

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT COMMITTEE

24 MARCH 2014

1. **EXTERNAL AUDIT WORK PROGRAMME AND SCALE OF FEES FOR 2014/15**

Report of the Chief Fire Officer and Treasurer.

RECOMMENDED

THAT the Committee note the external audit work programme and scale of fees for the 2014/15 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 scale of fees for 2014/15 as set out in the Planned Audit Fee for 2014/15 letter attached as an Appendix.

3. **BACKGROUND**

- 3.1 Members will recall that following an 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.
- 3.2 When the Audit Commission announced the contract awards it also confirmed that the scale of fees for the delivery of the 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 reduced fee 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. The scale of fees proposed for the delivery of the 2014/15 work programme is £51,515 which is the same as for 2013/14.

- 3.3 Similarly, the work programme proposed for 2014/15 is broadly the same as the 2013/14 work programme. Essentially, the work programme will consist of an audit of the financial statements, audit work to enable a value for money conclusion and on the Whole of Government Accounts (WGA) return. This is applicable to all public bodies.

4. **EQUALITY IMPACT ASSESSMENT**

In preparing this report an initial Equality Impact Assessment has not been carried out. The matters contained in this report will not lead to policy change.

5. **LEGAL IMPLICATIONS**

The Local Audit Bill sets out the framework to support the delivery of local public audit arrangements.

6. **FINANCIAL IMPLICATIONS**

The proposed scale fee for the 2014/15 external audit work programme is £51,515.

BACKGROUND PAPERS

The contact name for this report is Mike Griffiths, Director of Resources, 0121 380 6907.

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