

**WEST MIDLANDS FIRE AND RESCUE AUTHORITY**

**EXECUTIVE COMMITTEE**

**9<sup>TH</sup> JUNE 2008**

1. **AUDIT AND INSPECTION PLAN 2008/09**

Report of the Chief Fire Officer.

RECOMMENDED

THAT the Executive Committee notes the attached Audit and Inspection Plan 2008/09.

2. **PURPOSE OF REPORT**

This report is submitted to inform the Committee of the proposed Audit and Inspection work being carried out by the Audit Commission in financial year 2008/09.

3. **BACKGROUND**

- 3.1 The Audit and Inspection Plan, attached to this report as Appendix 1, sets out the work the Audit Commission proposes to undertake for the financial year 2008/09. The plan takes into account the requirements of moving from Comprehensive Performance Assessment (CPA) towards Comprehensive Area Assessment (CAA).
- 3.2 The Audit Commission will be undertaking a range of audit and inspection work including: Direction of Travel (DoT); Use of Resources (UoR); Value for Money (VFM); Data Quality, Financial Statements, Accounts and Service Assessment.
- 3.3 The Audit Commission's indicative total fee for this Brigade's audit and inspection work for 2008/09 is £102,805 (plus VAT). The main reason for the increase compared to the previous year is due to the inclusion of the UoR assessment, previously undertaken and invoiced separately (£10,000 in 2007/2008) by the outgoing auditors KPMG, and Data Quality work. Tables 1 and 5 of Appendix 2 of the attached Audit and Inspection Plan provides a breakdown of the audit and inspection costs.

3.3.1 The Authority only pays for the total audit fee, currently proposed at £86,737 (plus VAT). The inspection fee which is the difference of £16,068 will be funded through the Communities and Local Government (CLG).

3.3.2 Any variation of the fee proposed by the auditor must be approved by the Audit Commission and agreed by the Authority. The Audit Commission normally expects that any variation of scale fees is no more, upwards or downwards, than 30 per cent.

3.3.3 The fees are based upon a series of assumptions, which are detailed in Appendix 2 of the attached Audit and Inspection Plan 2008/09.

#### 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 or 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**

Provision for the audit fee has been included in the Authority's budget for 2008/09 as part of the budget setting process.

### **BACKGROUND PAPERS**

Audit and Inspection Plan West Midlands Fire and Rescue Authority Audit 2008/09

F. J. E. SHEEHAN  
CHIEF FIRE OFFICER