



Grant Thornton

Mr David Cockburn  
Head of Paid Service  
Kent County Council  
County Hall  
MAIDSTONE  
Kent  
ME14 1XQ

22 March 2013

Dear David

**Grant Thornton UK LLP**  
Grant Thornton House  
Melton Street  
London NW1 2EP  
T +44 (0)20 7383 5100  
[www.grant-thornton.co.uk](http://www.grant-thornton.co.uk)

### **Planned audit fee for 2013/14**

The Audit Commission has set its proposed work programme and scales of fees for 2013/14. In this letter we set out details of the audit fee for the Council along with the scope and timing of our work and details of our team.

### **Scale fee**

The Audit Commission defines the scale audit fee as “the fee required by auditors to carry out the work necessary to meet their statutory responsibilities in accordance with the Code of Audit Practice. It represents the best estimate of the fee required to complete an audit where the audited body has no significant audit risks and it has in place a sound control environment that ensures the auditor is provided with complete and materially accurate financial statements with supporting working papers within agreed timeframes.”

The Council's scale fee for 2013/14 has been set by the Audit Commission at £207,900, which compares to the audit fee of £207,900 for 2012/13.

Further details of the work programme and individual scale fees for all audited bodies are set out on the Audit Commission's website at [www.audit-commission.gov.uk/audit-regime/audit-fees/201314-fees-work-programme](http://www.audit-commission.gov.uk/audit-regime/audit-fees/201314-fees-work-programme).

The audit planning process for 2013/14, including the risk assessment, will continue as the year progresses and fees will be reviewed and updated as necessary as our work progresses.

### **Scope of the audit fee**

The scale fee covers:

- our audit of your financial statements
- our work to reach a conclusion on the economy, efficiency and effectiveness in your use of resources (the value for money conclusion)
- our work on your whole of government accounts return.

### **Value for Money conclusion**

Under the Audit Commission Act, we must be satisfied that the Council has adequate arrangements in place to secure economy, efficiency and effectiveness in its use of resources, focusing on the arrangements for:

- securing financial resilience; and
- prioritising resources within tighter budgets.

We undertake a risk assessment to identify any significant risks which we will need to address before reaching our value for money conclusion. We will assess the Council's financial resilience as part of our work on the VfM conclusion and a separate report of our findings will be provided.

### **Certification of grant claims and returns**

The Council's composite indicative grant certification fee has been set by the Audit Commission at £6,250.

### **Pension Fund audit**

The Audit Commission has established a scale of fees for pension fund audits based on a fixed element with uplift based on the percentage of net assets. The scale fee for the audit of the pension fund is £30,568. Our work on the pension fund will be undertaken in June 2013 by our specialist pension fund audit team.

### **Billing schedule**

Fees will be billed as follows:

<b>Main Audit fee</b>	<b>£</b>
September 2013	51,975
December 2013	51,975
March 2014	51,975
June 2014	51,975
<b>Grant Certification</b>	
June 2014	6,250
<b>Total</b>	<b>214,150</b>
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<b>Pension Fund audit</b>	
March 2014	30,568

### **Outline audit timetable**

We will undertake our audit planning and interim audit procedures in November 2013 to January 2014. Upon completion of this phase of our work we will issue a detailed audit plan setting out our findings and details of our audit approach. Our final accounts audit and work on the VfM conclusion will be completed in June to July 2014 and work on the whole of government accounts return in September 2014.

<b>Phase of work</b>	<b>Timing</b>	<b>Outputs</b>	<b>Comments</b>
Audit planning and interim audit	November 2013 to January 2014	Audit plan	The plan summarises the findings of our audit planning and our approach to the audit of the Council's accounts and VfM.
Final accounts audit	June to July 2014	Audit Findings (Report to those charged with governance)	This report sets out the findings of our accounts audit and VfM work for the consideration of those charged with governance.
VfM conclusion	January to July 2014	Audit Findings (Report to those charged with governance)	As above
Financial resilience	Jan to June 2014	Financial resilience report	Report summarising the outcome of our work.
Whole of government accounts	September 2014	Opinion on the WGA return	This work will be completed alongside the accounts audit.
Annual audit letter	October 2014	Annual audit letter to the Council	The letter will summarise the findings of all aspects of our work.
Grant certification	June to December 2014	Grant certification report	A report summarising the findings of our grant certification work

### **Our team**

The key members of the audit team for 2013/14 are:

	<b>Name</b>	<b>Phone Number</b>	<b>E-mail</b>
Engagement Lead	Darren Wells	01293 554130	<a href="mailto:Darren.j.wells@uk.gt.com">Darren.j.wells@uk.gt.com</a>
Engagement Manager	Elizabeth Olive	0207 728 3329	<a href="mailto:Elizabeth.l.olive@uk.gt.com">Elizabeth.l.olive@uk.gt.com</a>
Pensions Audit Manager	Lynn Clayton	0207 728 3365	<a href="mailto:lynn.h.clayton@uk.gt.com">lynn.h.clayton@uk.gt.com</a>
Audit Executive	Anna Tollefson	0207 728 3344	<a href="mailto:anna.tollefson@uk.gt.com">anna.tollefson@uk.gt.com</a>
Pensions Audit Executive	Harpal Singh	01293 554130	<a href="mailto:Harpal.singh@uk.gt.com">Harpal.singh@uk.gt.com</a>

### **Additional work**

The scale fee excludes any work requested by the Council that we may agree to undertake outside of our Code audit. Each additional piece of work will be separately agreed and a detailed project specification and fee agreed with the Council.

**Quality assurance**

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 me in the first instance. Alternatively you may wish to contact Paul Dossett, our Public Sector Assurance regional lead partner ([paul.dossett@uk.gt.com](mailto:paul.dossett@uk.gt.com)).

Yours sincerely



Darren Wells  
For Grant Thornton UK LLP