

## EAST SUSSEX FIRE AND RESCUE SERVICE

**Meeting** Scrutiny & Audit Panel

**Date** 21 May 2020

**Title of Report** External Audit Update and Fee Letter 2020/21

**By** Assistant Director Resources / Treasurer

**Lead Officer** Duncan Savage, Assistant Director Resources / Treasurer

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**Background Papers** None

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**Appendices**

1. External Audit Update (EY)
2. External Audit Fee Letter 2020/21 (PSAA)
3. Quarter 1 Fire Audit Committee Briefing

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### Implications

<b>CORPORATE RISK</b>		<b>LEGAL</b>	✓
<b>ENVIRONMENTAL</b>		<b>POLICY</b>	
<b>FINANCIAL</b>	✓	<b>POLITICAL</b>	
<b>HEALTH &amp; SAFETY</b>		<b>OTHER (please specify)</b>	
<b>HUMAN RESOURCES</b>		<b>CORE BRIEF</b>	
<b>EQUALITY IMPACT ASSESSMENT</b>			

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**PURPOSE OF REPORT** To inform the Panel of progress on the external audit of the 2019/20 financial accounts and the proposed external audit fee for 2020/21

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**EXECUTIVE SUMMARY** The Authority's external auditors EY LLP have provided an update on the delivery of the audit of the 2019/20 accounts (Appendix 1). At this stage EY have not identified any significant issues in relation to their audit.

As a result of the Covid 19 emergency the statutory deadlines for publishing the draft and final (audited) accounts have been pushed back to 31 August and 30 November 2020 respectively. At this stage it is the Service's intention to publish its draft accounts by 31 July and this is driven primarily by the timing of IAS19 Reports for the Local Government Pension Scheme which are not now expected until mid-July. Draft accounts minus the IAS19 reports will be

provided to EY at the beginning of July to allow them to commence their final audit work. We are planning for the public inspection period to begin on 1 August and for the final accounts and the annual audit results report to be brought to an additional Scrutiny & Audit Panel in late September (potentially 24<sup>th</sup>) for approval.

The fee for the 2020/21 audit (Appendix 2) is confirmed as £23,690 which is in line with the nationally set fee scales under the PSAA contract and is unchanged from 2020/21. However Members should note the PSAA comment that “additional fee variations are likely to arise for most if not all bodies” as a result of turbulence and change in the local audit environment. Members are also reminded that fee variations can also arise from factors such as the quality and timeliness of the accounts and their associated working papers. At this stage EY has not notified us of any proposals to vary our audit fee for 2019/20 but as noted in their report they are now reviewing all audit fees.

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## **RECOMMENDATIONS**

The Panel is recommended to:

- (i) Note the progress on the external audit of the 2019/20 accounts;
  - (ii) Note the change in the audit timetable;
  - (iii) Note the external audit fee for 2020/21;
  - (iv) Identify any further information or reassurance they require from the Authority’s external auditors, or any matters which they wish to raise with them.
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