

4 March 2020

Agenda Item: 6

REPORT OF SERVICE DIRECTOR – FINANCE, INFRASTRUCTURE AND IMPROVEMENT

GRANT THORNTON – EXTERNAL AUDIT PLAN 2019/20

Purpose of the Report

1. To inform Members of the External Auditors' Audit Plan for their 2019/20 Audit.
2. To consider the proposed increase to the 2019/20 audit fees resulting from the revised expectations from the Financial Reporting Council (FRC).

Information

3. The attached report from our external auditors, Grant Thornton, sets out the proposed Audit Plan for the 2019/20 audit, including their approach, significant risks, fees, key staff and timelines for the audit. The report is presented to Members for their information. John Gregory, Engagement Lead - Grant Thornton) and Lorraine Noak, the Audit Manager (Grant Thornton), will be in attendance at the meeting to introduce the report and respond to Members' questions.
4. The report also highlights that the FRC has set out an expectation of improved financial reporting from organisations and the need for the auditors to demonstrate increased scepticism and challenge. The cost implications of this are set out from page 15 of the report.

Other Options Considered

5. The report is for comment only.

Reason/s for Recommendation/s

6. To provide information to Members on the External Audit Plan 2019/20.

Statutory and Policy Implications

7. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and

the environment where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

8. The anticipated total fees, excluding the indicative fee for grant claim certification, are £90,624 for Nottinghamshire County Council and £27,293 for the Nottinghamshire Pension Fund. This is in line with the initial proposal and budget provision is in place.

RECOMMENDATION/S

- 1) That Members receive, and comment upon, the External Auditor's Audit Plan for 2019/20.
- 2) That Members accept the increase to the 2019/20 audit fees in acknowledgement of the revised expectations from the FRC.

Nigel Stevenson

Service Director – Finance, Infrastructure and Improvement

For any enquiries about this report please contact:

Glen Bicknell, Senior Finance Business Partner, Financial Strategy and Compliance.

Constitutional Comments (12/02/2020 KK)

9. The proposal in this report is within the remit of the Governance and Ethics Committee

Financial Comments (12/02/2020 GB)

10. The financial implications are set out in the report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All