



EXTERNAL AUDIT: AUDIT PROGRESS REPORT AND SECTOR UPDATE

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1. Summary

- 1.1. The Audit Progress Report and Sector Update attached at Appendix A provides Audit Committee with a report on progress by Grant Thornton in delivering their responsibilities.

2. Recommendations

The Committee is asked to consider and endorse, with appropriate comment the Audit Progress Report and Sector Update and to consider whether responses are requested for future meetings.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1 The external audit of Shropshire Council and the Shropshire County Pension Fund end of year accounts produce an independent opinion, intended to provide reasonable assurance, but not absolute assurance, that the financial statements are presented fairly, in all material respects, and/or give a true and fair view in accordance with the financial reporting framework.

4. Financial Implications

- 4.1 Grant Thornton have been appointed as auditor for the Housing Benefit and Subsidy Claim for 2018/19. The audit fee is £13,300 and is addition to the audit fee (£103,061) identified in agenda item 16.

5. Background

- 5.1 Grant Thornton were appointed as External Auditors for Shropshire Council following a procurement process undertaken by Public Sector Audit Appointments Ltd (PSAA – a company established by the Local Government Association) in 2017. The contracts cover a five year period commencing with the audit of the 2018/19 accounts. PSAA has an option to extend the contracts by a further two year period to seven years in total. Grant Thornton undertake end of year audits for Shropshire Council and Shropshire County Pension Fund.

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5.2 The attached report sets out the timetable for key deliverables relating to the 2018/19 end of year audit.

5.3. The attached report also includes a number of updates in relation to Grant Thornton publications and sector updates from the National Audit Office (NAO) and the Chartered Institute of Public Finance and Accountancy (CIPFA) in relation to new homes and adult and children's social care.

5.4. Included within the report are a series of challenge questions, as detailed with responses below:

1. Has your Authority got a robust plan in place to deliver the additional houses needed over the next five years?

Shropshire Council has a plan in place to deliver and exceed this requirement.

2. Has your authority considered the NAO Report (Pressures on Children's Social Care), and how local variations and demands can be addressed?

This is being considered. Shropshire Council's pressures in Children's Services are already well documented and reflected in the 2018/19 Children's Services overspend.

3. Has your authority completed the Social Care Risk tool? Have your Directors shared the responses with you?

No, but it is due to be completed by autumn 2019. Risks associated with Adult Services are well known across the authority, so this tool is not considered to be essential at this point in time. Results and responses can be shared with Audit Committee upon conclusion if requested.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Appendices

Appendix A – Audit Progress Report and Sector Update