

**TONBRIDGE & MALLING BOROUGH COUNCIL**

**AUDIT COMMITTEE**

**22 January 2018**

**Report of the Director of Finance and Transformation**

**Part 1- Public**

**Delegated**

**1 SCALE OF AUDIT FEES FOR 2018/19**

**The report informs Members of the proposed scale of audit fees for 2018/19.**

**1.1 Introduction**

1.1.1 In July 2016, the Secretary of State specified Public Sector Audit Appointments Limited (PSAA) as an appointing person for principal local government authorities from 2018/19, under the provisions of the Local Audit and Accountability Act 2014 and the Local Audit (Appointing Person) Regulations 2015.

1.1.2 From 2018/19, PSAA's responsibilities include appointing auditors to opted-in bodies, setting fees, and monitoring the quality of auditors' work. The proposed scale of audit fees for 2018/19 can be found at the following link:

<https://www.psaa.co.uk/wp-content/uploads/2017/11/2018-19-scale-fees-consultation-document-Final.pdf>

1.1.3 The document sets out the proposed scale of audit fees for the work to be undertaken by appointed auditors in respect of the 2018/19 financial statements at authorities that have opted into PSAA national auditor appointment scheme. The document also discusses PSAA's intentions, and provides indicative estimates, for scale fees for the five years of the appointing period, from 2018/19 to 2022/23.

1.1.4 The proposed scale of audit fees for 2018/19 audits are based on the scale fees applicable for 2017/18, with a reduction of 23%. This reduction is possible as a result of the favourable prices secured from audit firms in the recent audit services procurement.

1.1.5 This is technically a consultation process and the return date for comments was 15 January 2018. On this occasion it was concluded there were no particular comments that needed to be made in response to the consultation.

## **1.2 Legal Implications**

- 1.2.1 PSAA has a statutory duty to prescribe a scale of fees for the audit of accounts of bodies that have opted into its national auditor appointment arrangements.

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

- 1.3.1 The proposed scale of audit fees for 2018/19 is £35,248 representing a reduction of 23% compared to the fees applicable for 2017/18.

## **1.4 Risk Assessment**

- 1.4.1 None.

## **1.5 Equality Impact Assessment**

- 1.5.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

## **1.6 Recommendations**

- 1.6.1 Members are asked to both **note** and **endorse** the proposed scale of audit fees for 2018/19.

Background papers:

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Nil

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