

By: John Simmonds, Cabinet Member – Finance
Andy Wood, Acting Corporate Director of Finance & Procurement

To: Governance and Audit Committee – 30th June 2011

Subject: ANNUAL AUDIT FEE 2011/12

Classification: Unrestricted

Summary: This paper presents the Audit Commissions proposed audit fees for the Council for 2011/12

FOR DECISION

Introduction and background

1. The Audit Commission are required to notify the Council as to the nature and scope of work to be undertaken in relation to the 2011/12 financial year. The notification includes the level of fee to be charged.

Annual Audit and Inspection Fee 2011/12

2. The letter attached sets out the audit plan and fee for the 2011/2012 financial year. The work proposed covers three areas:
 - the audit of financial statements;
 - a value for money (vfm) conclusion; and
 - whole of government accounts.
3. The fee proposed of £346,500 is set at the “scale”, or the average fee that the Audit Commission has set centrally for a County Council of Kent’s size. Unlike previous years there is no variability to the fee that takes into account local risk factors. The proposed fee represents a reduction of £38,500 (10%) from that set in 2010/11.
4. The fee letter also sets out the risks identified by the Audit Commission in relation to its work and its proposed response to these. These risks and the proposed work have been discussed with the Managing Director and the Acting Corporate Director of Finance & Procurement, and reviewed by Corporate Management Team. This risk assessment will be revisited in early 2012, with any changes reported to the Committee by the District Auditor.

Recommendations

5. Members are asked to approve the fee proposed.

David Tonks
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