

Agenda item 7

AGS/03/21

Report title: 2020/21 Audit Planning Reports for Essex County Council and the Essex Pension Fund	
Report to: Audit, Governance and Standards Committee	
Report author: Nicole Wood, Executive Director, Finance and Technology	
Date of meeting: 22 March 2021	For Approval
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Divisions affected All Essex	

1. Purpose of report

- 1.1 The purpose of this report is to present BDO's 2020/21 Audit Planning Reports for the County Council and for the Essex Pension Fund, as appended.

2. Recommendations

- 2.1 That the Committee notes the content of BDO's report.
- 2.2 That the Committee asks BDO to present a further report to its June 2021 meeting, setting out any significant changes to their audit strategy for 2020/21, and their risk assessment and planned approach to the Use of Resources.

3. Background

- 3.1 The Audit Planning Reports explain how BDO intend to carry out their responsibilities as auditor of the County Council and the Essex Pension Fund. Specifically, they provide the Committee with a basis to review BDO's approach and scope for the 2020/21 audits, to ensure that they are aligned with the Committee's expectations.
- 3.2 The plans summarise BDO's initial assessment of the key risks driving the development of an effective audit for the County Council and 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. The Code of Audit Practice was updated with effect from 1 April 2020 and, as a consequence, the scope of the use of resources work has changed. BDO will need to communicate the risk assessment and planned approach to their use of resources work once final guidance has been issued by the National Audit Office.

3.4 The plans also summarise BDO's proposed timelines for completion of their audits of the County Council and Essex Pension Fund. The proposed timelines currently assume that the opinions will be issued by **30 September 2021**, which is the statutory deadline for publication of the Council's 2020/21 Statement of Accounts.

3.5 BDO welcome the opportunity to discuss these plans with the Committee.

4. Policy context and Outcomes Framework

4.1 The Audit Planning Reports explain the approach that BDO intends to take to provide their opinion on the Statement of Accounts of Essex County Council and the Essex Pension Fund, and on the Council's arrangements to secure value for money in the use of resources.

4.2 The Statement of Accounts provides a financial representation of activities against the Corporate Plan.

5. Financial Implications

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

6. Legal Implications

6.1 There are no legal implications associated with this report.

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

- **Appendix A** – 2020/21 Audit Plan for Essex County Council.
- **Appendix B** – 2020/21 Audit Plan for Essex Pension Fund.

10. List of Background Papers

10.1 None