

FAQs
Practitioners' Conference 2022
Smaller Authorities Audits and Appointments (SAAA) Session

Q: Could I ask the cost of a limited assurance review

A: This varies according to the level of income/expenditure – the minimum fee is £200 and a full scale of fees is published on the SAAA website at <https://saaa.co.uk/fees.html>.

Q: Many of us move mountains to get everything agreed in time - but what happens with those who might claim exemption when they shouldn't, or even claim they're a parish meeting/no income when they're actually a parish council?

A: The auditors receive full listings of all authorities together with all the precepts levied from the Department for Levelling Up, Housing, and Communities (DLUHC), therefore they are aware of the type of authority and level of precept for every Parish.

If an authority wrongly declares itself exempt and submits a Certificate of Exemption which comes to the auditor's attention, then a Public Interest Report (PIR) is issued by the auditor bringing this to the attention of the public. Wrongful exemption can be brought to the auditor's attention by a local resident, member of the public, or when a AGAR form is submitted the subsequent year and the previous year figures show that exemption was wrongly certified.

The authority will be then charged a minimum of £200 for a PIR, which is copied to the Secretary of State at DLUHC, the local Monitoring Officer and published on the SAAA website. The issue of a PIR also prevents the authority claiming exemption the following year even if they would otherwise have been eligible and it has to have a Limited Assurance Review at a cost of £200 plus VAT.

Q: Why can't the JPAG Practitioners Guide be published earlier than mid-March? This PC signs off its AGAR first week of April and not knowing of any changes until March can cause a last-minute rush.

A: This is written and published by JPAG (Joint Panel on Accountability and Governance) and not SAAA. The AGAR should be completed using the current guide – the new guide published in March is for the following year.

Q: Is any action taken against councils who just don't bother? Those who don't bother to appoint IA, agree AGAR, submit AGAR, publish AGAR? Are there any sanctions against such councils?

A: If an authority does not complete and submit an AGAR or Certificate of Exemption then they are followed up with reminders, and ultimately the auditors will exercise their powers and issue a Statutory Recommendation (SR) and/or Public Interest Report (PIR). The authority will be charged £40 per reminder, a minimum of £200 for a SR and a further £200 for a PIR. A PIR is copied to the Secretary of State at DLUHC, the local Monitoring Officer and published on the SAAA website. The issue of a PIR also prevents the authority claiming exemption the following year even if they would otherwise have been eligible

Q: Will you be consulting with Clerks regarding digitalisation plans? There was a good questionnaire from SLCC, but not sure where it was channelled

A: Yes – SLCC has shared a summary of the responses to the questionnaire with SAAA. However, there are several legal and technological hurdles to overcome before full digitalisation can be introduced, therefore it is a project for the medium term

Q: Our internal auditor has been told of items they need to check when they come to visit, but these are not known to us until after the start of the audit year. Can we be informed in advance?

A: The Annual Internal Audit Report lists the internal control objectives is included in the AGAR and these are fairly consistent from year to year.

Section 4 of the Practitioners Guide also covers the scope of internal audit.

Q: Will the new forms 22/23 be suitable for screen readers so when we publish on our websites as has to be done by law, we do not break the law by publishing inaccessible material. Can accessibility please be built into the forms?

A: The signed copy of the completed AGAR that is required to be published is a scan of the original, and by its nature a scan cannot be screen read as it is in effect a photograph. It is not unlawful to publish a scan that cannot be screen read – it just needs a note to make it clear the document is a scanned copy.

Q: Public Rights on the audit advert is too long and our noticeboards just aren't big enough to take all the sheets. Can it be reduced please?

A: The public rights notice is only one page which is all that is required to be published – there are then some explanatory notes which local residents may find useful.

Public rights should also be published on the authority website.

Q: Can someone please clarify the legal position with regard the transparency code as it stands - i.e. whilst it is good practice for councils that fall between £25K and £200K to publicise that items that fall to those under £25K and over £200k it is not in fact a legal requirement to do so. Just want a simple factual answer please.

A: The Transparency Code for smaller authorities is a statutory requirement for authorities with an annual turnover not exceeding £25k.

There is no statutory code for authorities over £25k and under £200k – publication is best practice for these authorities.

Q: Clerk's email address. Is there any legalisation that states a parish clerk cannot use a Gmail or Outlook address?

A: If a council owned e-mail address is not used this can create legal issues relating to data protection and GDPR, especially if the clerk leaves or changes as the information is then held by an individual and may not be available to the council. There are numerous instances where Councils have not received correspondence or legal documents as they have been sent to the personal e-mail address of a previous clerk.

Q: Are we going to see the audit business more evenly in future, so we don't have one auditor trying to cover 70%+ of the country? that's a lot of work on them that impacts us!

A: The number of audit firms prepared to undertake the specialist nature of smaller authority audit work is very limited, therefore there is always likely to be one dominant supplier. The next round of auditor appointments for the reviews due in 2023 will have another supplier in place giving a total of four audit firms.

Q: Will there be clearer information on how to complain about the external auditor? I have never known so many problems.

A: Complaints should either be raised directly with the audit firm in the first instance – the audit firms are required to notify SAAA of all complaints – or alternatively there is a complaints procedure set out on the SAAA website - <https://saaa.co.uk/SAAAComplaintsPolicyandProcedure.pdf>