

Report title: 2021/22 Audit Planning Report for Essex Pension Fund	
Report to: Audit, Governance and Standards Committee	
Report author: Nicole Wood, Executive Director, Corporate Services	
Date of meeting: 31 October 2022	For Approval
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Divisions affected All Essex	

1. Everyone's Essex

- 1.1 The Audit, Governance and Standards Committee has responsibility for approving the Council's Annual Statement of Accounts, including the financial statements of the Essex Pension Fund, and for receiving and considering related reports issued by the Council's External Auditor (BDO LLP).
- 1.2 The purpose of this report is to present BDO's 2021/22 Audit Planning Report for the Essex Pension Fund, as appended.

2. Recommendations

- 2.1 That the Committee notes the content of BDO's report.

3. Background

- 3.1 The Audit Planning Report explains how BDO intend to carry out their responsibilities as auditor of the Essex Pension Fund. Specifically, they provide the Committee with a basis to review BDO's approach and scope for the 2021/22 audit, to ensure that they are aligned with the Committee's expectations.
- 3.2 The plan summarises BDO's assessment of the key risks driving the development of an effective audit for the Essex Pension Fund and outline their planned audit strategy in response to those risks.
- 3.3 The scope of the audit is determined by the National Audit Office's Code of Audit Practice which sets out what local auditors are required to do to fulfil their statutory responsibilities under the Local Audit and Accountability Act 2014.
- 3.4 The plan also summarises BDO's proposed timelines for completion of their audit of the Essex Pension Fund.

3.5 BDO welcome the opportunity to discuss the plan with the Committee.

4. Policy context

4.1 The Audit Planning Report explains the approach that BDO intends to take to provide their opinion on the financial statements of the Essex Pension Fund.

5. Financial Implications

5.1 There are no specific financial implications associated with this report.

6. Legal Implications

6.1 External audit is a statutory requirement which can only be undertaken by a qualified auditor appointed following the correct legal process.

6.2 If done effectively it can provide assurance that the Council has a sound system of internal controls, that risks are being effectively managed and that money is being spent effectively.

6.3 The legally appointed auditor is entitled to charge statutory fees and also to do further work, and charge further fees, if they consider it necessary in accordance with the legislation.

6.4 A key task of the Audit, Governance and Standards Committee is to review the proposed work plan and suggest any areas that they feel should be looked at as part of the audit.

7. Staffing and other resource implications

7.1 There are no staffing or other resource implications associated with this report.

8. Equality and Diversity implications

8.1 There are no equality and diversity implications associated with this report.

9. List of appendices

9.1 Appendix 1 – 2021/22 Audit Plan for Essex Pension Fund.

10. List of Background Papers

10.1 None