

APPENDIX ONE



Ministry of Housing,
Communities &
Local Government

Will Garton

Director General for Local
Government, Growth and
Communities
2 Marsham Street
London
SW1P 4DF

To Chief Executives, Chief
Financial Officers, Local Authority
Leaders, and Audit Committee Chairs

13 January 2025

Dear Colleagues,

UNAUDITED ACCOUNTS AND MEASURES TO TACKLE THE LOCAL AUDIT BACKLOG IN ENGLAND

I am writing to your authority and a number of others regarding the Government's measures to tackle the local audit backlog in England. In particular, I am writing to set out the implications should you not be able to publish outstanding unaudited (draft) accounts for Financial Year 2023/24 by 16 January 2025.

At the time of writing, your authority has yet to publish unaudited (draft) accounts (financial statements, the annual governance statement and narrative statement) and hold the 30-working day public inspection period for financial year 2023/24. The deadline for the publication of these unaudited accounts was 31 May 2024.

These steps are prerequisites to meeting the backstop date of 28 February 2025 for 2023/24 audited accounts. The audit opinion can only be issued once the inspection period has been completed. For this to happen in time, unaudited accounts for the 2023/24 would need to be published by 16 January at the latest – publication on this date would enable the public inspection period to run between 17 January and 27 February.

The backstop dates have not altered the legislative requirements regarding the signing and approval of accounts. The requirements in regulation 9 of the 2015 Regulations include that the responsible financial officer confirms that the accounts provide a true and fair view prior to the commencement of the public inspection period (and, once this is complete, re-confirms that the accounts provide a true and fair view before the body approves the accounts). It also should not be necessary for the audit of the previous year's accounts to be completed for Section 151 Officers to comply with their responsibilities to certify that the unaudited accounts show a true and fair view, as local bodies should have sufficient internal controls and processes.

If you are unable to publish outstanding unaudited accounts for financial year 2023/24 by 16 January, then I would be grateful if you could contact the Department (localaudit@communities.gov.uk) as soon as possible.

There are some limited and specific exemptions from bodies meeting the backstops. These are set out in regulation 9A (4)-(5) of the 2015 Regulations. If a body is not exempt and fails to comply, it must publish an explanation on (or as soon as practicable after) the backstop, to send a copy of this to the Secretary of State (via localaudit@communities.gov.uk) and publish audited accounts as soon as practicable.

The Government intends to publish a list of bodies and auditors that do not meet the backstop dates, which will make clear where unaudited (draft) accounts were not published in time, and to keep the issue of consequences under close review. I understand that your authority met the 13 December backstop date for publication of audited accounts for financial years up to and including 2022/23 and I am grateful for your hard work towards meeting this deadline.

I know that finance teams, key audit partners and others have delivered significant, and sometimes challenging, work in support of these measures. Moving forward, continued collaboration between auditors and bodies is clearly vital. The Government also recognises the imperative to tackle underlying systemic issues and, on 18 December 2024, launched its [strategy](#) to overhaul the broken local audit system.

Finally, you may also wish to note that the Chartered Institute of Public Finance and Accountancy (CIPFA) recently [published information](#) to help preparers understand the impact of the backstop dates and how they should approach any unpublished accounts, alongside guidance for audit committees via its Better Governance Forum.

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