Agenda Item No.

10

**JOINT INDEPENDENT AUDIT COMMITTEE**
**5 DECEMBER 2022**

| SUBJECT | **EXTERNAL AUDIT – ANNUAL AUDIT LETTERS & SCALE FEE VARIATIONS 2018/19 & 2019/20** |
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| REPORT BY | **CHIEF FINANCE OFFICER AND FORCE CHIEF FINANCE OFFICER** |
| CONTACT OFFICER | **JULIE FLINT, CHIEF FINANCE OFFICER**<br>**TEL: 01522 947222**<br><br>**SHARON CLARK, FORCE CHIEF FINANCE OFFICER**<br>**TEL: 01522 947468** |
| **SUMMARY AND PURPOSE OF REPORT**<br><br>To receive the Annual Audit Letter and Scale Fee Variation proposal in respect of both the 2018/19 and 2019/20 financial years. | |
| **RECOMMENDATION** | **That Annual Audit Letter and Scale Fee Variation proposals in respect of both the 2018/19 and 2019/20 financial years be considered.** |

## A. SUPPORTING INFORMATION

1. Members will be aware that Ernst & Young LLP (EY) was appointed as the External Auditor for the Police and Crime Commissioner and the Chief Constable with effect from 2018/19 for a five year period.

2. In September 2022, EY completed their audits for the first and second financial years of their appointment i.e. 2018/19 and 2019/20. Appended to this report are the respective Annual Audit Letters.

3. Mark Hodgson, Audit Partner, Ernst & Young will be in attendance to present the report.

## B. FINANCIAL CONSIDERATIONS

The scale External Audit fee for the financial year 2018/19 is £34,104 and for 2019/20 is £34,104.

EY have indicated their intention to seek additional audit fees in respect of both 2018/19 (£41,497) and 2019/20 (£37,328). The justification for this is included at page 26 (2018/19) and page 22 (2019/20) of the respective Annual Audit Letters.

## C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS

The statutory responsibilities and powers of the External Auditor are set out in the Audit Commission Act 1998, the Local Government Act 1999 and the Audit Commission's Code of Audit Practice.

## D. PERSONNEL, EQUAL OPPORTUNITIES AND DIVERSITY ISSUES

(including any impact or issues relating to Children and Young People.)

None.

## E. REVIEW ARRANGEMENTS

None planned.

## F. RISK MANAGEMENT

Receiving regular audit reports helps reduce risk to the Police and Crime Commissioner and Chief Constable.

## G. PUBLIC ACCESS TO INFORMATION

Information in this report along with any supporting material is subject to the Freedom of Information Act 2000 and other legislation.