

Report No.  
FSD23067

## London Borough of Bromley

### PART ONE - PUBLIC

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**Decision Maker:** **AUDIT AND RISK MANAGEMENT COMMITTEE**

**Date:** **Tuesday 7<sup>th</sup> November 2023**

**Decision Type:** Non-Urgent                      Non-Executive                      Non-Key

**Title:** **2020/21 PENSION FUND EXTERNAL AUDIT PLAN**

**Contact Officer:** James Mullender, Head of Corporate Finance and Accounting  
Tel: 020 8313 4196    E-mail: [james.mullender@bromley.gov.uk](mailto:james.mullender@bromley.gov.uk)

**Chief Officer:** Peter Turner, Director of Finance  
Tel: 020 8313 4668    E-mail: [peter.turner@bromley.gov.uk](mailto:peter.turner@bromley.gov.uk)

**Ward:** Borough Wide

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1. Reason for report

1.1 This report provides details of the 2020/21 External Audit Plan for the Pension Fund.

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## 2. RECOMMENDATIONS

The Committee is requested to:

- 2.1 Note and comment on the attached 2020/21 Pension Fund Audit Plan from Ernst & Young.
- 2.2 Confirm its understanding of, and agreement to, the materiality and reporting levels.

### Impact on Vulnerable Adults and Children

1. Summary of Impact: None arising directly from this report
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### Corporate Policy

1. Policy Status: Existing Policy
  2. Making Bromley Even Better Priority: Managing our resources well
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### Financial

1. Cost of proposal: £63k
  2. Ongoing costs: Not Applicable
  3. Budget head/performance centre: External Audit
  4. Total current budget for this head: £63k
  5. Source of funding: Pension Fund
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### Personnel

1. Number of staff (current and additional): Not Applicable
  2. If from existing staff resources, number of staff hours: Not applicable
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### Legal

1. Legal Requirement: Statutory Requirement – The report concerns the statutory requirements required by the Local Audit and Accountability Act 2014
  2. Call-in: Not Applicable
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### Procurement

1. Summary of Procurement Implications: The report contains recommendations that may, at some point in the future, alter the mechanism by which the Council procures its external auditor.
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### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not applicable
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### Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Council Wide

### 3. COMMENTARY

#### Background

- 3.1 Ernst & Young LLP, as the Council's appointed External Auditors are required to perform their audit in line with the Local Audit and Accountability Act 2014 and in accordance with the Code of Practice issued by the National Audit Office and the Public Sector Audit Appointments (PSAA) Statement of Responsibilities.
- 3.2 Members are asked to note and comment on the attached 2020/21 Pension Fund Audit Plan from Ernst & Young, and to note the materiality limits detailed on page 13 of the plan and confirm their understanding of, and agreement to, the materiality and reporting levels.

### 4. FINANCIAL IMPLICATIONS

- 4.1 Fees are discussed agreed annually with the external auditor to cover the cost of their annual audit activity. The base audit fee is set by PSAA and then varied locally depending on various risk factors.
- 4.2 Details of the planned audit fees are contained in Appendix A (page 26) of the attached audit plan.

### 5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications. This report focuses on the arrangements for local authority financial reporting and auditing put in place by the Local Audit and Accountability Act 2014.

<b>Non-Applicable Sections:</b>	Impact on Vulnerable Adults and Children Policy, Procurement Implications and Personnel Implications.
Background Documents: (Access via Contact Officer)	None