

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

06 April 2021

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Information

1 SCALE OF AUDIT FEES FOR 2021/22

The report informs Members of the scale of audit fees for 2021/22.

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 2021/22 accounts. The fee scale for the audit of the 2021/22 accounts is set against the backcloth of four recent Government-commissioned reviews of audit, including the Redmond review of local audit and financial reporting, and in the context of the significant tensions and pressures currently present in the audit market and profession.
- 1.1.4 PSAA propose a fee scale for 2021/22 of £38,048 leaving the appointed auditor and audited body to discuss as appropriate a revised fee where there are changes to the scope and depth of audit work required. Any proposed change to the fee must be approved by PSAA.

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 The fee scale set by PSAA for the audit of the 2021/22 accounts is £38,048. That said the initial fee for the audit of the 2019/20 accounts was £42,748 and this figure has been used for budgeting purposes.

1.4 Risk Assessment

1.4.1 None.

Background papers:

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Nil

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