

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT COMMITTEE

10 JUNE 2013

1. **CONFIRMATION OF EXTERNAL AUDIT WORK
PROGRAMME AND SCALE OF FEES FOR 2013/14**

Report of the Chief Fire Officer and Treasurer.

RECOMMENDED

THAT the Committee note the external audit work programme and scale of fees for the 2013/14 audit work to be undertaken by Grant Thornton UK LLP.

2. **PURPOSE OF REPORT**

This report is submitted to inform the Committee of the external audit work programme and the scale of fees for 2013/14 as set out in the Planned Audit Fee for 2013/14 letter attached as Appendix 1.

3. **BACKGROUND**

- 3.1 Members were recently consulted upon the external audit scale of fees and work programme for 2013/14. Following this the external audit work programme and scale fee for 2013/14 has been confirmed. The proposed fee for this Authority for the delivery of the 2013/14 work programme is £51,515.
- 3.2 Members will recall that following the exercise to outsource the Public body audit work of the Audit Commission's in-house audit practice, the contract for undertaking of the external audit of this Authority was awarded to Grant Thornton UK LLP. The contract term was set at five years running from 2012/13 until 2016/17.
- 3.3 When the Audit Commission announced the contract awards it also confirmed that the scale of fees for the delivery of the 2012/13 work programme would be reduced by 40% in comparison to the 2011/12 scale of fees.

The Commission stated that it was anticipated that the 40% reduction would be fixed, irrespective of inflation, and would apply for the five year term of the contract although fees would be subject to annual review. Therefore, the confirmed fee for the delivery of the 2013/14 work programme is £51,515 which is the same as the 2012/13.

4. **EQUALITY IMPACT ASSESSMENT**

In preparing this report an initial Equality Impact Assessment is not required and has not been carried out. The matters contained in this report do not relate to a policy change.

5. **LEGAL IMPLICATIONS**

Section 7 of the Audit Commission Act 1998 and Section 12 of the Local Government Act 1999 places a statutory duty on the Commission to prescribe a scale of fees for the audit of accounts in inspections. Before prescribing any scale of fees it consults audited and inspected bodies, their representative associations and the accountancy profession. Once the Commission has prescribed a scale of fees it becomes payable by the audited or inspected body.

6. **FINANCIAL IMPLICATIONS**

The fee for the 2013/14 external audit work programme at £51,515 is the same as 2012/13 and represents a reduction of £28k compared to the 2011/12 fee.

BACKGROUND PAPERS

Audit Committee 7 January 2013, Agenda Item 6, Consultation on External Audit Scale of Fees and Work Programme 2013/14.

Audit and Performance Management Committee, 11 June 2012
Agenda Item 4, Contract Award for the Provision of External Audit Services and confirmation of Audit Scale Fee and Work Programme 2012/13.

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VIJ RANDENIYA
CHIEF FIRE OFFICER

STUART KELLAS
TREASURER