

ROYAL BERKSHIRE FIRE AUTHORITY



COMMITTEE	AUDIT & GOVERNANCE COMMITTEE
DATE OF MEETING	3 NOVEMBER 2020
SUBJECT	EXTERNAL AUDIT UPDATE
LEAD OFFICER	CONOR BYRNE, HEAD OF FINANCE AND PROCUREMENT
LEAD MEMBER	N/A
EXEMPT INFORMATION	N/A
ACTION	FOR NOTE

1. **EXECUTIVE SUMMARY**

- 1.1 EY will provide an update to the Committee in relation to progress on the audit of the 2019/20 Statement of Accounts and answer any questions on their proposed fee increase.

2. **RECOMMENDATIONS**

That the Audit and Governance Committee:

- 2.1 **NOTE** the update from the External Auditor;
- 2.2 **NOTE** the contents of the letter sent by the Committee Chairman to EY regarding their proposed fee increase (Appendix A) and EY's response (Appendix B).

3. **REPORT**

- 3.1 The Authority's external auditors will provide an update regarding the delay in signing off the 2019/20 Statement of Accounts.
- 3.2 At the last meeting it was agreed that the Committee Chairman would write to EY on the Committee's behalf to explain why the Authority opposes the auditor's proposed fee increase. This letter is attached as **Appendix A**.

3.3 Andrew Brittain responded to the Chairman's letter (**Appendix B**), setting out various reasons to justify the proposed fee increase.

3.4 The Chairman's letter to EY has also been forwarded to Public Sector Audit Appointments (PSAA) who will ultimately decide the level of fee increase.

4. CONTRIBUTION TO STRATEGIC COMMITMENTS

4.1 Commitment 5 – We will ensure that Royal Berkshire Fire and Rescue Service provides good value for money.

5. FINANCIAL IMPLICATIONS

5.1 The budget for auditing the 2019/20 Statement of Accounts is only sufficient to cover the scale fee as set by PSAA. Any increases above the scale fee will require cuts to spending in other areas of the organisation.

6. LEGAL IMPLICATIONS

6.1 Complies with the Local Audit (Appointing Person) Regulations 2015

7. EQUALITY AND DIVERSITY IMPLICATIONS

7.1 None

8. RISK IMPLICATIONS

8.1 Financial risks are identified and mitigations and controls are tested by the external auditors.

9. CONSISTENCY WITH DUTY TO COLLABORATE

9.1 The Authority opted into the national procurement exercise run by PSAA to appoint its external auditors.

10. PRINCIPAL CONSULTATION

10.1 The Chief Fire Officer has noted the contents of the report.

11. BACKGROUND PAPERS

11.1 None.

12. APPENDICES

12.1 Appendix A – Letter to EY from Chair of Audit & Governance Committee

12.2 Appendix B – Letter of response from EY

13. CONTACT DETAILS

13.1 Conor Byrne - Head of Finance and Procurement

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