

Report of the Treasurer

External Audit Fee 2018-19

Purpose of report

1. To update the Committee on the audit fee for 2018/19.
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Recommendations

The Treasurer recommends that the Committee note the External Audit Fee 2018/19 from Grant Thornton UK LLP.

Introduction

2. For the audit of accounts from the 2018/19 year onward, the Authority is now free to appoint its own internal auditors, subject to compliance with the relevant legislation.
3. Members will be aware that this Authority (along with 99% of all local authorities) signed up with the LGA company "Public Sector Audit Appointments Ltd" (PSAA) as the "appointing person", to manage the appointments.
4. In September 2017 the Committee was notified that Grant Thornton (UK) LLP have been appointed by the Audit Commission to act as auditors for Hereford & Worcester Fire Authority for a period of five years.
5. Public Sector Audit Appointments Ltd (PSAA) as successor body to the Audit Commission continues to determine the scale fee for Audit work.

Scale Fee 2018/19 Audit

6. 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.
7. The Authority's scale fee for 2018/19 is £25,311 which is 23% reduction on the fees for 2016/17 and 2017/18 (£32,872) and considerably less than the circa £80,000 pre-Austerity fees.
8. Fees will be reviewed and updated as necessary as the audit work progresses.
9. Fees will be billed quarterly in advance.

10. The scale fee excludes any work requested by the Authority that Grant Thornton may agree to undertake outside of the audit code. Each additional piece of work will be separately agreed and a detailed project specification and fee agreed with the Authority.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	Fees (see paras 6-9)
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 2018/19 letter dated 27 March 2018

Contact Officer

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