

REPORT FOR: Pension Board

Date of Meeting:	28 March 2019
Subject:	Information Report - External Audit Plans 2018/19
Responsible Officer:	Dawn Calvert, Director of Finance
Exempt:	No
Wards affected:	All
Enclosures:	Pension Fund Audit Strategy Memorandum for year ending 31 March 2019

Section 1 – Summary and Recommendations

This report provides the Committee with an opportunity to consider the External Audit Plans 2018/19 from the Council's external auditors

Recommendation

The Committee is asked to note the External Audit Plan (Audit Strategy Memoranda for the Pension Fund)

Reason

To keep the Pension Board informed of the planned external audit work.

Section 2 – Report

Background

External Audit Plans (Audit Strategy Memoranda) for 2018/19

1. The Council has received the External Audit Plan 2018/19 as prepared by Mazars and presented to Governance, Audit, Risk Management and Standards Committee on 29 January 2019. The Plan, which includes the audit of the Pension Fund, is attached as the appendix to this report.
2. Broadly, the Plan covers:
 - Engagement and responsibilities
 - Audit Scope approach and timelines
 - Significant risks and key judgement areas
 - Fees
 - Materiality and misstatement
3. In addition to the overall audit of the Pension Fund the auditors have made the following specific points:
 - Materiality and misstatements – the overall materiality levels are set at 1% of Gross Revenue Expenditure. This gives a level of £8.2m for the Pension Fund. The materiality levels for misstatements (the level of triviality) is set at £245k for the Pension Fund
 - Significant and other audit risk - Management override of controls
- Valuation of unquoted investments

Financial Implications

4. Whilst, clearly, the annual audit concentrates largely on the financial state of the Pension Fund there are no financial implications arising directly from this report. Projected audit fees for the pension fund are £16,170 for the 2018-19 external audit compared to £21,000 for the 2017-18 audits.

Risk Management Implications

5. The Pension Fund has its own risk register which includes all the risks identified. The annual audit assists in the management of the risks but no implications arise directly from this report.

Equalities implications

6. There are no direct equalities implications arising from this report.

Council Priorities

7. Whilst the financial health of the Pension Fund directly affects the level of employer contribution which, in turn, affects the resources available for the Council's priorities there are no impacts arising directly from this report.

Section 3 - Statutory Officer Clearance

Name: Sharon Daniels

on behalf of the
Chief Financial Officer

Date: 15 March 2019

Ward Councillors notified:

n/a

Section 4 - Contact Details and Background Papers

Contact: Iain Millar, Treasury and Pensions Manager
Tel: 0208 424 1432

Background Papers: None