REPORT TITLE: EXTERNAL AUDIT PLAN 25/26

16 JULY 2026

REPORT OF CABINET MEMBER: Cllr Neil Cutler, Cabinet Member for Finance and Performance

Contact Officer: Liz Keys 01962 848226 Email Lkeys@winchester.gov.uk

WARD(S): ALL

PURPOSE

This report details the indicative 2025/26 Audit Strategy and Annual Audit Fees proposed by the council's external auditors, Ernst & Young LLP (EY).

The indicative fee £177,763 for the 2025/26 audit work is at the level of the scale fees set by Public Sector Audit Appointments Ltd (PSAA) for each audited body that has opted into its national auditor appointment scheme.

The auditors have submitted a proposal for a scale fee variation in relation to their work on the 2024/25 accounts, this is subject to approval by PSAA.

RECOMMENDATIONS:

That the Audit and Governance Committee:

1. Notes the external auditor's Audit Strategy for 2025/26 and the approach to rebuilding assurance towards full assurance and an unqualified opinion.

2. Approves the indicative 2025/26 annual audit fee.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

None

2 FINANCIAL IMPLICATIONS

2.1 The planned scale fee for the audit of the 2025/26 accounts is £177,763. The scale fee set by PSAA (Public Sector Audit Appointments) has increased from the 2024/25 scale fee of £172,922. The scale fees have increased through adjustments for inflation of 2.8%.

2.2 The auditors have submitted a proposal for a scale fee variation in relation to additional work on the 2024/25 accounts, this is subject to approval by PSAA.

3 LEGAL AND PROCUREMENT IMPLICATIONS

3.1 The Audit and Accounts Regulations 2015 require the council to publish the annual Statement of Accounts, the narrative statement and the annual governance statement, together with any external audit opinion by a specified date. The publication deadline for the 2025/26 Annual Financial Report is 31st January 2027.

4 WORKFORCE IMPLICATIONS

None

5 PROPERTY AND ASSET IMPLICATIONS

None

6 CONSULTATION AND COMMUNICATION

None required

7 ENVIRONMENTAL CONSIDERATIONS

None

8 PUBLIC SECTOR EQUALITY DUTY

None

9 DATA PROTECTION IMPACT ASSESSMENT

None required

10 RISK MANAGEMENT

None

11 SUPPORTING INFORMATION:

None, this is an external report.

12 OTHER OPTIONS CONSIDERED AND REJECTED

12.1 This is a statutory requirement therefore there are no other options to be considered.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

None

Other Background Documents:-

None

APPENDICES:

Appendix 1 – EY Audit Planning Report year ending 31 March 2026