

LANCASHIRE COMBINED FIRE AUTHORITY AUDIT COMMITTEE

Meeting to be held on 29 January 2019

CONSULTATION ON 2019/20 SCALES OF AUDIT FEES

Contact for further information:

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Executive Summary

Public Sector Audit Appointments Limited (the successor to the Audit Commission) has produced a consultation document on proposed scale of audit fees for 2019/20; where they propose to maintain fees at their current level, £24k.

Recommendation

The Audit Committee is asked to note the consultation document as set out in the report.

Information

Public Sector Audit Appointments Limited (PSAA) is responsible under the Local Audit (Appointing Person) Regulations 2015 for setting the scale of fees for the audit of the accounts of principal local government and police bodies in England that have opted into the appointing person scheme.

PSAA consulted on the proposed scale of fees for 2019/20 audits in December 2018. They proposed that scale audit fees for 2019/20 should remain the same as the fees applicable for 2018/19. This continues to give opted-in bodies the benefit of the 23 per cent reduction PSAA was able to make to scale fees for 2018/19, as a result of the favourable prices secured from audit firms in our audit services procurement and planned reductions in PSAA's own operating costs.

They hope to be able to maintain the reduction of 23 per cent in scale fees for the first three years of the appointing period, based on current assumptions about inflation and the amount of work auditors are required to undertake. 2019/20 is the second year of the five-year appointing period. They will review and update their assumptions and estimates each year, and consult on scale fees for the following year. They may be able to sustain the reduction for the full five years of the appointing period, but economic uncertainties mean it is not possible to be certain at this stage.

The work that auditors will carry out on the 2019/20 accounts will be completed based on the requirements set out in the Local Audit and Accountability Act 2014 and under the Code of Audit Practice published by the National Audit Office. Proposed 2019/20 scale fees for the Authority remain at £23,669.

The consultation closed on 17 December. Given that no change was proposed, and after consultation with the Chair and Vice Chair, we did not submit a formal response to the document.

Financial Implications

The anticipated fee is reflected in our draft budget for 2019/20.

Human Resource Implications

None

Equality and Diversity Implications

None

Business Risk Implications

None

Environmental Impact

None

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact
Reason for inclusion in Part II, if appropriate:		