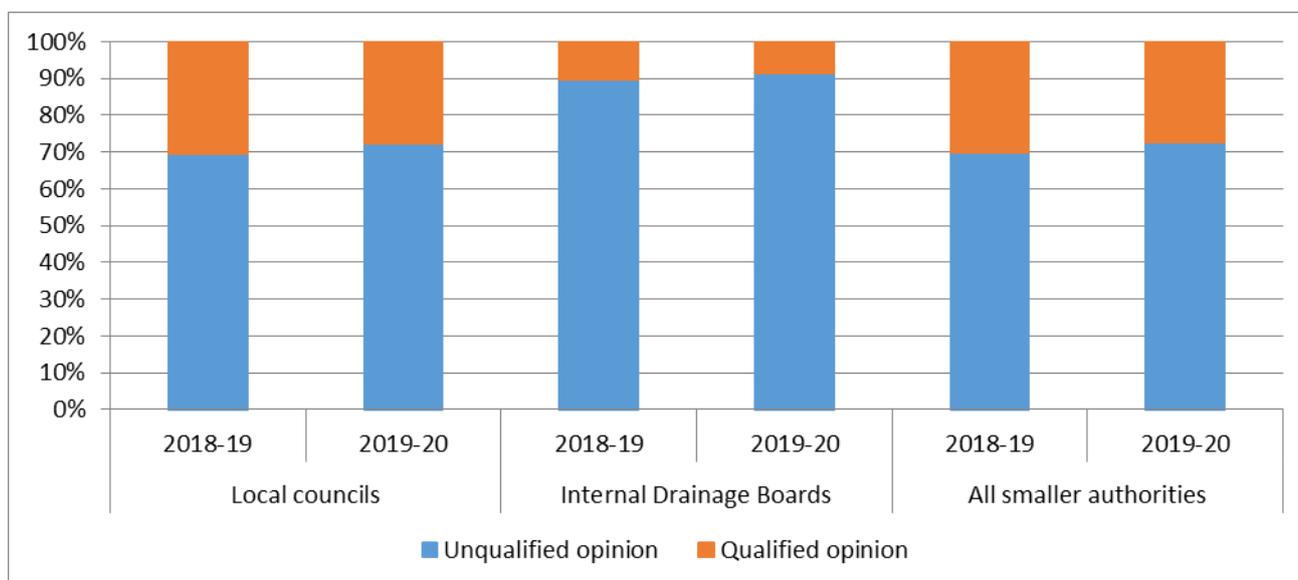
Auditors may qualify the opinion on the AGAR because of issues identified in the accounting statements, the annual governance statement (AGS), or both. A qualification on the AGS may relate to one or more of the assertions the smaller authority is required to make. The assertions are set out in Appendix B.

¹ A contract area is normally a county

Of the opinions that auditors had issued to smaller authorities by 31 December 2020, 73 per cent (2018-19 – 70 per cent) were unqualified, as shown in Table 3 and Figure 3. This was a higher proportion than in 2018-19. In the first year of the new assurance regime (2017-18) only 66 per cent of opinions issued were unqualified.

Table 3 Number of qualified and unqualified opinions												
	Local councils and Other 2018-19		Local councils and Other 2019-20		Internal Drainage Boards 2018-19		Internal Drainage Boards 2019-20		All smaller authorities 2018-19		All smaller authorities 2019-20	
Opinions issued	4,104		4,092		108		105		4,212		4,197	
Qualified opinions	1,253	31%	1,132	28%	11	10%	9	9%	1,264	30%	1,141	27%
Unqualified opinions	2,851	69%	2,960	72%	97	90%	96	91%	2,948	70%	3,056	73%
Opinions not issued	98		385		0		1		98		386	

Figure 3: Qualified and unqualified opinions



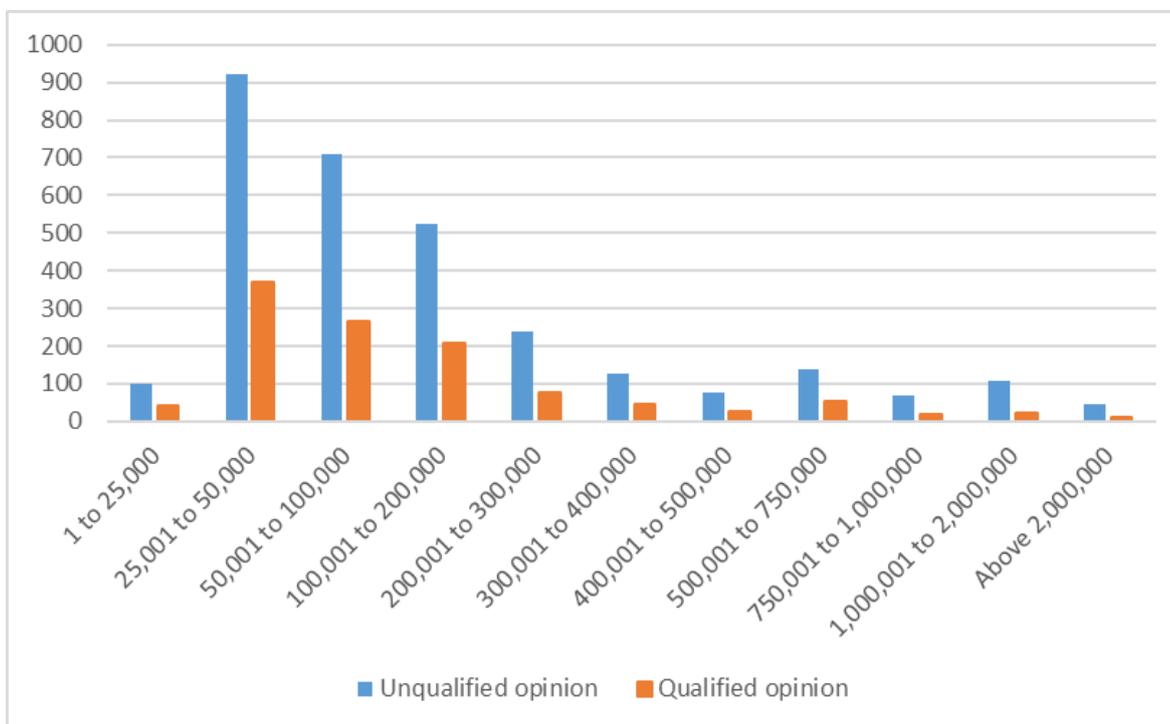
Appendix A provides an analysis by contract area² of the number of local councils receiving qualified and unqualified opinions, as well as the number where (for whatever reason) an opinion has not yet been issued (Table A.2 and Figure A.2).

The number of smaller authorities in each fee band receiving a qualified opinion is shown in more detail in Table 4 and Figure 4.

² A contract area is normally a county

Table 4: Qualified opinions for smaller authorities by fee band – 2018-19 and 2019-20						
Fee band (£)	Opinions issued 2018-19	Number and percentage of qualified opinions 2018-19		Opinions issued 2019-20	Number and percentage of qualified opinions 2019-20	
		Number	Percentage		Number	Percentage
1 to 25,000	203	67	33%	143	43	30%
25,001 to 50,000	1,243	384	31%	1,291	370	29%
50,001 to 100,000	971	297	31%	977	267	27%
100,001 to 200,000	738	213	29%	732	206	28%
200,001 to 300,000	306	103	34%	315	78	25%
300,001 to 400,000	189	56	30%	171	45	26%
400,001 to 500,000	127	40	31%	105	27	26%
500,001 to 750,000	167	47	28%	191	52	27%
750,001 to 1,000,000	99	22	22%	85	18	21%
1,000,001 to 2,000,000	119	28	24%	131	24	18%
Above 2,000,000	48	6	13%	56	11	20%
Total	4,210	1,263	30%	4,197	1,141	27%

Figure 4: Qualified and unqualified opinions for smaller authorities by fee band 2019-20



Public Interest Reports (PIRs) and Statutory Recommendations

Schedule 7 of the Local Audit and Accountability Act 2014 requires auditors to consider whether, in the public interest, they should make a report on any matter that relates to an authority or an entity connected with the authority coming to their notice during the audit, so that it can be considered in

accordance with the requirements set out in schedule 7 or brought to the public's attention. Auditors may issue a public interest report during or after the end of the audit.

The great majority of public interest reports (45 of the 54 PIRs issued in the last three years) result from authorities having failed to submit an AGAR or Certificate of Exemption despite having received a request from the auditor and two reminder letters. Reminder letters are accompanied by a demand for a fee (currently £40).

A smaller but significant number of PIRs were issued as a result of authorities having wrongly declared themselves exempt from a limited assurance review. This usually occurs when an authority does not include all of its gross income and/or expenditure when considering whether it meets the '£25k or less' criterion to declare itself exempt. Five such cases were reported in relation to the financial year 2018-19 and two public interest reports have so far been issued for this reason in relation to the financial year 2019-20. There may well be other similar cases that have not come to auditors' attention.

One public interest report was issued in 2020 identifying serious governance weaknesses at a smaller authority (Shrewsbury Town Council). This was only the second report to have been issued since the introduction of the new assurance regime as a consequence of auditors' investigations rather than an authority's failure to submit the information required.

Table 5 lists the authorities where the auditor has issued a report in the public interest. All PIRs are published on the SAAA website (www.saaa.co.uk) and copies are sent to the Secretary of State at the MHCLG and the local Monitoring Officer.

It should be noted that, because of the delays in the submission of AGARs and the completion of reviews referred to above no PIRs have yet been issued in relation to the non-submission of AGARs for 2019-20. These are, however, now being issued. MHCLG will be advised of the name of every authority that is the subject of a PIR and will then consider what action to take in each case.

Table 5: Public interest reports issued over the past three audit years

Key:

A = authority failed to submit AGAR

E = authority incorrectly claimed exemption from review

O = other reason

Smaller authority	2017-18	2018-19	2019-20
Alne Parish Council		E	
Alverdiscott and Huntshaw Parish Council	A	A	
Backford Parish Council	A		
Bispham Parish Meeting	A		
Bowerchalke Parish Council	A		
Coniston and Thirtleby Parish Council		A	
Coveney Parish Council		A	
Dalwood Parish Council	A		
Eskdale Parish Council	A		
Essington Parish Council	O		
Freethorpe Parish Council		A	
Gedding Parish Meeting		A	
Great and Little Leighs Parish Council		A	
Great Wrating Parish Council	A	A	
Greetham Parish Council		E	
Gunthorpe (Notts) Parish Council		A	
Hatfield Heath Parish Council		A	
Howden Town Council		A	
Keelby Parish Council		A	
Kelbrook and Sough Parish Council	A		
Kilmington Parish Council	A		

Ledston Parish Council		A	
Leire Parish Council			E
Levens Parish Council		E	
Lyneham & Bradenstoke Parish Council		A	
Mapperton Parish Meeting		A	
Middleton Parish Council (Morecambe)	A	A	
Newton-on-the-Moor and Swarland Parish Council			E
Nidd Parish Council	A		
Orchard Park Community Council	A		
Overton Parish Council (Lancashire)	A		
Pudding Norton and Testerton Parish Council	A		
Ripple Parish Council		A	
Salterforth Parish Council	A		
Scarrington Parish Meeting		A	
Scotter Parish Council	A	A	
Scrayingham Parish Council	A	A	
Sennen Parish Council	A		
Shrewsbury Town Council			O
Snetterton Parish Council	A		
St Buryan Parish Council	A		
St Gluvias Parish Council		E	
St Levan Parish Council	A		
Stanstead Parish Council		A	
Stoke Gabriel Parish Council		E	
Theydon Mount Parish Council		A	
Uffculme Parish Council		A	
West Halton & Coleby Parish Council	A		
Winterton Town Council		A	

Schedule 7 of the Local Audit and Accountability Act 2014 also provides for an auditor to make a written recommendation to an authority, which the authority is required to consider. The great majority of these recommendations relate to the requirement to submit an AGAR (or Certificate of Exemption), and may be followed by a PIR where no action is taken. By 31 December 2020 93 such statutory recommendations had been issued by auditors in relation to the financial year 2019-20, almost three times as many as in 2018-19. All of these related to failure to submit an AGAR.

Open audits

In some cases the auditor is unable to conclude the audit because the authority has failed to provide all the necessary information or because there are outstanding objections from members of the public or (in a few cases) criminal investigations that have not been resolved.

As at 31 December 2020 there were 27 such cases outstanding relating to 2018-19 audits, four more than at 31 December 2019. In ten of these cases, the 2018-19 audit could not be concluded because the 2017-18 audit was still open, and in two cases the issues to be resolved dated back three years or longer.

By 28 February 2021 seven of the open audits for 2018-19 had been concluded.

Table 6: Prior Year open audits as at 28 February 2021

Audits of the following Parish Meetings also remained open because no 2018-19 AGAR had been submitted, although the auditor has not yet issued a Public Interest Report:

Brinkhill Parish Meeting
 Chicklade Parish Meeting
 Copston Magna Parish Meeting
 Haughton Parish Meeting (also 2017-18)
 Huckling Parish Meeting
 Newburgh Parish Meeting
 Rishangles Parish Meeting
 St Ann (Without) Parish Meeting
 St John Without Parish Meeting
 Tarring Neville Parish Meeting
 Wyham cum Cadeby Parish Meeting

SAAA understands that none of these parish meetings raised a precept in 2018/19.

Authority	2016-17	2017-18	2018-19
Addingham Parish Council			X
Baddesley Ensor Parish Council			X
Badsworth Parish Council		X	X
Bembridge Parish Council			X
Clavering Parish Council			X
Felton Parish Council		X	X
Hadleigh Town Council			X
Howden Town Council			X
Kirby Muxloe Parish Council	X	X	X
New Alresford Town Council		X	X
Oakham Town Council			X
Potto Parish Council	X	X	X
Rothbury Parish Council		X	X
Sandown Town Council		X	X
Shaftesbury Town Council		X	X
Sherington Parish Council			X
Spaldington Parish Council		X	X
Stansted Mountfitchet Parish Council			X
Sturry Parish Council			X
Welney Parish Council		X	X

Appendix A

Table A.1 Local councils: opinions issued by 31 December 2020 by contract area (County)

County area	Number of authorities	Not requiring a review	Requiring a review	Opinions issued by 31/12/20
Avon	137	51	86	83
Bedfordshire	127	43	84	84
Berkshire	103	33	70	66
Buckinghamshire	218	71	147	132
Cambridgeshire	259	101	158	150
Cheshire	233	138	95	84
Cleveland and County Durham	185	104	81	77
Cornwall	213	77	136	125
Cumbria	268	193	75	68
Derbyshire	255	136	119	105
Devon	402	243	159	143
Dorset	196	116	80	73
East Sussex	103	31	72	68
Essex	282	103	179	165
Gloucestershire	263	166	97	85
Hampshire and the Isle of Wight	296	110	186	179
Herefordshire	137	92	45	40
Hertfordshire	125	45	80	73
Humberside and the East Riding of Yorkshire	244	145	99	87
Kent	320	108	212	196
Lancashire	247	119	128	115
Leicestershire	282	147	135	118
Lincolnshire	473	341	132	113
London	2	-	2	2
Norfolk	527	340	187	170
North Yorkshire	600	444	156	126
Northamptonshire	264	137	127	122
Northumberland	156	102	54	50
Nottinghamshire	210	126	84	77
Other Authorities	33	5	28	23
Oxfordshire	317	166	151	141
Shropshire	194	109	85	84
Somerset	316	195	121	107
South Yorkshire	92	36	56	52
Staffordshire	187	97	90	89
Suffolk	429	285	144	124
Surrey	87	20	67	61
Warwickshire	224	120	104	95
West Sussex	154	48	106	101
West Yorkshire	92	19	73	64
Wiltshire	272	164	108	101
Worcestershire	162	83	79	74
Total	9,686	5,209	4,477	4,092

Figure A.1 Local councils: opinions issued by 31 December 2020 by contract area (County)

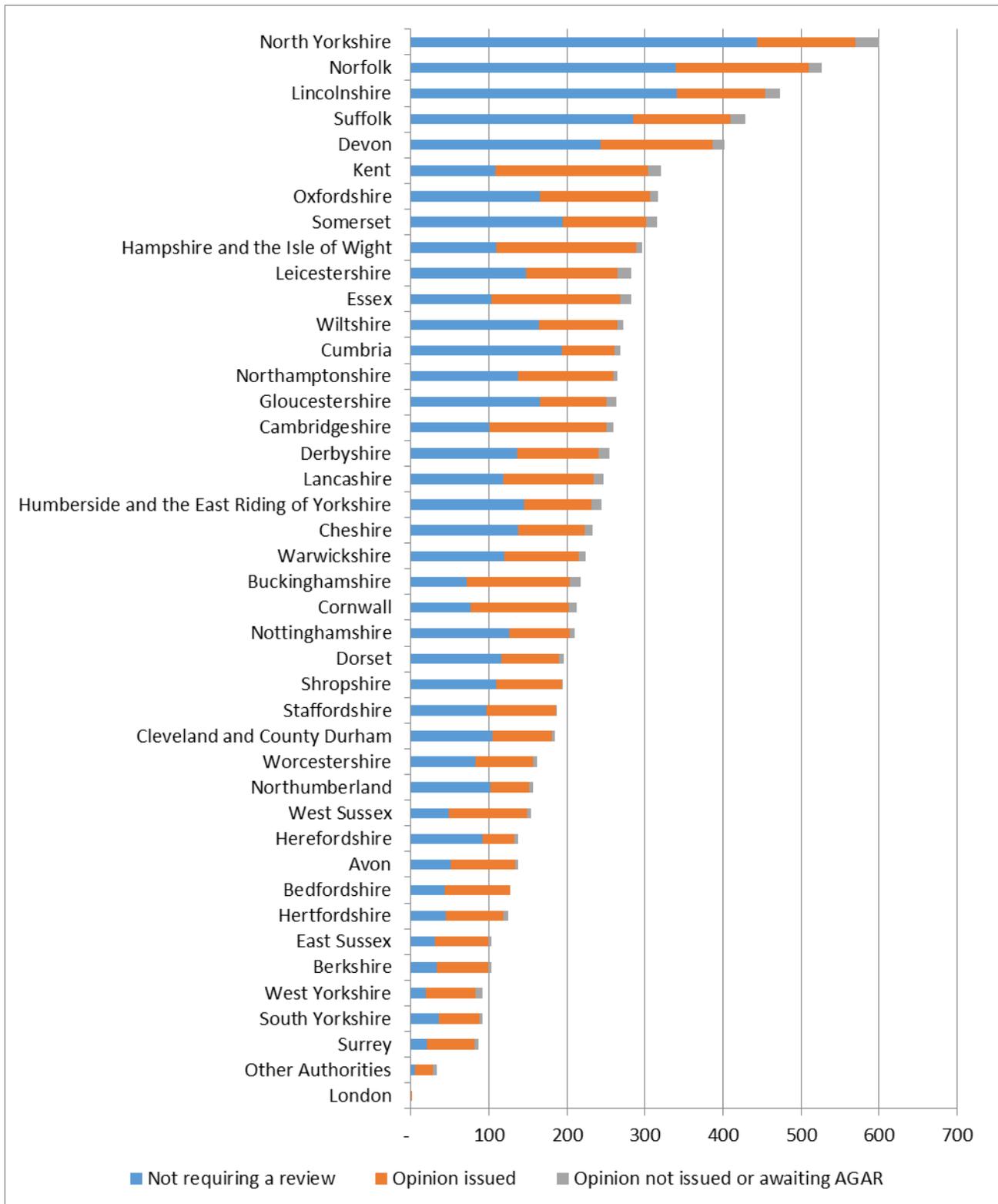
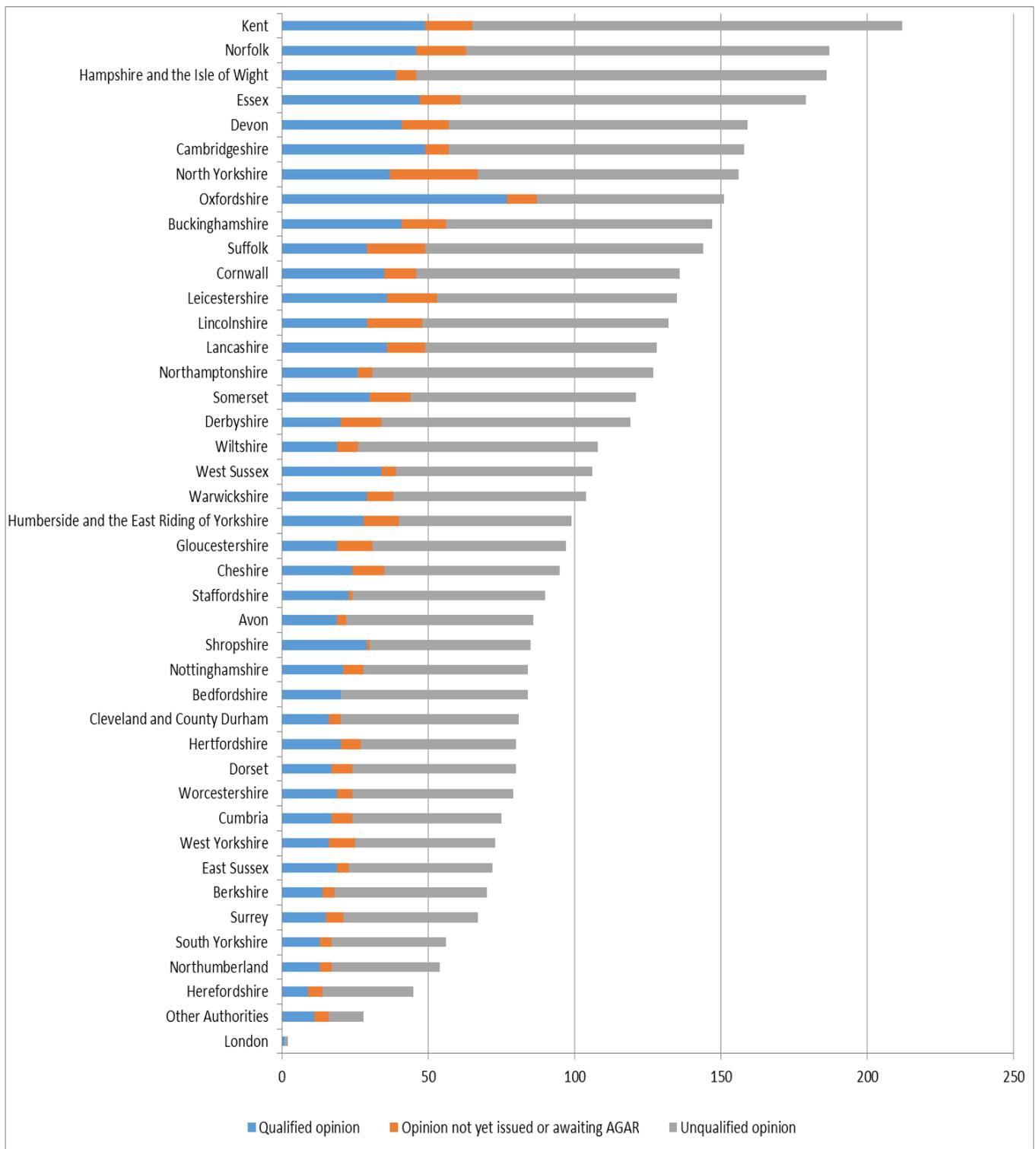


Table A.2 Local councils: qualified and unqualified opinions on 2019-20 accounts by contract area (County)

County area	Unqualified opinion	Opinion not yet issued or awaiting AGAR	Qualified opinion
Avon	64	3	19
Bedfordshire	64	-	20
Berkshire	52	4	14
Buckinghamshire	91	15	41
Cambridgeshire	101	8	49
Cheshire	60	11	24
Cleveland and County Durham	61	4	16
Cornwall	90	11	35
Cumbria	51	7	17
Derbyshire	85	14	20
Devon	102	16	41
Dorset	56	7	17
East Sussex	49	4	19
Essex	118	14	47
Gloucestershire	66	12	19
Hampshire and the Isle of Wight	140	7	39
Herefordshire	31	5	9
Hertfordshire	53	7	20
Humberside and the East Riding of Yorkshire	59	12	28
Kent	147	16	49
Lancashire	79	13	36
Leicestershire	82	17	36
Lincolnshire	84	19	29
London	1	-	1
Norfolk	124	17	46
North Yorkshire	89	30	37
Northamptonshire	96	5	26
Northumberland	37	4	13
Nottinghamshire	56	7	21
Other Authorities	12	5	11
Oxfordshire	64	10	77
Shropshire	55	1	29
Somerset	77	14	30
South Yorkshire	39	4	13
Staffordshire	66	1	23
Suffolk	95	20	29
Surrey	46	6	15
Warwickshire	66	9	29
West Sussex	67	5	34
West Yorkshire	48	9	16
Wiltshire	82	7	19
Worcestershire	55	5	19
Total	2,960	385	1,132

Figure A.2 Local councils: qualified and unqualified opinions on 2019-20 accounts by contract area (County)



Appendix B

Assertions in the Annual Governance Statements

Listed below are the assertions that members of an authority are required to confirm, to the best of their knowledge and belief, in respect to the Accounting Statements for the audit year.

1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.
7. We took appropriate action on all matters raised in reports from internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.