

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

27 July 2020

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Information

1 SCALE OF AUDIT FEES FOR 2020/21

The report informs Members of the scale of audit fees for 2020/21.

1.1 Introduction

- 1.1.1 From 2018/19, Public Sector Audit Appointments Limited (PSAA) became an appointing person for principal local government authorities under the provisions of the Local Audit and Accountability Act 2014 and the Local Audit (Appointing Person) Regulations 2015.
- 1.1.2 PSAA, an independent company set up by the Local Government Association, is responsible for setting fees, appointing auditors and monitoring the quality of auditor's work at authorities that have opted into PSAA national auditor appointment arrangements.
- 1.1.3 Following consultation, PSAA has published the fee scale for the audit of the 2020/21 accounts. The scale of audit fees for 2020/21 can be found at the following link:
[fee scale for the audit of the 2020/21 accounts](#)
- 1.1.4 PSAA propose a fee scale for 2020/21 which is unchanged from the fee scale for 2019/20 of £35,248 leaving the appointed auditor and audited body to discuss an appropriate adjustment to the fee following recent changes to the scope and depth of audit work required. On that note Members in January were advised that the fee for 2019/20 proposed by Grant Thornton UK LLP subject to PSAA agreement is £42,748. Against this background PSAA acknowledge that the fee scale for the audit of the 2020/21 accounts will need to be revisited once there is clarity on the 2019/20 fees and the revised NAO Code **[Annex 1]**.
- 1.1.5 Also attached for information is a report on the outcome of a review undertaken by PSAA **[Annex 2]** on any future audit procurement and the sustainability of the local audit market.

1.2 Legal Implications

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

1.3 Financial and Value for Money Considerations

1.3.1 It is assumed the fee scale for 2020/21 will be the same as that proposed by Grant Thornton UK LLP for 2019/20.

1.4 Risk Assessment

1.4.1 None.

Background papers:

contact: Neil Lawley

Nil

Sharon Shelton
Director of Finance and Transformation