



## Update on External Audit Plan 2019/20

<b>Corporate Priority:</b>	Ensuring the right conditions to support delivery
<b>Relevant Ward Member(s):</b>	All
<b>Date of consultation with Ward Member(s):</b>	N/A
<b>Exempt Information:</b>	No

### 1 Summary

- 1.1 To consider the proposed changes to the External Audit Plan for 2019/20 put forward by the Council's external auditors. This sets out the changes to the previously identified risks and the audit strategy with respect to these as a result of covid-19.

### 2 Recommendation(s)

**That the Committee:**

- 2.1 **Approve the changes to the audit plan for 2019/20.**
- 2.2 **Notes the likely delay in the issue of the audit opinion and therefore the subsequent delay to the approval of the statement of accounts as a result of the timescale for the receiving the necessary assurances in respect of the pension fund.**

### 3 Reason for Recommendations

- 3.1 To approve the changes to the assessed risk and strategy adopted for the of the 2019/20 external audit and the changed timescale for the work and subsequent finalisation and approval of the accounts.

## **4 Background**

- 4.1 The External Audit Plan for 2019/20 was due to be considered by this committee at its meeting in March 2020. As a result of covid-19 that meeting was cancelled and following consultation with members of the committee the plan was subsequently approved by the Director for Corporate Services under delegated authority.

## **5 Main Considerations**

- 5.1 The previously approved external audit plan for 2019/20 is being updated by External audit to take into account changes to the risk and therefore the audit strategy to be adopted as a result of Covid-19. A copy is attached as appendix A.
- 5.2 In addition as a result of delays in the assurances from the pension fund auditors the council's audit opinion on its own statement of accounts is likely to be delayed. This will result in the final statement of accounts being considered by this committee at its November 2020 meeting instead of September 2020 as previously planned.

## **6 Options Considered**

- 6.1 The Council is required to have an annual audit of its accounts.

## **7 Consultation**

- 7.1 The external auditor has consulted with officers in helping them to determine the risk profile of the Council which has fed into the audit plan.

## **8 Next Steps – Implementation and Communication**

- 8.1 Following the conclusion of the audit an opinion to the accounts will be produced and an Audit Report submitted to this Committee with the final accounts

## **9 Financial Implications**

- 9.1 External Audit have indicated that the additional work required as a result of Covid-19 is likely to result in an increased audit fee. There is no budget for any increase and therefore this overspend will need to be accounted for as part of the overall additional costs of covid-19, alongside the available funding and reserves to support any unfunded residual costs.

**Financial Implications reviewed by: Director for Corporate Services**

## **10 Legal and Governance Implications**

- 10.1 The audit will comply with the requirements of the Local Audit and Accountability Act 2014, the National Audit Office's 2015 Code of Audit Practice as well as auditing standards and other professional requirements

**Legal Implications reviewed by: Director for Governance and Regulatory Services**

## **11 Equality and Safeguarding Implications**

11.1 There are no equality considerations required as a result of this Report.

## **12 Community Safety Implications**

12.1 There are no specific community safety implications as a result of this Report

## **13 Environmental and Climate Change Implications**

13.1 There are no environmental or climate change implications as a result of this decision.

## **14 Other Implications (where significant)**

14.1 There are no other implications as a result of this decision.

## **15 Risk & Mitigation**

15.1 The document at appendix A focusses on the risk that need to be considered by External Audit as part of their work and their approach to each risk identified.

## **16 Background Papers**

16.1 There are no specific background papers.

## **17 Appendices**

17.1 Appendix A - Audit Planning Report Update

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