

By: John Simmonds, Cabinet Member for Finance & Business Support
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To: Governance and Audit Committee – 19 December 2012

Subject: **External Audit – Fee letter 2012/13**

Classification: Unrestricted

Summary: This paper presents the external audit fee for the Council for 2012/13

FOR DECISION

Introduction and background

1. The Audit Commission independently set the proposed work programme and associated scale fees for the 2012/13 audit year. This is detailed in its publication 'Work Programme and Scales of Fees 2012/13: Local Government – April 2012'.

Planned audit fee 2012/13

2. The attached letter sets out the planned audit fee, proposed work programme for the 2012/13 financial year, audit timetable and key members of the Grant Thornton audit team. The work proposed by the external auditors covers three areas:
 - the audit of our financial statements
 - the work to reach a conclusion on the economy, efficiency and effectiveness in our use of resources (the value for money conclusion)
 - the work on our whole of government accounts return.
3. The audit fee proposed for 2012/13 is set at the scale fee of £207,900. This is a 40% reduction on the 2011/12 fee. At this stage of the planning process, Grant Thornton has not identified any local risk factors to vary from the scale fee.
4. The letter also sets out the proposed fees for the pension fund audit and grants certification work in 2012/13. These are £30,568 and £6,250 respectively.

Recommendation

5. Members are asked to approve the fees proposed in the fee letter.

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