

Title of Report	EXTERNAL AUDIT PLAN	
Presented by	Tracy Bingham Head of Finance and Section 151 Officer Tracy.bingham@nwleicestershire.gov.uk	
Background Papers		Public Report: Yes
Purpose of Report	To approve the External Audit Plan	
Recommendations	THAT THE COMMITTEE NOTE THE EXTERNAL AUDIT PLAN FOR 2019/20	

1.0 BACKGROUND

- 1.1 Mazars LLP were appointed to audit the accounts of the Council for five years, for the accounts from 2018/19 to 2022/23. The appointment was made under regulation 13 of the Local Audit (Appointing Person) Regulations 2015, and was approved by the Public Sector Audit Appointments Limited (PSAA Ltd) Board in December 2017. PSAA Ltd are a company incorporated by the Local Government Association to manage an opt-in scheme for public bodies in appointing auditors, setting scales of fees and ensuring effective management of contracts with audit firms for the delivery of external audit services.
- 1.2 Mazars LLP have provided the Audit Strategy Memorandum for the forthcoming audit of the Council's accounts, as attached at Appendix A. A representative from Mazars will be in attendance at the meeting to present their plan to the committee.
- 1.3 The Audit Strategy Memorandum focuses around two key objectives: the financial statements – providing an opinion on the accounts, including the Annual Governance Statement and narrative report; and use of resources – a conclusion on the arrangements in place for securing economy, efficiency and effectiveness. Audit focus around specific financial statement and value for money risks are detailed within the Audit Plan.
- 1.4 The fees for undertaking the 2019/20 audit work (as detailed in Section 6 the Audit Strategy Memorandum) is £38,902. This value represents the scale fee set by PSAA as communicated in Mazars fee letter, received by the Head of Finance in April 2019.
- 1.5 As detailed in Section 6 of Mazars' report, NWLDC is now being notified that due to regulatory changes in audit requirements since the fees were agreed by PSAA (around increased work on PPE and Pensions), fees are likely to have to increase in 2019/20. Any proposed increases to the fee to address changes to the identified risks or other additional required work will be discussed with the S151 Officer before approval is sought from PSAA.

Policies and other considerations, as appropriate	
Council Priorities:	An unqualified audit opinion on the Council's financial statements and conclusion on the Council's value for money arrangements underpins all of the Council's priorities.
Policy Considerations:	None.
Safeguarding:	None.

Equalities/Diversity:	None.
Customer Impact:	None.
Economic and Social Impact:	None.
Environment and Climate Change:	None.
Consultation/Community Engagement:	None.
Risks:	The External Audit is an essential part of the Council's arrangements for compliance with laws and regulations, as well as maintaining good Value for Money.
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