

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

28 January 2013

Report of the Director of Finance

Part 1- Public

Delegated

1 AUDIT FEE FOR 2012/13

This report informs Members of the receipt of the Audit Fee Letter for 2012/13.

1.1 Introduction

- 1.1.1 I have received from our District Auditor the Fee Letter for 2012/13 **[Annex 1]** which sets out details of the audit fee for the Council along with the scope and timing of audit work and the audit team.
- 1.1.2 The fee 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.
- 1.1.3 As Members will be aware, the Audit Commission recently awarded five-year audit contracts to four private firms, and as part of that process had been able to secure significant reductions in the cost of audit services and has appointed Grant Thornton as auditors to the Council.
- 1.1.4 The audit fee for 2012/13 is made available on the Commission's website and ours is £60,135 compared to a charge for 2011/12 of £100,225, a reduction of 40%. These lower fees are fixed for five years and clearly very much welcomed at a time when budgets are under pressure. The Commission also charge for certification work where the composite indicative fee is £22,000.

1.2 Legal Implications

- 1.2.1 Legally, we have no choice but to accept the final version of the 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.

1.5 Equality Impact Assessment

1.5.1 See 'Screening for equality impacts' table at end of report

1.6 Recommendations

1.6.1 Members are asked to **note** and **endorse** the Fee Letter for 2012/13 [**Annex 1**].

Background papers:

contact: Neil Lawley

Nil

Sharon Shelton
Director of Finance

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	Letter setting out details of the audit fee for 2012/13.
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	No	Letter setting out details of the audit fee for 2012/13.
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		Not applicable.

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.