

## New External Audit Arrangements Arising from COVID-19

PKF Littlejohn LLP have sent through details of the revised AGAR instructions re external audit.

New legislation in response to the Coronavirus pandemic, the Ministry for Housing, Communities & Local Government (MHCLG) has issued [SI 2020/404 The Accounts and Audit \(Coronavirus\) \(Amendment\) Regulations 2020](#) The key points to note are:

1. There are no changes in the requirement for wet signatures on the AGAR. Our understanding is that wet signatures need to be added to the AGAR in the same order as previous years and that the AGAR will need to be passed between the relevant individuals for signature. Where individuals are self-isolating it is hoped that local assistance will be available to facilitate this.
2. The submission deadline for the receipt of the approved AGAR and supporting documentation or the Certificate of Exemption (as appropriate) is **Friday 31 July 2020. If councils are not able to meet this deadline they should contact PKF Littlejohn LLP to arrange an alternative submission date (subject to below) to avoid incurring the administrative charges.** Non-submission will lead to chargeable chaser letters being issued (£40 plus VAT for all financially active smaller authorities).
3. Under the new regulations **there is no requirement for a common period for the exercise of public rights (which previously included the first 10 working days of July).** Smaller authorities are still required to set a period for this purpose, but the only requirement is that **the 30-working day period for the exercise of public rights should start on or before the first working day of September, i.e. on or before 1 September 2020.**
4. The deadline by which the Annual Governance Statement and Statement of Accounts of the Annual Governance and Accountability Return (AGAR) together with any certificate or opinion issued by the local auditor must be published from 30 September 2020 to 30 November 2020.
5. **IMPORTANT: If a financially active smaller authority is issued with a statutory recommendation (and/or a public interest report) for 2019/20 it will not be able to claim exemption from a limited assurance review for 2020/21, regardless of whether it meets all other criteria.**

The Clerk is currently working on preparation of the internal audit (Year end accounts & financial risk assessment included on the May agenda at 20.04.11) with the expectation that the internal audit should be completed in time to report back and complete the AGAR forms not later than the June meeting (1 June 2020).