



Report title: External Audit – Outline Audit Plan

To:	Cambridgeshire and Peterborough Combined Authority Audit and Governance Committee
Meeting Date:	5 March 2021
Public report:	Yes
Lead Member:	n/a
From:	Jon Alsop Chief Finance Officer
Key decision:	No
Forward Plan ref:	n/a
Recommendations:	The Committee is recommended to: a) note the outline audit plan for the financial year 2020/21 as provided by the Combined Authority's external auditors, Ernst and Young LLP (EY)

1. Purpose

- 1.1 This paper is to provide the Committee with EY's outline audit plan for the 2020/21 financial statements.

2. Background

- 2.1 According to its Terms of Reference, the Audit and Governance Committee shall consider the annual external audit of the Combined Authority's accounts.
- 2.2 The Outline Audit Plan for 2020/21 as shown at appendix A sets out how EY intends to carry out their responsibilities as auditor.
- 2.3 The purpose of the plan is to provide the Audit and Governance Committee with a basis to review EY's proposed audit approach and scope for the 2020/21 audit in accordance with the requirements of the Local Audit and Accountability Act 2014, the National Audit Office's 2015 Code of Audit Practice, the Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA) Ltd, auditing standards and other professional requirements.

- 2.4 The Committee is asked to review the planned audit approach to ensure that it is aligned with the Committee's service expectations, and to consider whether there are other matters which may influence the audit.
- 2.5 The Outline Audit Plan summarises EY's initial assessment of the key risks driving the development of an effective audit for the Authority and outlines their planned audit strategy in response to those risks.

Significant Implications

3. Financial Implications

- 3.1 The duty to prescribe fees is a statutory function delegated to Public Sector Audit Appointments Ltd (PSAA) by the Secretary of State for Communities and Local Government. PSAA has published a scale fee for all relevant bodies. This is defined as the fee required by auditors to meet statutory responsibilities under the Local Audit and Accountability Act 2014 in accordance with the requirements of the Code of Audit Practice and supporting guidance published by the National Audit Office, the financial reporting requirements set out in the Code of Practice on Local Authority Accounting published by CIPFA/LASAAC, and the professional standards applicable to auditors' work.
- 3.2 The fee for the planned code work is £26,950. EY's proposed uplift is £2,695 and additional fees (as set out in appendix A to the plan) are to be confirmed.
- 3.3 All additional code work fees are subject to approval by PSAA.

4. Legal Implications

- 4.1 No legal implications have been identified.

5. Other Significant Implications

- 5.1 No other significant implications have been identified.

6. Appendices

- 6.1 Appendix A – Outline Audit Plan 2020/21 (EY)

7. Background Papers

- 7.1 There are no other supporting or background documents which have been relied upon when preparing this report.