



Agenda Item 7

Finance & Audit Scrutiny Committee 7 July 2021

Title: Audit of 2020/21 Accounts

Lead Officer: Mike Snow

Portfolio Holder: Cllr Hales

Public report / Confidential report: No

Wards of the District directly affected: N/A

Contrary to the policy framework: No

Contrary to the budgetary framework: No

Key Decision: No

Included within the Forward Plan: No

Equality Impact Assessment Undertaken: N/A

Consultation & Community Engagement: N/A

Final Decision: Yes

Accessibility checked: Yes

Officer/Councillor Approval

Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	2/7/2021	Chris Elliott
Head of Service	2/7/2021	Mike Snow
CMT	2/7/2021	
Section 151 Officer	2/7/2021	Mike Snow
Monitoring Officer	2/7/2021	Andrew Jones
Finance	2/7/2021	Andrew Rollins
Portfolio Holder(s)	2/7/2021	Richard Hales

1. Summary

- 1.1 The External Auditors, Grant Thornton, have prepared their Draft Audit Plan for 2020/21 for members' consideration. This is supported by the "Informing the Risk Assessment" document.

2. Recommendation

It is recommended that Finance and Audit Scrutiny Committee:-

- 2.1 Agree the 2020/21 Draft Audit Plan (Appendix A) and the supporting document, Informing the Risk Assessment (Appendix B).
- 2.2 Note the progress on the 2020/21 audit to date.

3. Reasons for the Recommendation

- 3.1 The auditors have submitted the External Audit Plan for 2020/21 (Appendix A). This is included as Appendix A. It should be noted, the timing of the receipt of the plan means that officers have not had time to consider this in detail ahead of publication for the Committee. Members are requested to agree the Plan and may wish to seek assurance from officers and auditors that all is being done to ensure the statutory requirement will be met.
- 3.2 Appendix B, Informing the Risk Assessment (Appendix B), has been produced by the external auditors, bringing together details of responses from officers. The document is to assist in the communication between members and the external auditors. Members should consider and agree the document and make any observations to the auditors. Officers responses to the document have been included.
- 3.3 The auditors have commenced work on the audit with the interim "visit" in April, and the final visit in the Summer.
- 3.4 The Audited Accounts are due to be signed off and published by September 2021, with it planned for these to be reported to Finance & Audit Scrutiny Committee on 22 September.
- 3.5 As for the 2018/19 and 2019/20 Audits, active use is being made of Inflo. This is an on-line portal to securely share documents between the relative teams. Inflo has worked well to date, with all parties keen to continue with this for 2020/21.

4. Policy Framework

4.1. Fit for the Future (FFF)

- 4.1.1. The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

4.1.2. The FFF Strategy has 3 strands, People, Services and Money, and each has an external and internal element to it, the details of which can be found [on the Council's website](#) FFF Strands.

4.2.1 **Impacts of proposals**

This report supports all strands of FF by seeking to ensure that the Council's accounts and finances are properly managed.

4.2. **Supporting Strategies**

N/A

4.3. **Changes to Existing Policies**

N/A

4.4. **Impact Assessments**

4.5.1. N/A

5. **Budgetary Framework**

5.1. The agreed planned fee charged for the 2020/21 Audit of the Accounts is £41,290, as agreed by Public Sector Audit Appointments (PSAA), who tendered for the audit work for the vast majority of local authority audits. This is the same fee as originally agreed for 2019/20, to which an additional £16,000 is being sought by the external auditors through relevant process with PSAA. The auditors have included in their report how they propose to charge £65,540, an additional £24,000 (58%) above the agreed scale fee. The Auditor's rationale for the increase is set out in their Audit Plan report. The proposed fee is in excess of the Budget allocated for the audit.

6. **Risks**

The requirement for external auditors is part of the assurance framework under which all local authorities operate. The audit of the accounts and associated grant claims seeks to provide assurance to all stakeholders that the Council's finances, as reported in the Accounts, are being properly managed.

7. **Alternative Option(s) considered**

7.1. None.