

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

03 July 2017

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Information

1 WORK PROGRAMME AND SCALES OF FEES 2017/18

Following consultation, Public Sector Audit Appointments Limited has published the Work Programme and Scales of Fees for the audit of the 2017/18 accounts.

1.1 Introduction

- 1.1.1 Public Sector Audit Appointments Limited (PSAA) an independent company set up by the Local Government Association is responsible for setting fees, appointing auditors and monitoring the quality of auditors' work on a transitional basis. This is the final year for which PSAA will set fees under the transitional arrangements.
- 1.1.2 The Work Programme and Scales of Fees 2017/18 can be found at the following link:
<http://www.psa.co.uk/wp-content/uploads/2016/10/2017-18-work-programme-and-scales-of-fees-for-local-government-and-police.pdf>
- 1.1.3 There are no changes to the overall work programme for 2017/18 and scale fees remain at the same level as the scale fees applicable for 2016/17. Indicative fees for 2017/18 housing benefit subsidy certification work will be based on final 2015/16 certification fees.
- 1.1.4 In addition, following completion of the Audit Commission's accounts, PSAA received a payment in respect of the Audit Commission's retained earnings. This and other surpluses from audit fees are to be distributed to audited bodies in 2017/18. The amount is likely to be in the order of 15% of scale audit fees.
- 1.1.5 From 2018/19, the provisions of the Local Audit and Accountability Act 2014 in relation to local appointment of auditors will apply. The Secretary of State has specified PSAA as an appointing person for principal local government and police bodies and, in accordance with the Act, PSAA will therefore appoint auditors and set scale audit fees for bodies that have opted into its national scheme. By way of an update Tonbridge and Malling is one of 483 eligible local bodies to have opted into the national scheme.

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 for 2017/18 and will continue to cooperate with our external auditors who serve us.

1.3 Financial and Value for Money Considerations

- 1.3.1 Both the audit fee for 2017/18 and the indicative fee for grant certification work can be met from within existing budget provision.

1.4 Risk Assessment

- 1.4.1 None.

Background papers:

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Nil

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