

# TONBRIDGE & MALLING BOROUGH COUNCIL

## AUDIT COMMITTEE

24 January 2011

### Report of the Director of Finance

#### Part 1- Public

#### Matters for Information

#### 1 AUDIT COMMISSION – PROPOSED WORK PROGRAMME AND SCALES OF FEES 2011/12

**This report informs members of the Audit Commission's Proposed Work Programme and Scales of Fees for 2011/12.**

##### 1.1 Introduction

- 1.1.1 Attached for information at **[Annex 1]** is the Audit Commission's 2011/12 Proposed Work Programme and Scales of Fees. The announcement made on the 13 August 2010 proposing the Commission's abolition implies (although it is still to be confirmed) that 2011/12 may be the Commission's final year in its current form. If so, this will be the last time it will publish a work programme and set scales of audit fees. Members should note that this is technically a consultation process and the return date for comments was 7 January.
- 1.1.2 The document sets out the Commission's responsibilities, and the work programme is designed to discharge those responsibilities. The document outlines at a high level the work that the Audit Commission plans to undertake in the local government, housing and community safety sectors during 2011/12, together with the proposed fee scales for that year.
- 1.1.3 The proposed work programme and scales of fees for local government, housing and community safety consultation document proposes reductions in district councils audit fees of 5% reflecting both the new approach to local VFM audit work and a reduction in the ongoing audit costs associated with the introduction of International Financial Reporting Standards. The proposed scale of fees for each audited body have been made available on the Commission's website and ours is £100,225 compared to a budget provision of £105,000.
- 1.1.4 The Commission also charge fees for certification work and set a schedule of hourly rates for different levels of staff and are not proposing to uplift for inflation the hourly rates for certification work in 2011/12.
- 1.1.5 On this occasion we had no comments to make in response to the consultation.

1.1.6 Members are reminded in addition to this high level work programme, each year the Commission's appointed auditors also draw up detailed plans with each audited body based on the auditor's assessment of the financial and operational risks facing the organisation and the arrangements put in place to manage those risks which will be reported to members when received.

## **1.2 Legal Implications**

1.2.1 Legally, we have no choice but to accept the final version of the 2011/12 work programme and scales of fees and will continue to cooperate with our external auditors who serve us.

## **1.3 Financial and Value for Money Considerations**

1.3.1 As set out above.

## **1.4 Risk Assessment**

1.4.1 None.

Background papers:

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Nil

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