

**Blaby District Council**  
**Audit & Corporate Governance Committee**

**Date of Meeting** 12 February 2024  
**Title of Report** **External Audit Plan 2023/24**  
**Report Author** Finance Group Manager

**1. What is this report about?**

- 1.1 The report enables the Council's external auditors, Azets, to present Members with their annual Audit Planning Report for 2023/24.

**2. Recommendation(s)**

- 2.1 That Azets' Audit Planning Report for 2023/24 is noted and approved.

**3. Reason for Decision(s) Recommended**

- 3.1 The Audit Planning Report sets out the proposed audit approach and the scope of the work to be carried out by Azets, and their fees for undertaking that work.

**4. Matters to consider**

4.1 Background

Azets have set out their proposals for the planned audit work in respect of the 2023/24 financial year in the document attached at Appendix A. The coverage of the External Audit Plan includes the following key elements:

- Audit scope and general approach
- Significant and other risk of material misstatement
- Value for money arrangements
- Audit team and logistics
- Independence, objectivity and other services provided
- Fees
- Materiality

Representatives from Azets will attend the meeting to present their report.

## **5. What will it cost and are there opportunities for savings?**

- 5.1 The base fee for the audit has been set at £139,897 by Public Sector Audit Appointments (PSAA). In addition to this, there is a fee for work relating to ISA 315, also determined by PSAA, and a proposed fee for the Housing Benefit Assurance Process (HBAP) of £28,000.

Currently this means a total audit fee of £194,309 for 2023/24, although there may also be additional costs in relation to IFRS 16 (leasing), and any further work required dependent upon the impact of the prior year audit backlog.

## **6. What are the risks and how can they be reduced?**

6.1

Current Risk	Actions to reduce the risks
Risks are incorporated within the Audit Plan at Appendix A.	See Appendix A.
Given the existing audit backlog, with EY still not having completed the audits for 2020/21 to 2022/23, there are limitations to the amount of work that Azets will be able to complete.	Government is proposing a backstop date by which all outstanding audits must be complete. Provisionally this has been set at 30 <sup>th</sup> September 2024 but is subject to consultation. It is expected that the audits for 2021/22 and 2022/23 will be a much lighter touch than usual, in order to meet the deadline. This also means that the audit opinion will contain caveats to reflect this.

## **7. Other options considered**

- 7.1 None. It is considered good practice to make the Audit and Standards Committee aware of the External Audit Plan.

## **8. Other significant issues**

- 8.1 In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities, and Climate Local and there are no areas of concern.

## **9. Appendix**

- 9.1 Appendix A – External Audit Plan, Year Ended 31<sup>st</sup> March 2024

**10. Background paper(s)**

None.

**11. Report author's contact details**

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