

22 September 2021

Chair of Audit and Governance Committee  
Eastbourne Borough Council ("the Council")  
1 Grover Road  
Eastbourne  
NS21 4UG

## For the attention of the Chair of the Audit and Governance Committee

We have summarised below our update on the 2019/20 Council audit:

### In relation to the 2019/20 Council audit:

- We commenced work in June 2020 through to October 2020. We performed some initial review of 2019/20 accounts for the Council along with work which was ongoing for the Council and Lewes District Council for the 2018/19 audits.
- As reported to the March 2021 Committee, additional staffing was not available between November 2020 and through to April 2021.
- We recommenced work from April 2021 on the 2018/19 audit, using shared resource and working flexibly between Lewes District Council and Eastbourne Borough Council audits (in line with the councils' shared finance team). As part of this, we reviewed each section with the finance team and agreed on the outstanding areas. During this period, we focused on the 2018/19 financial year for both councils.
- We have on-going weekly progress meetings with the finance team to monitor progress and agree on the action plan with the Deputy CFO on a weekly basis. We have also held update meetings with the CEO and CFO on the overall progress of the audits.
- In June 2021, we attended a debrief meeting with the CFO and finance team on lessons learned and actions that we and the Council are taking to improve progress on an on-going basis, including:
  - Better communication
  - Weekly meeting (Deloitte and Council)
  - Stabilised teams (Council and Deloitte)
  - More flexible use of resources to improve and optimise capacity
  - Maintaining a good working relationship
  - Better use of Deloitte's audit data sharing platform - Connect

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- In July 2021, we finalised the 18/19 audit of the Council. Due to the timing of the CIPFA review of the Council, we agreed with management that appropriate to receive their draft report before signing of the Statement of Accounts, which we understand will be done prior to the upcoming committee meeting.
- In August 2021, we identified a number of areas in the 19/20 accounts requiring further supporting working papers and adjustments. The adjustments consisted mainly of revision of the opening balances to cater for the adjustments that were booked during the 18/19 audit of the Council, including the ICE transaction.
- We have also received fixed assets valuation reports and related workings. We have performed an initial review together with our internal valuation specialist, Deloitte Real Estate. We have shared our comments and findings with management and have requested for supporting information.
- We have received the computation performed by management on the ICE transaction in September 2021. We are in the process of auditing information that have been provided to us. Till date we have not noted any significant issues.
- Due to the need for both the finance and audit team to address issues across two audits, the overall progress has been affected where issues have required focus on other entities in finalisation of their audit.
- With the 2018/2019 accounts' audit now complete, the audit team and finance officers are making good progress in continuing their work on the 19/20 accounts. Further updates will be provided at the next reporting cycle.

Yours faithfully,



Ben Sheriff  
Deloitte LLP