

FAREHAM

BOROUGH COUNCIL

Report to Audit and Governance Committee

Date: 12 July 2021

Report of: Deputy Chief Executive Officer

Subject: EXTERNAL AUDIT ANNUAL PLAN AND FEE

SUMMARY

This report brings to members' attention the proposed Audit Plan from the Council's external auditors, Ernst & Young. The plan, attached as Appendix A, provides the Committee with a basis to review the proposed audit approach and scope of work for the 2020/21 audit (carried out in 2021/22) and to ensure that the work is in line with members' expectations.

Appendix A also brings to members' attention the Planned Fee for the 2020/21 audit work, as set out on p33 of Appendix A. This currently indicates another proposed increase in the fees from those submitted in the tender as part of the procurement organised by Public Sector Audit Appointments (PSAA) in 2017/18. This is to reflect extra work they are being expected to do.

The Audit and Governance Committee's areas of responsibility for External Audit are: -

- a) To support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by Public Sector Audit Appointments (PSAA).*
- b) to comment on the scope and depth of external audit work and to ensure it gives value for money.*
- c) to consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.*
- d) to advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.*

RECOMMENDATION

It is recommended that the Committee approves the 2020/21 Audit Plan, attached as Appendix A to this report.

Appendices:

Appendix A – Audit Planning Report for the year ending 31 March 2021 - as at June 2021

Background Papers: None

Reference Papers: Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA) Ltd.

Enquiries: For further information on this report please contact Elaine Hammell. (Ext 4344)