

**TONBRIDGE & MALLING BOROUGH COUNCIL**

**AUDIT COMMITTEE**

**06 April 2021**

**Report of the Director of Finance and Transformation**

**Part 1- Public**

**Matters for Information**

**1 GRANT THORNTON 2020/21 AUDIT PLAN AND AUDIT PROGRESS REPORT AND SECTOR UPDATE**

**This report introduces two papers from our external auditor. The two papers are the 2020/21 Audit Plan and Audit Progress Report and Sector Update.**

**1.1 2020/21 Audit Plan**

1.1.1 Our external auditor is required to prepare an Audit Plan setting out the proposed approach to the audit of the Council's financial statements. The paper identifies a number of risks which the external auditor will consider as part of the audit, none of which are specific to this Council, but applicable to local authorities more generally; and no issues have arisen from their interim work to date which I need to draw to your attention. On the 1 April 2020, the National Audit Office introduced a new Code of Audit Practice which comes into effect from 2020/21. The Code introduced a revised approach to the audit of Value for Money. The paper can be found at **[Annex 1]**.

**1.2 Audit Progress Report and Sector Update**

1.2.1 This paper provides the Audit Committee with a report on progress in delivering their responsibilities as the Council's external auditor. The paper also includes a summary of emerging national issues and developments that may be relevant to local authorities. The paper can be found at **[Annex 2]**.

1.2.2 The Engagement Lead and or their representative will be at the meeting to present the papers and to answer questions.

**1.3 Legal Implications**

1.3.1 As set out in the paper.

**1.4 Financial and Value for Money Considerations**

1.4.1 The indicative fee for 2020/21 of £58,248 represents an increase of £15,500 or 36% compared to the original fee for 2019/20 and more detail is needed as to the

justification for such an increase. Any increase above the original fee would be unwelcome budget growth and, in turn increase the savings target by an equivalent sum. At the time of the local government finance settlement MHCLG did commit £15m of additional funding to support the delivery of local audit where further detail and specifically individual council allocations is awaited.

## **1.5 Risk Assessment**

1.5.1 As set out in the paper.

Background papers:

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Nil

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