

A photograph of a modern, glass-walled interior space, likely a lobby or atrium. The floor is highly reflective, showing the ceiling lights and the surrounding environment. The walls are made of large glass panels held together by dark frames. The ceiling is white with recessed lighting. The overall atmosphere is clean, bright, and professional.

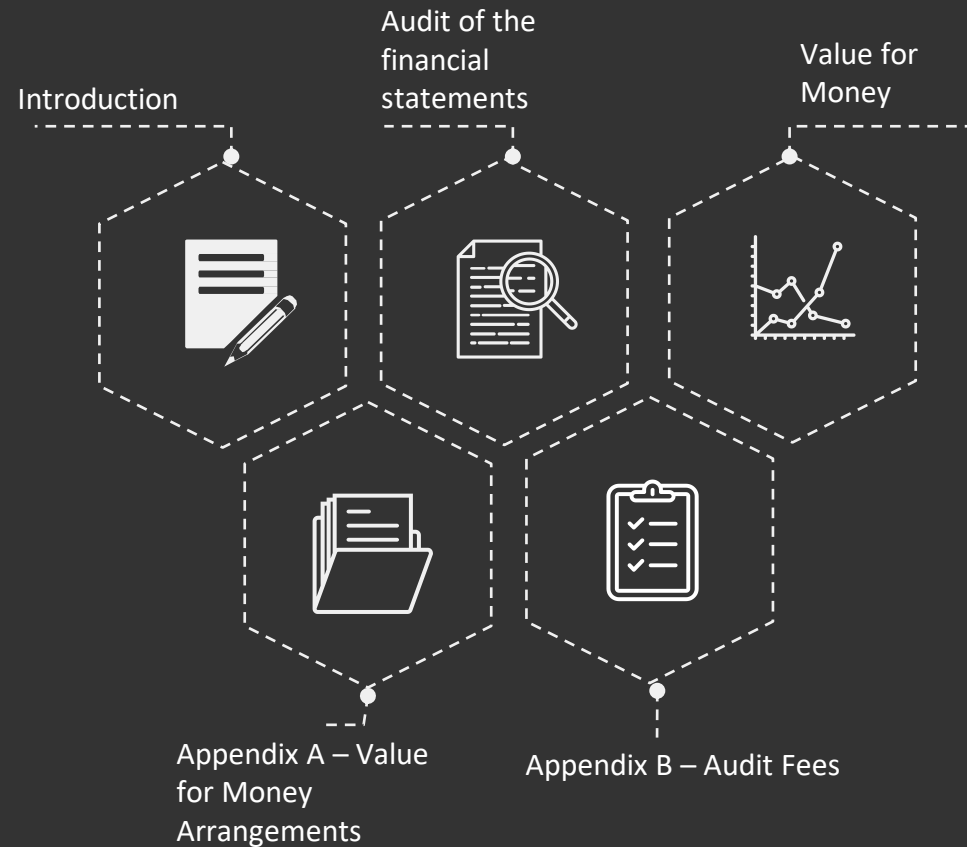
**Bedfordshire Fire and
Rescue Authority**

Auditor's Annual Report

Year ended 31 March 2022

September 2023

Contents



Public Sector Audit Appointments Ltd (PSAA) issued the “Statement of responsibilities of auditors and audited bodies”. It is available from the PSAA website (<https://www.psa.co.uk/audit-quality/statement-of-responsibilities/>). The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The “Terms of Appointment and further guidance (updated July 2021)” issued by the PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code) and in legislation, and covers matters of practice and procedure which are of a recurring nature.

This report is made solely to Bedfordshire Fire and Rescue Authority in accordance with the statement of responsibilities. Our work has been undertaken so that we might state to Bedfordshire Fire and Rescue Authority those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than Bedfordshire Fire and Rescue Authority for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



Introduction

Purpose

The purpose of the Auditor's Annual Report is to bring together all of the auditor's work over the year.

A core element of the report is the commentary on value for money (VFM) arrangements, which aims to draw to the attention of the Authority, or the wider public.

Responsibilities of the appointed auditor

We have undertaken our 2021/22 audit work in accordance with the Audit Plan that we presented to the Audit and Standards Committee on 2nd March 2023. We have complied with the National Audit Office's (NAO) 2020 Code of Audit Practice, other guidance issued by the NAO and International Standards on Auditing (UK).

As auditors we are responsible for:

Expressing an opinion on:

- The 2021/22 financial statements;
- Conclusions relating to going concern; and
- The consistency of other information published with the financial statements, including the narrative statement.

Reporting by exception:

- If the governance statement does not comply with relevant guidance or is not consistent with our understanding of the to Bedfordshire Fire and Rescue Authority;
- If we identify a significant weakness in the arrangements in place to secure economy, efficiency and effectiveness in its use of resources; and
- Any significant matters that are in the public interest.

Responsibilities of the Authority

The Authority is responsible for preparing and publishing its financial statements, narrative statement and annual governance statement. They are also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.



Introduction (continued)

2021/22 Conclusions

Financial statements	<p>Unqualified – the financial statements give a true and fair view of the financial position of the Authority as at 31 March 2022 and the Authority’s expenditure and income for the year then ended. The financial statements have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Council Accounting in the United Kingdom 2021/22 as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets (November 2022).</p> <p>We issued our auditor’s report on 8 August 2023.</p>
Going concern	<p>We have concluded that the Treasurer’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate.</p>
Consistency of the other information published with the financial statement	<p>Financial information in the narrative statement and published with the financial statements was consistent with the audited accounts and was consistent with our understanding of the Authority.</p>
Value for money (VFM)	<p>We had no matters to report by exception on the Authority’s VFM arrangements.</p> <p>We have included our VFM commentary in Section 03.</p>
Consistency of the annual governance statement	<p>We were satisfied that the annual governance statement was consistent with our understanding of the Authority.</p>
Public interest report and other auditor powers	<p>We had no reason to use our auditor powers.</p>
Whole of government accounts	<p>We have not yet completed the procedures required by the National Audit Office (NAO) on the Whole of Government Accounts submission.</p> <p>This is because we are awaiting confirmation from the NAO of any additional procedures to be performed by auditors for bodies which fall below the reporting threshold.</p>
Certificate	<p>We are not currently able to issue our certificate due to the potential outstanding work required for whole of government accounts as explained above.</p>



Audit of the financial statements

Key findings

The narrative statement and accounts are important tools for the Authority to show how it has used public money and how it can demonstrate its financial management and financial health. On 8 August 2023, we issued an unqualified opinion on the Authority's financial statements. We reported our detailed findings to the Audit and Standards Committee. We outline below the key issues identified as part of our audit, reported against the significant risks and other areas of audit focus we included in our Audit Plan.

Significant risk

Conclusion

Misstatements due to fraud or error

There is a risk that the financial statements as a whole are not free of material misstatements whether caused by fraud or error. As identified in ISA (UK) 240, management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records directly or indirectly and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Our work did not identify any material weaknesses in the design or operation of controls or evidence of material misstatements, whether due to fraud or error. Our work did not identify any other transactions during our audit which appeared unusual or outside the organisation's normal course of business.

Valuation of land and buildings

Land and buildings represents significant balances in the Authority's accounts and are subject to valuation changes, impairment reviews and depreciation charges. Material judgemental inputs and estimation techniques are required to calculate the year-end balances held in the balance sheet. As the Authority's asset base is significant, and the outputs from the valuer are subject to estimation, small changes in assumptions when valuing these assets can have material impact on the financial statements and therefore the balances are susceptible to misstatement.

We did not identify any issues from our review of the work performed by the valuer over the Authority's assets, including the adequacy of the scope of the work performed, their professional capabilities and the results of their work. As in previous years, we noted that the valuation of land is at the bottom of the lower end of our acceptable range and the valuation of buildings is towards the top end of the our acceptable range. Overall, however, valuations are within an acceptable range.

We did not identify any specific changes to assets that had occurred that required communication to the valuer.

Testing of accounting entries confirmed they had been correctly processed in the financial statements.

All assets had been appropriately revalued within the Authority's 5 year rolling programme.



Audit of the financial statements

Significant risk	Conclusion
Pension Liability Valuation	<p>The Local Authority Accounting Code of Practice and IAS19 require the Authority to make extensive disclosures within its financial statements regarding the Fire Fighters Pension Scheme and the Local Government Pension Scheme (LGPS).</p> <p>The Authority's deficits under both schemes are disclosed on a combined basis on the Authority's balance sheet. The total value was £386 million as at 31 March 2022 and represents a material and sensitive balance.</p> <p>The information disclosed is based on the IAS 19 reports issued to the Authority by the actuaries for both schemes. Accounting for these schemes involves significant assumptions, estimation and judgement and small changes in assumptions in valuing the liability may have significant impact in the balance sheet.</p> <p>Our testing did not identify significant difference. We have considered CIPFA Bulletin 14 – Closure of the 2022/23 Financial Statements which noted that it was likely that several funds will receive the final triennial valuation statements for 2022 from their actuaries before their auditors have provided their audit opinion and when accounts were prepared and that this needed to be considered by accounts preparers and auditor when reviewing those judgments and estimates. The Authority obtained an updated IAS19 report which reflected the 2022 triennial valuation and has amended their accounts to reflect this. The impact of this was a £1.8 million reduction in the net liability.</p>
Going Concern Disclosure	<p>The financial landscape for the Authority remains challenging; the Authority needs to undertake a going concern assessment covering a period of at least 12 months from the date of final authorisation of the accounts. It also needs to make an appropriate disclosure in the financial statements of that consideration and assessment.</p> <p>We are satisfied that the going concern disclosure of the Authority is an adequate reflection of management's assessment and that it remains appropriate to prepare the financial statements on a going concern basis.</p>

We did not identify any risks of significant weaknesses in the Authority's VFM arrangements for 2021/22.

Our VFM commentary highlights relevant issues for the Authority and the wider public.

We have no matters to report by exception in the audit report.

Scope

We are required to report on whether Bedfordshire Fire and Rescue Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. We have complied with the guidance issued to auditors in respect of their work on value for money arrangements (VFM) in the 2020 Code of Audit Practice (2020 Code) and Auditor Guidance Note 3 (AGN 03). We presented our VFM risk assessment to the 2 March 2023 Audit & Standards Committee meeting which was based on a combination of our cumulative audit knowledge and experience, our review of committee reports, meetings with the Authority and evaluation of associated documentation through our regular engagement with management and the finance team.

Reporting

We completed our risk assessment procedures in August 2023 and did not identify any risk of significant weakness in the Authority's VFM arrangements from our detailed work.

Our commentary for 2021/22 is set out on page 8. The commentary on these pages summarises specific observations over the arrangements at Bedfordshire Fire and Rescue Authority in relation to our reporting criteria (see below) throughout 2021/22. Appendix A includes the detailed arrangements and processes underpinning the reporting criteria. These were reported in our 2020/21 Annual Auditors Report and have been updated for 2021/22 where appropriate.

In accordance with the NAO's 2020 Code, we are required to report a commentary against three specified reporting criteria:

Reporting criteria	Risks of significant weaknesses in arrangements identified?	Actual significant weaknesses in arrangements identified?
Financial sustainability: How the Authority plans and manages its resources to ensure it can continue to deliver its services	No significant risks identified	No significant weaknesses identified
Governance: How the Authority ensures that it makes informed decisions and properly manages its risks	No significant risks identified	No significant weaknesses identified
Improving economy, efficiency and effectiveness: How the Authority uses information about its costs and performance to improve the way it manages and delivers its services	No significant risks identified	No significant weaknesses identified



Value for Money (continued)

Financial Sustainability: How the Authority plans and manages its resources to ensure it can continue to deliver its services

The Authority is required to have arrangements in place to ensure proper resource management and the primary responsibility for these arrangements, and reporting on the design and operation of these arrangements via the annual governance statement, rests with management. In accordance with the NAO's Code, the focus of our work should be on assessing the arrangements that the Authority is expected to have in place during the year ended 31 March 2022. Our risk assessment did not identify any risk of significant weakness in arrangements to secure financial sustainability.

The Authority has continued to set a balanced budget for the coming year. Current and future financial challenges pose significant and increasing, risks for the Authority. The Authority may consider using reserves to balance competing pressures. The Authority's reserves has been build up to be used to support the budget and fund investment in delivering savings through transformation and improving services. The Authority has Transformational Budget Reserve to be used to offset the budget gap as strategically planned as well as importantly to invest in service transformation.

Conclusion: Based on the work performed, Bedfordshire Fire and Rescue Authority had proper arrangements in place in 2021/22 to enable it to plan and manage its resources to ensure that it can continue to deliver its services.

Governance: How the Authority ensures that it makes informed decisions and properly manages its risks

The Authority is required to have arrangements in place to ensure proper risk management and the primary responsibility for these arrangements and reporting on the design and operation of these arrangements via the annual governance statement rests with management. In accordance with the NAO's Code, the focus of our work should be on the arrangements that the Authority is expected to have in place during the year ended 31 March 2022. In 2021/22, we did not identify a risk of significant weakness in arrangements in place to ensure sound governance.

The Authority has an effective Internal Audit function. Based on the work performed by internal audit on the overall adequacy and effectiveness of the Authority's risk management, internal control and governance process, the Authority has an adequate and effective framework in place. Internal audit also identified further enhancements to ensure that the framework remains adequate and effective.

Conclusion: Based on the work performed, Bedfordshire Fire and Rescue Authority had proper arrangements in place in 2021/22 to enable it to make informed decisions and properly manage its risks



Value for Money (continued)

Improving economy, efficiency and effectiveness: How the Authority uses information about its costs and performance to improve the way it manages and delivers its services

The Authority is required to have arrangements in place to ensure economy, efficiency and effectiveness, and the responsibility for these arrangements and reporting on the design and operation of these arrangements via the annual governance statement, rests with management. In accordance with the NAO's Code, the focus of our work should be on the arrangements that the Authority is expected to have in place during the year ended 31 March 2022. In 2021/22, we did not identify a risk of significant weakness in arrangements in place to ensure economy, efficiency and effectiveness.

Conclusion: Based on the work performed, Bedfordshire Fire and Rescue Authority had proper arrangements in place in 2021/22 to enable it to use information about its costs and performance to improve the way it manages and delivers services.

Appendices

Appendix A – Summary of arrangements

Financial Sustainability

Reporting Sub-Criteria

Findings

How the body ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them

The Medium-Term Financial Strategy (MTFS) is a document that sets the Authority's financial Strategy for the next four years. It focuses on the 2021/22 revenue Budget and Capital Programme, but also sets the scene for future years. It covers national events such as the Comprehensive Spending Review (CSR) and then breaks down how this impacts locally on the Authority.

The MTFS details the reserves policy, planning assumptions behind the budget figures and other considerations that must be taken into account when setting the strategy, such as the tax base, efficiencies and shared services.

The Authority's corporate risk management process, which identifies key organisational risks and puts into place controls to manage these risks, also plays a major role in determining the outcomes of the planning process. This includes an annual assessment of the potential impact of such risks, which in turn is used in determining the most appropriate level of financial reserves for the Authority.

There is also engagement with colleagues across the sector (through the Fire Finance Network), as well as robust discussions internally with Corporate Management Team and also the Fire & Rescue Authority. These discussions are transparent, with documented assumptions and uncertainties. The members of the finance team have been stable for a number of year and are considered to be professional and experienced members of staff.

How the body plans to bridge its funding gaps and identifies achievable savings

As a precepting authority, there is a requirement under the Local Government Act 1992 for the Authority to hold reserves in order to meet any unforeseen emergencies and manage uneven cash flows. The Authority undertakes a thorough risk assessment in order to identify the required level of reserves each year. The Treasurer has the duty to report on the adequacy of reserves (under section 25 of the Local Government Act 2003), particularly when the Authority is considering setting its budget requirement.

The required level of reserves for the period 2021/22 is outlined within the Reserves Strategy and Financial Strategy. The Authority maintains reserves above the minimum level of £2.4 million and at year end General Fund Balance was £2.4 million and usable reserves were £13.43 million.

Our work has not identified any indication of any significant financial gaps or weaknesses in the Authority's arrangements. Annual reviews of savings, efficiencies and income review are undertaken. Also a transformational budget has been created to assist in smoothing the effect of the timing of delivery of savings and efficiencies.

Appendix A – Summary of arrangements

Financial Sustainability

Reporting Sub-Criteria

Findings

How the body plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities

There is an aim to drive deeper collaboration between fire and rescue and other local services - including through the statutory duty in the Policing and Crime Act - and support the National Fire Chiefs Council (NFCC) and the sector generally to deliver commercial transformation, including more collaborative procurement to improve efficiencies and effectiveness.

Funding supports the priorities of the service. For example, in excess of £1 million was approved to support the priority of the new mobilising system.

How the body ensures that its financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning which may include working with other local public bodies as part of a wider system

The Integrated Risk Management and Fire and Rescue Plans are aligned to the budget and resources are included in the budget to meet those plans. Finances are reviewed monthly and demand issues identified in advance through updates to the MTFs and budget work during the year. The Fire Authority's performance and demand is also managed throughout the year and resources are regularly reviewed to ensure demand can be met.

The budget setting process brings all of these elements together. Each Corporate Management Team (CMT) member signs off their establishment budgets and workforce and recruitment plans form part of this.

How the body identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans

There is a risk management strategy in place and all committee members, senior officers, employees and partner organisations have a role to play in ensuring that risk is effectively managed.

As part of these arrangements, risks are considered before and after the planning process and included on the register. Risks assessments are undertaken for all services in line with the strategy. All high risks are identified and addressed as part of the annual review. The Audit and Standards Committee provides independent assurance for the Authority's risk management. They also periodically review the risk register. The risk register includes a wide variety of risks including financial risks.

Appendix A – Summary of arrangements (continued)

Governance

Reporting Sub-Criteria

How the body monitors and assesses risk and how the body gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud

Findings

From our understanding of the entity level control and understanding the business procedures, all Authority decisions are made in accordance with the documents set out in the Fire Authority Handbook, which includes the Authority's Standing Orders and Financial Regulations and is available on line. The Standing Orders, amongst other appendices in the Fire Authority Handbook, include the roles and responsibilities of the Authority, Committees and Chief Officers and the rules under which they operate. In particular, they set out how decisions are made and how procedures are to be followed to ensure that actions are efficient, legal, transparent and that the Authority is accountable to the community.

The Authority has three Committees:

- The Audit and Standards Committee is responsible for maintaining an overview of the operation of internal control and governance;
- The Executive Committee is authorized to exercise any functions of the Fire and Rescue Authority that come within its Terms of Reference;
- The Fire and Rescue Authority Committee who oversee the Fire and Rescue Service is made up of elected Members from Central Bedfordshire Council, Bedford Borough Council and Luton Borough Council.

The results of Internal Audit assignments are reviewed by the Audit and Standards Committee, which considers whether appropriate responses have been received from management to Internal Audit's findings. The results of Internal Audit work are clearly reported to those charged with governance on a timely basis (quarterly and annually) and appropriate actions are taken to address weaknesses identified.

The Authority also has three policy and challenge groups (Corporate Services, Human Resources and Service Delivery). These groups have been established to ensure areas under their terms of reference are functioning efficiently and effectively.

There are appropriate policies for such matters as accepting new business, conflicts of interest and security practices, and these are adequately communicated throughout the organization.

The Authority's overriding objective is to ensure that its business is conducted in accordance with the law and proper practice standards and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively to provide the services required in its geographical area of responsibility.

The Authority has a vision which is based on three themes: prevention, protection and response. These three themes guide the services that the Authority provides and the budget is prioritized in these areas to enable the Authority to meet these targets.

Appendix A – Summary of arrangements (continued)

Governance

Reporting Sub-Criteria

Findings

How the body approaches and carries out its annual budget setting process

The budget is the key measure of financial performance for the Authority. The budget represents those areas over which the Authority has a direct influence but does not take account of the adjustment between accounting and funding basis.

Budget monitoring forms part of the agenda for the Audit and Standards Committee and the Fire Authority Board which meet regularly, and key monitoring measures referred to are:
1) The financial position against the profiled to date budget.
2) Progress on capital programme.

How the body ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed

The Authority strives for good financial management via the Finance Team. Meetings are held with budget managers and regular financial budget reports are sent to budget managers as well as to CMT and the Authority. Performance indicators are a core element of managing the service. The service also has a project management team and robust processes in place. Projects are "called in" where they appear to be not delivering on time or to budget etc.

How the body ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency. This includes arrangements for effective challenge from those charged with governance/audit committee

All Authority decisions are made in accordance with the laws and regulations, policies and procedures. This therefore ensures that decisions are made and procedures are followed to ensure that actions are efficient, legal, transparent and accountable to the community. The roles and responsibilities of the Section 112 officer (Local Government Finance Act 1988) (Treasurer) and Monitoring officer under Section 5 of the Local Government and Housing Act 1989 further enhances the compliance framework which is led from the top and monitored appropriately.

CMT welcomes challenge and there is a culture of supportive challenge. Training has been given to members, for example two budget workshops are held each year and treasury training is due to take place. Decisions will not be made if more detail or clarity is required. Authority Members have also recently received governance training.

How the body monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of officer or member behaviour (such as gifts and hospitality or declarations/conflicts of interests)

The Authority has a Code of Conduct in place. This includes obligation placed on members with regards to gifts and hospitality and declarations of interests. The Authority has appropriate policies and procedures in place and where necessary, the Monitoring Officer, will refer Members to these.

Appendix A – Summary of arrangements (continued)

Improving economy, efficiency and effectiveness

Reporting Sub-Criteria

Findings

How financial and performance information has been used to assess performance to identify areas for improvement

The revenue budget and capital programme monitoring includes a RAG status, based on projected overspend and underspends. Internal performance indicators are set via CMT then the Authority and reviewed and challenged. Regular monitoring of these is undertaken and some have stretching targets. National benchmarking data is also used where appropriate.

How the body evaluates the services it provides to assess performance and identify areas for improvement

The Authority uses consultations where appropriate, compliments and complaints as well as self assessment, HMICFRS data, audit findings, feedback and self assessments to help assess performance. There was an HMICFRS inspection in 2021/22 which include the following assessments:

- Understanding fires and other risks - Good
- Preventing fires and other risks - Requires improvement
- Protecting the public through fire regulation - Requires improvement
- Responding to fires and other emergencies - Good
- Responding to major and multi-agency incidents - Good
- Making best use of resources - Requires improvement
- Future affordability - Good
- Promoting the right values and culture - Good
- Getting the right people with the right skills - Good
- Ensuring fairness and promoting diversity - Requires improvement
- Managing performance and developing leaders - Good

How the body ensures it delivers its role within significant partnerships, engages with stakeholders it has identified, monitors performance against expectations, and ensures action is taken where necessary to improve

There are processes in place to capture partnerships and there is also regular evaluation of these. Meetings are held to discuss working arrangements and collaborations with partners as part of the Authority meetings.

Appendix A – Summary of arrangements (continued)

Improving economy, efficiency and effectiveness

Reporting Sub-Criteria

Where the body commissions or procures services, how the body ensures that this is done in accordance with relevant legislation, professional standards and internal policies, and how the body assesses whether it is realising the expected benefits.

Findings

We inquired of management concerning the entity's policies and procedures regarding compliance with laws and regulations, and how compliance with the policies and procedures are monitored. Management's assurance that all relevant laws and regulations are being complied with is provided through the professional expertise of officers in post. There is further assurance from independent reviews and services, such as internal and external audit, a legal service level agreement (through LGSS) and specific services procured.

There are also training plans to ensure professional standards are maintained through continual professional development (CPD). The Authority also has a Monitoring Officer who attends the Audit and Standards Committee meetings.

Attendance at Audit and Standards Committee and review of minutes confirms those charged with governance (TCWG) receive reports from both external and internal audit, and the minutes of the Audit and Standards Committee, which are accessible to the public, demonstrate that effective action is taken where issues of non-compliance have been identified. These reports are subject to consideration by senior management and members of the Authority and appropriate responses to any recommendations for improvements are agreed. These reports and responses are normally approved in public and published.

Responsibility for overseeing corporate governance is formally delegated and documented through the Constitution to the Audit and Standards Committee. The terms of reference for the Audit and Standards Committee are contained within the Constitution. The Audit and Standards Committee has audit focused terms of reference and in accordance with CIPFA/SOLACE guidance the Chair of the Audit and Standards Committee is not a member of the Authority.



Appendix B – Fees

Relationships, services and related threats and safeguards

The FRC Ethical Standard requires that we provide details of all relationships between Ernst & Young (EY) and Bedfordshire Fire and Rescue Authority, and its senior management, including all services provided by us and our network to Bedfordshire Fire and Rescue Authority and other services provided to other known connected parties that we consider may reasonably be thought to bear on the our integrity or objectivity, including those that could compromise independence and the related safeguards that are in place and why they address the threats.

We have not identified relationships to report to you in respect of additional services provided by EY LLP.

As at the date of this report, there are no future services which have been contracted and no written proposal to provide non-audit services has been submitted other than those disclosed below.

Services provided by Ernst & Young

	Final Fee 2021/22	Planned Fee 2021/22	Final Fee 2020/21
Audit Fees	£'s	£'s	£'s
Total Fee – Code work	23,271	23,271	23,271
Final 2020/21 scale fee variation determined by PSAA (see Note 1)	-	-	15,675
Proposed 2021/22 scale fee variation to eb determined by PSAA (see Note 2)	29,909	TBC	
Total audit fees	53,180	TBC	38,946

* All fees exclude VAT

Note 1: The 2020/21 final fee includes a scale fee variation which has been determined and approved by PSAA of £15,675 which relates to additional specialist work reviewing the valuation of a sample of fire stations, HQ and training facilities (£2,750), the impact of Covid-19 on our going concern work (£1,522), specialist involvement in pension valuation (£2,625), additional requirements on the audit of estimates of under ISA540 (£1,915) and our value for money conclusion (£5,114).

Note 2: Our final fee for 2021/22 has yet to be determined. Now that the audit has been concluded we have calculated our proposed additional fee and submitted this to PSAA for determination. We have also shared a breakdown of this with management. The main areas of additional fee relate to work on pension and land and building valuations (including use of EY specialists) (£10,425), value for money assessment and reporting (£5,114), response to increased FRC challenge (£10,260) and work to address risks related to management override and going concern disclosures (4,110)

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EY-000070901-01 (UK) 07/18. CSG London.

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