

Report of the Treasurer

7. External Audit Fee 2013/14

Purpose of report

1. To apprise the Audit and Standards Committee of the audit fee for the Authority along with the scope and timing of work to be undertaken.
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Recommendation

The Treasurer recommends that the report be noted.

Introduction and Background

2. Grant Thornton (UK) LLP has been appointed by the Audit Commission to act as auditors for Hereford and Worcester Fire and Rescue Authority for the next five years.
3. The Commission continues to determine the scale fee for Audit work to secure significant reductions in the cost of audit services. Together with further savings achieved through the Commission's own internal efficiencies, they are expecting to continue to pass on reductions of up to 40% in audit fees from 2013/14.

Scale Fee

4. The scale fee is defined as the fee required by auditors to carry out the work necessary to meet statutory responsibilities in accordance with the Code of Audit Practice.
5. The Authority's scale fee for 2013/14 is £43,829 which is the same audit fee as set for 2012/13 (£43,829)
6. Fees will be reviewed and updated as necessary as the audit work progresses.
7. Fees will be billed quarterly in advance. Given the timing of the appointment of Grant Thornton as the Authority's auditors, a bill for two quarters will be billed in December 2013 with the normal quarterly billing following thereafter.
8. The scale fee excludes any work requested by the Authority that Grant Thornton may agree to undertake outside of the Code audit. Each additional piece of work will be separately agreed and a detailed project specification and fee agreed with the Authority.

Outline Audit Timetable

9. Audit planning and interim audit procedures will be undertaken in the spring of 2014. Upon completion of this phase of work a detailed audit plan setting out findings and details of audit approach will be issued. Final accounts and work on the Value for Money Conclusion will be completed in July/August 2014 and work on the whole of government accounts return in August/September 2014.

Phase of Work	Timing	Outputs
Audit planning and interim audit	January to March 2014	Audit Plan
Final accounts audit	July/August 2014	Report to those charged with governance
Value for Money Conclusion	January to September 2014	Report to those charged with governance
Whole of government accounts	September 2014	Opinion on the Whole Government Accounts (WGA) return
Annual audit letter	October 2014	Annual audit letter to the Authority

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	Fees (see paras 4 – 8)
Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	None.
Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).	None.
Consultation (identify any public or other consultation that has been carried out on this matter)	None.
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	N/A

Supporting Information

Appendix 1 – Grant Thornton UK LLP – Planned Audit Fee for 2013/14 letter dated 16 April 2013

Contact Officer

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