

North York Moors National Park Authority Finance, Risk Audit and Standards Committee

6 February 2017

External Audit Plan 2016/17

1. Purpose of the Report

- 1.1 To provide Members with the 2016/17 External Audit Plan.
- 1.2 To report back on the response from Public Sector Audit Appointments Ltd to Members queries relating to the future audit arrangements.

2. Background

- 2.1 The Authority is subject to an External Audit of the Statement of Accounts by an appointed Independent Auditor. This role is currently performed by KPMG.

3. External Audit Documentation

- 3.1 **Appendix 1** contains the External Audit Plan for 2016/17 for Members information. The final timescale for the audit has not yet been concluded but Officers are currently in discussions with colleagues at NYCC and KPMG regarding the feasibility of using the 2016/17 Closedown as a 'trial run' of the requirement to close the accounts early from the 2017/18 financial year. Whilst the legal requirement remains that the accounts need to be 'signed off' by the Authority and the External Auditors by the 30 September it is considered prudent to use this year as an opportunity to test systems to avoid a potential overrun next year when the accounts must be 'signed off' by the end of July. This will depend upon the availability of staff resources and an update will be provided at the meeting. If this is feasible it is proposed that Members agree to request that the Chair calls a Special Authority meeting on the 20 July to sign off the accounts (this is also the day of the scheduled Planning committee).
- 3.2 Under the current regulatory requirements the National Audit Office also defines the audit approach including the requirements for auditors to form a Value for Money (VFM) opinion. This is explained in more detail on pages 6 to 8 of the plan.

4. Update on the Arrangements for Audit from 2018/19 Financial Year

- 4.1 At the November meeting of this committee Officers, confirmed the appointment of KPMG as the Authority's auditors for 2017/18 financial year and outlined options for the arrangements for audit from 18/19. Members were minded to recommend to Authority that the auditors are appointed as part of the national sector led procurement process being undertaken by PSAA Ltd. However, at that time there was further information required and Members requested clarification be obtained from PSAA Ltd that value for money would be achieved and the audit regime for National Park Authorities would be proportionate. These assurances have been obtained and in order to confirm Members approval to partake in this process by the 9 March 2017 it has been proposed that this option is taken to a Special National Park Authority on 16 February.

5. **Financial and Staffing Implications**

5.1 The financial implications are described in the report.

6. **Sustainability and Legal Implications**

6.1 There are no sustainability or legal implications arising from this report.

7. **Recommendation**

That Members:

7.1 note the content of this report and **Appendix**,

7.2 recommend to Authority on 16 February that the Authority confirms to the PSAA Ltd that the Authority wishes to be part of the National Procurement exercise for External Audit

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Background documents to this report

File Ref

None