

CIPFA\

Local Government Update

Karen Sanderson
March 2022

The Chartered Institute of
Public Finance & Accountancy

Topics

Accounting and auditing

- Redmond review progress
- Current issues

Governance and assurance

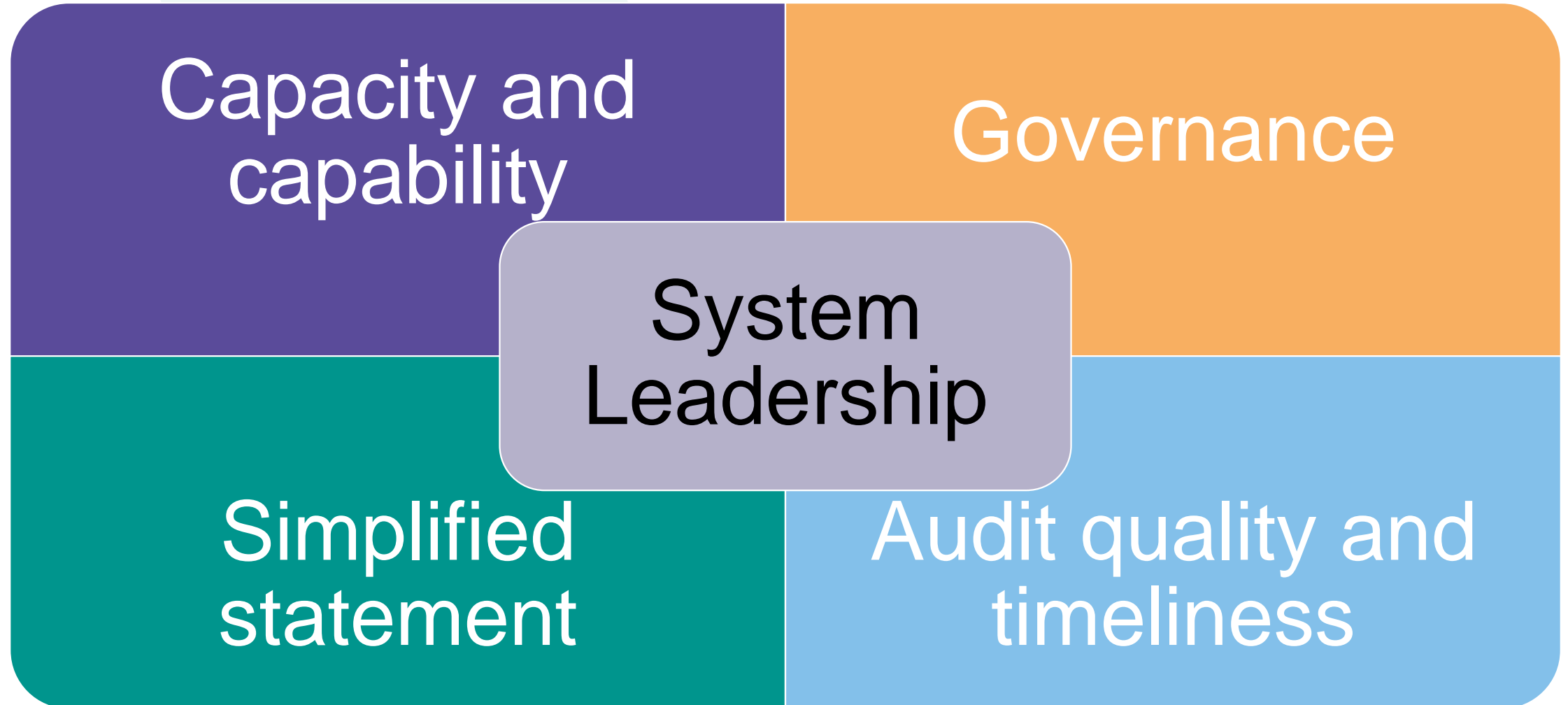
- Audit Committees
- Local Authority Companies
- Financial Management Code

Finance professionals

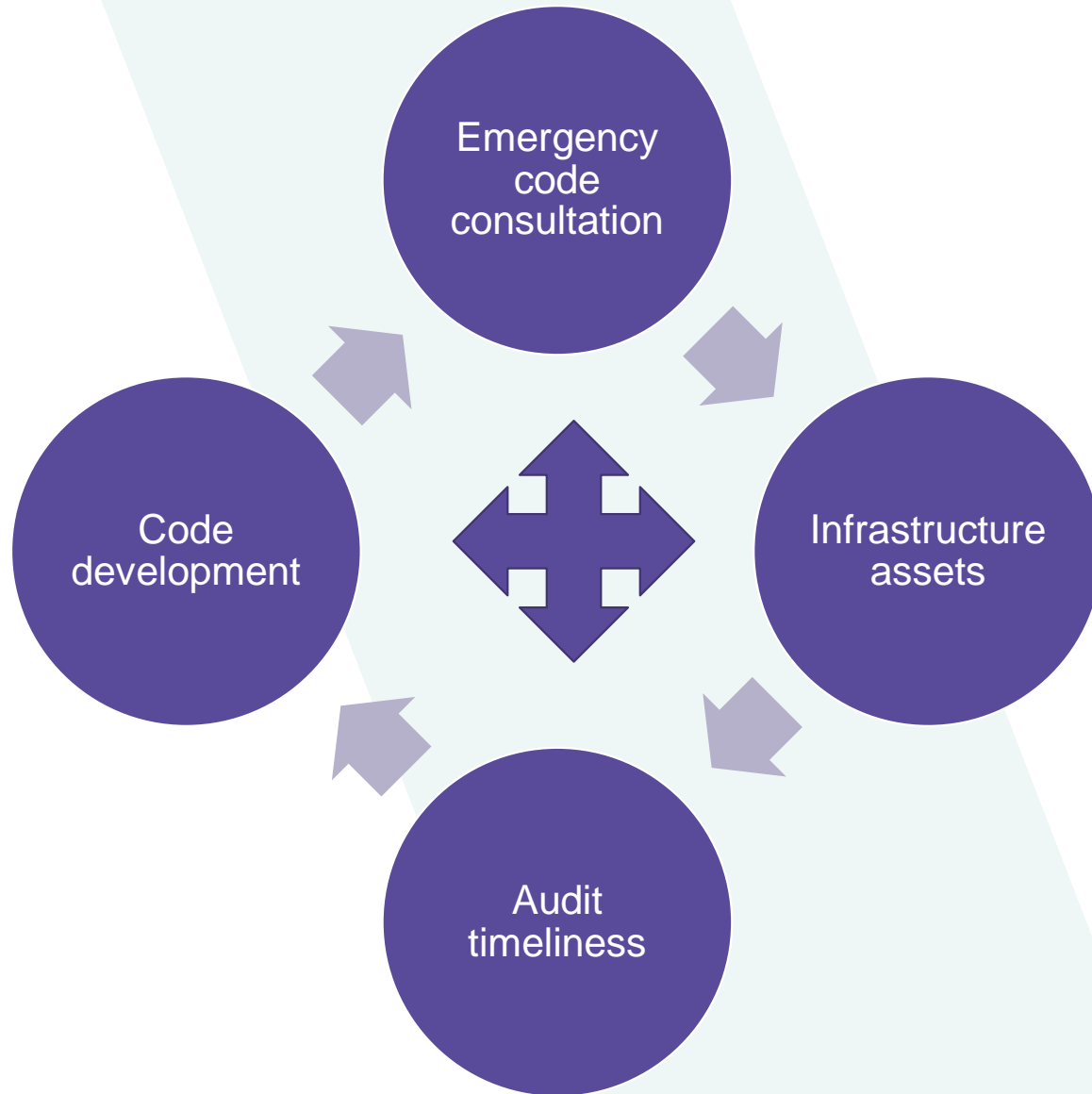
- Continuing Professional Development
- Practice Oversight Panel

Other current issues

Redmond update



Current accounting issues



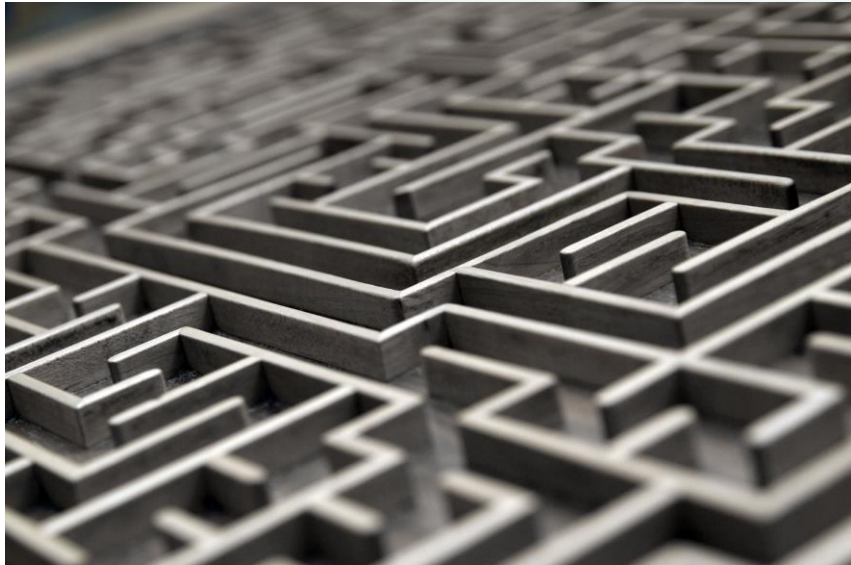
- A range of interlinked issues.
- The emergency code consultation was a response to audit timeliness
- New issues are emerging in a fragile system
- Audit timeliness unlikely to rebound
- Focus on the near-term distracts from longer term developments

Governance – Audit Committees

- New Position Statement and guidance from CIPFA coming soon
- Key areas of change:
 - Stronger focus on financial reporting, external audit, risk management
 - Structure of audit committees
 - Role of the co-opted independent / lay member
 - Relationship with ‘those charged with governance’
 - Training and support



New Guidance on Council Owned companies



- Recognition of the increasing risks to local authorities and sector
- Complimentary to CIPFA's Codes and Guidance
 - Financial Management Code
 - Financial Resilience Index
 - Governance Code
- Builds on the lessons learnt
- Stakeholder conversations
- CIPFA's consultant experiences
- Principles-based guidance

The FM Code



Continued Professional Development

Recognition of
the pressures
and complexity
faced by CFO's

Additional
support through
web and
guidance

Assurance
through Annual
members
statement

Driving sector
improvements

Practice Oversight Panel

Terms of reference

- Matters of practice concern
- Not just local government
- Earlier awareness of challenges to sector

Advisory Note

- Initial note on Governance
- Intention to raise profile of key themes

Other matters include

- Procurement
- Internal audit report
- Sustainability
- Levelling up

Any Questions?

