



# CAMBRIDGESHIRE COUNTY COUNCIL PENSION FUND

Planning Letter 2016/17

May 2016

# PROPOSED FEES

## Scope of the audit

We are required to report to you our proposed fees and programme of work for the 2016/17 financial year.

### Code audit fee

The Code audit fee is based on the work required under the Code of Audit Practice issued by the National Audit Office and covers the audit of the financial statements of the pension fund.

Public Sector Audit Appointments Limited (PSAA) is responsible for setting the scale fees for local authorities and consulted on the proposed work programme and scale of fees in October 2015. There are no planned changes to the overall work programme for 2016/17 and the scale audit fees have been set at the same level as 2015/16.

As with the planned fee for 2015/16, it has not been adjusted to reflect any ongoing risks and consequent additional audit resource requirements to address such. It does not include reflection of issues that have arisen in previous years' audits where additional fees have been sought by our predecessors. This position will be closely monitored and any additional risk work that we consider necessary discussed and agreed with the Pension Fund.

PSAA has the power to determine the fee above or below the scale fee where there has been a change that requires substantially more or less work than envisaged by the scale fee.

### Audit related services

Audit related services are those non-audit services that are largely carried out by members of the engagement team where the work involved is closely related to the work performed in the audit and the threats to auditor independence are clearly insignificant and, as a consequence, safeguards need not be applied.

### Other non-audit services

Other non-audit services are those services not closely related to the work performed in the audit that could be provided by a number of firms. Auditors are prevented from undertaking such work if it would present a threat to independence for which no adequate safeguards are available. Independence concerns may arise due to the nature of the work or from the value of fees derived.

## Fees

AUDIT AREA	PROPOSED FEE 2016/17 (£)	SCALE FEE 2016/17 (£)	PROPOSED FEE 2015/16 (£)
Code audit fee	22,410	22,410	22,410
Audit related services			
- None	-	n/a	-
Non audit services			
- None	-	n/a	-
Total fees	22,410		22,410

### Amendments to the proposed fees

If we need to propose any amendments to the fees during the course of the audit or where our assessment of risk and complexity are significantly different from those reflected in the proposed fee, we will first discuss this with the Chief Finance Officer. Where this requires a variation to the scale fee we will seek approval from the PSAA.

If necessary, we will also prepare a report outlining the reasons why the fee needs to change for discussion with the Audit and Accounts Committee.

### Arrangements from 2017/18

CLG has confirmed that the current contracts negotiated by the Audit Commission in April 2014 will be extended for one year. As a result, the Council will be required to make a local appointment for external audit services from 2018/19.

# AUDIT ARRANGEMENTS

## Planned outputs

We plan to issue the following reports and opinions over the course of the 2016/17 audit:

REPORT	DATE
Progress reports to the Audit and Accounts Committee	each meeting
Audit plan	March 2017
Report on any significant deficiencies in internal controls, if required, based on the results of our interim audit visit	April 2017
Final report to those charged with governance	September 2017
Independent auditor's report on the pension fund financial statements	September 2017

## Audit team

The key members of the audit team will be:

### Engagement Lead - David Eagles

email: [david.eagles@bdo.co.uk](mailto:david.eagles@bdo.co.uk)

Tel: 01473 320728

David will be responsible for the overall delivery of the audit including the quality of outputs and liaison with senior management.

### Project Manager - Robert Carter

email: [robert.carter@bdo.co.uk](mailto:robert.carter@bdo.co.uk)

Tel: 01473 320736

Robert will manage and co-ordinate each aspect of the audit and will be the key contact with the Finance team.

### Senior - Ross Beard

email: [ross.beard@bdo.co.uk](mailto:ross.beard@bdo.co.uk)


Tel: 01473 320785

Ross will lead the delivery of the financial statements audit.

## Client satisfaction

We are committed to providing you with a high quality service. If you are in any way dissatisfied, or would like to discuss how we can improve our service, please contact David in the first instance. Alternatively, you may wish to contact our Managing Partner, Simon Michaels. Any complaint will be investigated carefully and promptly. If you are not satisfied you may take up the matter with the Institute of Chartered Accountants in England and Wales ("ICAEW").

In addition, the PSAA complaints handling procedure is detailed on their website <http://www.psaa.co.uk/about-us/contact-us/complaints/>.



The matters raised in our report prepared in connection with the audit are those we believe should be brought to your attention. They do not purport to be a complete record of all matters arising. This report is prepared solely for the use of the organisation and may not be quoted nor copied without our prior written consent. No responsibility to any third party is accepted.

BDO LLP is a corporate establishment under the Limited Liability Partnership Act 2000 and a UK Member Firm of BDO International. BDO LLP is separately authorised and regulated by the Financial Conduct Authority to conduct investment business.

Copyright ©2016 BDO LLP. All rights reserved.

[www.bdo.co.uk](http://www.bdo.co.uk)

