



Audit Progress Report  
**Argyll and Bute Council**  
September 2024

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# 01

Audit progress

# Audit progress

## Purpose of this report

This report provides the Audit and Scrutiny Committee with information about progress in delivering our responsibilities as external auditors for the Council.

We are committed to the delivery high quality audits. In this context, we have planned to complete the 2023/24 audit by December 2024 including presenting the annual audit report to the Committee, with the Best Value work planned to be completed in October 2024.

We completed the planning/risk assessment and interim phases of the 2023/24 audit and are currently in the fieldwork phase of the audit, with no changes at present to our audit approach including our identified significant and enhanced risks which we presented to you in the Annual Audit Plan. There has however been an update in materiality level figures, as at planning stage our materiality was based on the Gross Revenue Expenditure in the signed financial statements for 2022/23, and this has now been updated for the same benchmark but in the unaudited financial statements for 2023/24.

We have met regularly with the finance team as the audit progresses, and we will continue to do so.

We will also provide a verbal update to the Committee on the latest position for the 2023/24 audit during the meeting of the Committee on 5 September 2024.

The audit of the Charitable Trusts for 2022/23 is ongoing, and the audited accounts will be tabled for approval at the September 2024 Council meeting.

## Forvis Mazars

We are delighted to introduce you to Forvis Mazars: a new global Top 10 network. Launching on 1 June 2024, Forvis Mazars has been designed for and around our clients. As a network of just two firms, and operating in over 100 countries, Forvis Mazars has been built with the scale, capacity, and expertise to support our clients' needs worldwide.

Your key contacts and our ways of working remain unchanged. For now, there will be no change to our contact email addresses.

Further information on Forvis Mazars can be found here: [Forvis Mazars Accountants - Audit, Tax and Advisory Services - United Kingdom](#)

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National publications

# National publications

|  | Publication/update  | Key points  |
|--|---|---|
| <b>Chartered Institute of Public Finance and Accountancy ('CIPFA')</b> |   |   |
| 1  | CIPFA Bulletins   | CIPFA have issued two Bulletins to provide further guidance on the financial reporting requirements.  |
| <b>Audit Scotland and the Accounts Commission</b>                      |   |   |
| 2  | Accounts Commission Annual Report 2023/24   | The Accounts Commission has published its 2023/24 Annual Report summarising the work performed during the year.   |
| 3  | Accounts Commission – Benchmarking  | The Accounts Commission in this publication emphasises the importance of local government bodies using the Local Government Benchmarking Framework in its performance assessment.   |
| 4  | Audit Scotland – Tough Decisions ahead on Climate Change  | The Auditor General here outlines that decarbonisation of heating in homes in Scotland is the subject of his next major climate change report                                       |
| <b>Other</b>   |   |   |
| 5  | Forvis Mazars – Preparing for the Procurement Act 2023  | The Procurement Act 2023 is set to transform the procurement procedures for public sector bodies. Our latest article provides an in-depth overview of the new Procurement Act.      |
| 6  | Forvis Mazars – Understanding the new 'Failure to Prevent Fraud' Offence in a Public Sector context | The UK Government has recently announced a new corporate criminal offence – the 'failure to prevent fraud' offence – within the Economic Crime and Corporate Transparency Act 2023. |

# National publications

## CIPFA

### 1. CIPFA Bulletins

Bulletins issued by CIPFA, with the assistance of CIPFA panels, provide practitioners with topical guidance on specific issues and accounting and reporting developments. CIPFA has issued the following Bulletins in recent months:

#### CIPFA Bulletin 17 Closure of the 2023/24 Financial Statements

This bulletin covers the closure of accounts for the 2023/24 year and provides further guidance and clarification to complement the 2023/24 Code of Practice on Local Authority Accounting in the United Kingdom: Guidance Notes for Practitioners (Code Guidance Notes). It addresses, where relevant, frequently asked questions and other issues that have arisen since the publication of the 2023/24 Code Guidance Notes.

Link: [CIPFA Bulletin 17 Closure of the 2023/24 Financial Statements](#)

#### CIPFA Bulletin 16 Local audit delays and the publication of the annual governance statement

CIPFA Bulletin 16 Local audit delays and the publication of the annual governance statement is intended to provide clarity to those authorities with at least one set of unaudited financial statements for prior years, and their external auditors, on the update of the annual governance statement ('AGS').

Link: [CIPFA Bulletin 16 Local audit delays and the publication of the annual governance statement](#)

# National publications

## Audit Scotland

### 2. Accounts Commission Annual Report 2023/24

In this report, the first one under the current Chair of the Accounts commission, the summary results of the Accounts Commission Best Value reports are presented, covering the 5 councils subject to review between November 2023 and March 2024. Statutory reports' Commission findings for two councils are also covered in this report.

The report also recaps on the Commission's new approach to overview reporting, highlighting that In October 2023 the Commission agreed a new approach to overview reporting, to move away from this single large annual overview report (plus a financial bulletin) to a broader suite of local government outputs that are shorter and are published throughout the year.

[Accounts Commission Annual Report 2023/24 \(audit.scot\)](https://audit.scot/publications/annual-report-2023-24)

### 3. Accounts Commission: Benchmarking and good public performance reporting matter

The Accounts Commission in this publication emphasises the importance of local government bodies using the Local Government Benchmarking Framework (LGBF), highlighting that the pace of improvement in councils is slowing. The Accounts Commission also highlights that it expect councils to use the LGBF as part of their approach to self-evaluation and performance reporting using the underlying principles of:

- Transparency and clarity in the public information that shows delivery of local priorities and the performance of services
- Comparison and benchmarking with councils with similar populations and areas (family groups) to drive improvement
- Trends in performance over time so the direction of travel is clear.
- Driving decision-making through the use of performance data to identify improvement priorities

The Accounts Commission further recaps that it directs councils to report on performance through its Statutory Performance Information Direction.

<https://audit.scot/publications/benchmarking-and-good-public-performance-reporting-matter>

### 4. Audit Scotland: Tough Decisions ahead on Climate Change

In this blog the Audit General highlights that climate change remains an audit priority for him. He explores the challenges, including financial, facing the public sector in reducing carbon emissions. He confirms that his next major climate change report will be on how Scotland is planning to decarbonise how we heat our homes.

[Tough decisions ahead on climate change | Audit Scotland](#)



# National publications

## Other

### **5. Forvis Mazars – Preparing for the Procurement Act 2023**

The Procurement Act 2023 is set to transform the procurement procedures for public sector bodies in the UK by:

- Enhancing transparency in procurement processes, requiring greater disclosure of information about procurement opportunities;
- Improving efficiency by introducing new measures such as electronic procurement platforms; and
- Promoting fairness to ensure all suppliers have equal access to government contracts.

Our latest article provides an in-depth overview of the new Procurement Act, including when it will be implemented, key provisions and how public sector organisations can prepare.

[Preparing for the Procurement Act 2023](#)

### **6. Forvis Mazars – Understanding the new ‘Failure to Prevent Fraud’ Offence in a Public Sector context**

The UK Government has recently announced a new corporate criminal offence – the 'failure to prevent fraud' offence – within the Economic Crime and Corporate Transparency Act 2023.

Fraud is currently the most common crime in the UK, and this new offence is designed to drive a cultural shift, encouraging organisations to improve their prevention procedures and reduce instances of fraud. It strengthens existing powers to fine and prosecute organisations for fraud committed by their employees and agents, closing loopholes that have allowed organisations to avoid prosecution in the past.

This new offence holds large organisations, both in the public and private sectors, accountable for fraudulent activities committed by their employees or agents.

['Failure to Prevent Fraud' in the Public Sector](#)

# Contact

## Forvis Mazars

### Mark Outterside

Director

[Mark.Outterside@mazars.co.uk](mailto:Mark.Outterside@mazars.co.uk)

### Gregory Oduor

Manager

[Gregory.Oduor@mazars.co.uk](mailto:Gregory.Oduor@mazars.co.uk)

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