
External Audit Plan Provided by Grant Thornton for the Audit of Financial Year 2018/19.

Committee considering report: Governance and Ethics Committee on 15 April 2019

Portfolio Member: Councillor Anthony Chadley

Date Portfolio Member agreed report: 14 March 2019

Report Author: Lesley Flannigan

Forward Plan Ref: GE3427

1. Purpose of the Report

- 1.1 The purpose of the report is to provide members with a copy of the external audit plan from Grant Thornton for the Financial Year ending 31st March 2019. This plan gives an overview of the scope and timing of the annual statutory audit of the Council's financial statements and value for money arrangements.

2. Recommendation

- 2.1 None, report is to note.

3. Implications

- 3.1 **Financial:** n/a
- 3.2 **Policy:** n/a
- 3.3 **Personnel:** n/a
- 3.4 **Legal:** n/a
- 3.5 **Risk Management:** n/a
- 3.6 **Property:** n/a
- 3.7 **Other:** n/a

4. Other options considered

- 4.1 Not applicable

Executive Summary

5. Introduction / Background

- 5.1 The scope of the plan is set in accordance with the Code of Audit Practice issued by the National Audit Office (NAO) and International Standards on Auditing. Grant Thornton are responsible for expressing an opinion on:
- (1) The Financial Statements that have been prepared by management with the oversight of those charged with Governance and
 - (2) Value for money arrangements in place at the Council for securing economy, efficiency and effectiveness in the Council's use of resources.
- 5.2 Grant Thornton's has scoped the audit plan in accordance with a risk methodology focused on:
- (1) Management override of controls
 - (2) Valuation of pension fund net liability
 - (3) Valuation of property, plant and equipment.
- 5.3 The materiality level for the total of errors within the financial statements has been determined at £5.04 million. This equates to 1.5% of the Council's prior year gross expenditure for the year. The purpose of setting a materiality level is to reduce the risk that the aggregate total of uncorrected misstatements could be material to the financial statements.
- 5.4 Grant Thornton will also be assessing the Council's arrangements to secure value for money with particular emphasis on Financial Resilience and have requested a Going Concern assessment from the Council agreed by the s151 Officer (Head of Finance and Property). The Going Concern Assessment will be produced by the Council post completion of the draft 2018/19 Financial Statements.

6. Proposal

- 6.1 None, report is to note.

7. Conclusion

- 7.1 Grant Thornton an ISA 260 report on completion of the audit which will be communicated to Corporate Board and the Governance & Ethics Committee.

8. Appendices

- 8.1 Appendix A – Data Protection Impact Assessment
Appendix B – Equality Impact Assessment
Appendix C – External Audit Plan for 2018/19.

Appendix A

Data Protection Impact Assessment – Stage One

The General Data Protection Regulations require a Data Protection Impact Assessment (DPIA) for certain projects that have a significant impact on the rights of data subjects.

Should you require additional guidance in completing this assessment, please refer to the Information Management Officer via dp@westberks.gov.uk

Directorate:	Finance and Property
Service:	Accountancy
Team:	Financial Reporting
Lead Officer:	Lesley Flannigan
Title of Project/System:	External Audit Plan
Date of Assessment:	22.02.19

Do you need to do a Data Protection Impact Assessment (DPIA)?

	Yes	No
<p>Will you be processing SENSITIVE or “special category” personal data?</p> <p><i>Note – sensitive personal data is described as “data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership, and the processing of genetic data, biometric data for the purpose of uniquely identifying a natural person, data concerning health or data concerning a natural person’s sex life or sexual orientation”</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will you be processing data on a large scale?</p> <p><i>Note – Large scale might apply to the number of individuals affected OR the volume of data you are processing OR both</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will your project or system have a “social media” dimension?</p> <p><i>Note – will it have an interactive element which allows users to communicate directly with one another?</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will any decisions be automated?</p> <p><i>Note – does your system or process involve circumstances where an individual’s input is “scored” or assessed without intervention/review/checking by a human being? Will there be any “profiling” of data subjects?</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will your project/system involve CCTV or monitoring of an area accessible to the public?</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will you be using the data you collect to match or cross-reference against another existing set of data?</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will you be using any novel, or technologically advanced systems or processes?</p> <p><i>Note – this could include biometrics, “internet of things” connectivity or anything that is currently not widely utilised</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If you answer “Yes” to any of the above, you will probably need to complete [Data Protection Impact Assessment - Stage Two](#). If you are unsure, please consult with the Information Management Officer before proceeding.

Appendix B

Equality Impact Assessment - Stage One

We need to ensure that our strategies, policies, functions and services, current and proposed have given due regard to equality and diversity as set out in the Public Sector Equality Duty (Section 149 of the Equality Act), which states:

- “(1) A public authority must, in the exercise of its functions, have due regard to the need to:***
- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;***
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; This includes the need to:***
 - (i) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;***
 - (ii) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;***
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it, with due regard, in particular, to the need to be aware that compliance with the duties in this section may involve treating some persons more favourably than others.***
- (2) The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.***
- (3) Compliance with the duties in this section may involve treating some persons more favourably than others.”***

The following list of questions may help to establish whether the decision is relevant to equality:

- Does the decision affect service users, employees or the wider community?
- (The relevance of a decision to equality depends not just on the number of those affected but on the significance of the impact on them)
- Is it likely to affect people with particular protected characteristics differently?
- Is it a major policy, or a major change to an existing policy, significantly affecting how functions are delivered?
- Will the decision have a significant impact on how other organisations operate in terms of equality?
- Does the decision relate to functions that engagement has identified as being important to people with particular protected characteristics?
- Does the decision relate to an area with known inequalities?
- Does the decision relate to any equality objectives that have been set by the council?

Please complete the following questions to determine whether a full Stage Two, Equality Impact Assessment is required.

What is the proposed decision that you are asking the Executive to make:	To note the External Auditors proposed audit plan for financial year 2018/19
Summary of relevant legislation:	CIPFA code of practice and accounting standards
Does the proposed decision conflict with any of the Council's key strategy priorities?	Not applicable
Name of assessor:	Lesley Flannigan
Date of assessment:	22.2.19

Is this a:		Is this:	
Policy	No	New or proposed	No
Strategy	No	Already exists and is being reviewed	No
Function	Yes	Is changing	No
Service	No		

1 What are the main aims, objectives and intended outcomes of the proposed decision and who is likely to benefit from it?	
Aims:	Compliance with external guidance
Objectives:	External Audit opinion on the 2018/19 financial statements
Outcomes:	As above
Benefits:	As above

2 Note which groups may be affected by the proposed decision. Consider how they may be affected, whether it is positively or negatively and what sources of information have been used to determine this. (Please demonstrate consideration of all strands – Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex and Sexual Orientation.)		
Group Affected	What might be the effect?	Information to support this
Age	Not applicable	Not applicable
Disability	Not applicable	Not applicable
Gender	Not applicable	Not applicable

Reassignment		
Marriage and Civil Partnership	Not applicable	Not applicable
Pregnancy and Maternity	Not applicable	Not applicable
Race	Not applicable	Not applicable
Religion or Belief	Not applicable	Not applicable
Sex	Not applicable	Not applicable
Sexual Orientation	Not applicable	Not applicable
Further Comments relating to the item:		

3 Result	
Are there any aspects of the proposed decision, including how it is delivered or accessed, that could contribute to inequality?	No
Please provide an explanation for your answer:	
Will the proposed decision have an adverse impact upon the lives of people, including employees and service users?	No
Please provide an explanation for your answer:	

If your answers to question 2 have identified potential adverse impacts and you have answered 'yes' to either of the sections at question 3, or you are unsure about the impact, then you should carry out a Stage Two Equality Impact Assessment.

If a Stage Two Equality Impact Assessment is required, before proceeding you should discuss the scope of the Assessment with service managers in your area. You will also need to refer to the [Equality Impact Assessment guidance and Stage Two template](#).

4 Identify next steps as appropriate:	
Stage Two required	Not applicable
Owner of Stage Two assessment:	
Timescale for Stage Two assessment:	

Name: Lesley Flannigan

Date: 22.2.19

Please now forward this completed form to Rachel Craggs, Principal Policy Officer (Equality and Diversity) (rachel.craggs@westberks.gov.uk), for publication on the WBC website