

Audit and Standards Committee

10 June 2021

External Auditors Report – Warwickshire County Council 2020/21 Annual Audit Plan

Recommendation

The Audit and Standards Committee is asked to consider the Annual Audit Plan for 2020/21 from the External Auditors, attached at Appendix A.

1. Purpose of the Report

- 1.1. Our external auditors, Grant Thornton, have written to the Council, identifying the audit plan and the audit fees for the County Council for 2020/21, together with the rationale and scope for those fees. These are documents brought to the Committee for comment each year.
- 1.2. The Audit Engagement Lead will attend the meeting to present the report attached at **Appendix A**.

2. Financial Implications

- 2.1. The proposed Audit Fee for 2020/21 is £116,295. This represents an increase of £30,500 from the fee for 2019/20. The increase reflects the increased challenge and depth of work all local authority auditors are now being asked to deliver. Details of these additional requirements are set out on pages 14 and 15 and Appendix 1 of the attachment. The requirements include the need for the auditors to obtain independent external advice on asset valuations, additional work on local authority pensions, the new requirements in respect of value for money and the auditing of new accounting standards.
- 2.2. In recognition of the increased costs the Government has allocated an additional £15m to local authorities. The methodology for allocating this funding between authorities was consulted on during April 2021. At this point we do not know how much the County Council will receive.

2.3. The increase in the audit fees, and the reasons for it, have been discussed with the Strategic Director for Resources and the Assistant Director for Finance and the advice to the Committee is that the increase in fees is accepted.

3. Environmental Implications

3.1. There are no environmental implications arising from this report.

4. Background Papers

4.1. None.

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Elected Members have not been consulted in the preparation of this report.