



AUDIT COMMITTEE

24 April 2013

Subject Heading:

External Audit 2013/14 Fee Letter

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Policy context:

To consider fees.

Financial summary:

N/A

SUMMARY

The attached fee letter, Appendix 1, advises the Audit Committee of the planned External Audit Fees for 2013/14.

RECOMMENDATIONS

1. To note the contents of the fee letter.

REPORT DETAIL

The fee is based on the risk-based approach to audit planning set out in the Audit Commission's Code of Audit Practice and work mandated by the Commission for 2013/14.

The total indicative fee for the 2013/14 audit is £253,059 (excluding VAT). The estimated outturn fee for 2012/13 is £257,359.

The Audit Commission work programme for 2013/14 is essentially the same as the 2012/13 programme, and scale fees remain unchanged. The fee proposed for 2013/14 is in line with the scale fee.

The fee is based on a number of assumptions and a separate plan will be issued in January 2014 and this will set out the audit risks, planned audit procedures and any resulting changes in the fee.

IMPLICATIONS AND RISKS

Financial implications and risks:

The planned audit fee from the 2013/14 plan is £253,059. This is a reduction compared to the estimated outturn figure for £257,359.

The fee does not include any additional time required to audit grants, any additional work requested by the Council, and any additional work generated outside any assumptions on which the fee is based.

There are no other financial implications or risks arising directly from this report.

Legal implications and risks:

None arising directly from this report

Human Resources implications and risks:

None arising directly from this report

Equalities implications and risks:

None arising directly from this report

BACKGROUND PAPERS

London Borough of Havering 12/13 Fee Letter – PricewaterhouseCoopers