

By: John Simmonds, Deputy Leader and Cabinet Member for Finance and Procurement
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To: Governance and Audit Committee – 30 April 2014

Subject: **External Audit – Fee letter 2014/15**

Classification: Unrestricted

Summary: This paper presents the external audit fee for the Council for 2014/15

FOR DECISION

Introduction and background

1. The Audit Commission independently set the proposed work programme and associated scale fees for the 2014/15 audit year. The Audit Commission defines the scale audit fee as “the fees required to carry out the work necessary to meet their statutory responsibilities in accordance with the Code of Audit Practice.”

Planned audit fee 2014/15

2. The attached letter sets out the planned audit fee, proposed work programme for the 2014/15 financial year, audit timetable and key members of the Grant Thornton audit team. The work proposed covers three areas:
 - 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.
3. The audit fee proposed for 2014/15 is set at the scale fee of £207,900 (same fee since 2012/13). As this stage of the planning process we have not identified any local risk factors to vary from the scale fee.
4. The letter also sets out the proposed fee for the pension fund audit in 2014/15. This is set at the scale fee of £30,568 (same fee since 2012/13).
5. The Engagement Lead for 2014/15 audit year is shown as TBC in the fee letter. Darren Wells has led the audit for seven years at the end of 2013/14 audit year and in accordance with the ethical standards cannot be the engagement lead going forward. Paul Dossett, our Public Sector regional lead partner, is currently determining who will replace Darren on the audit. We will update you once this has been confirmed.

Recommendation

6. Members are asked to approve the fees proposed in the fee letter and note the change to the audit team for 2014/15.

Neeta Major

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