

AUDIT COMMITTEE	AGENDA ITEM No. 7
26 JUNE 2017	PUBLIC REPORT

Report of:	John Harrison, Corporate Director: Resources		
Cabinet Member(s) responsible:	Cllr Seaton Portfolio Holder for Resources		
Contact Officer(s):	Paul Cook Head of Corporate Finance	Tel. 454433	

AUDIT FEES 2017/18

RECOMMENDATIONS	
FROM: Corporate Director : Resources	Deadline date: N/A
It is recommended that Audit Committee approve the 2017/18 external audit fee proposal	

1. ORIGIN OF REPORT

1.1 The 2017/18 Fees letter has been received from Ernst & Young LLP.

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is to enable consideration of the proposed audit fees for auditing the 2017/18 accounts

2.2 This report is for the Audit Committee to consider under its Terms of Reference No. 2.2.1.7 To comment on the scope and depth of external audit work and to ensure it gives value for money

3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
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4. BACKGROUND AND KEY ISSUES

4.1 The proposed fee is the scale set by Public Sector Audit Appointments. It is the same fee as applied for the 2016/17 audit.

4.2 In proposing the scale fee Ernst & Young LLP have assumed that there are no significant increases in the Council's financial risks compared to 2016/17 and that the quality of the accounting and control environment is maintained. It is expected that this will be the case. If EY seek an extra fee for additional work, the Council would be able to challenge the increase through Public Sector Audit Appointments.

4.3 This is the level of external fee allowed in the 2017/18 approved budget.

4.4 Housing benefit certification work is a separate fee and cannot be determined at this stage until

DWP issues further guidance.

5. CONSULTATION

5.1 There has been no consultation in respect of this report

6. ANTICIPATED OUTCOMES OR IMPACT

6.1 Work will commence on the conclusion of the 2016/17 audit to plan the 2017/18 audit with Ernst & Young LLP. This will be on the new statutory timetable of draft accounts by 31 May 2018 and published accounts 31 July 2018.

7. REASON FOR THE RECOMMENDATION

7.1 The fee proposed is reasonable.

8. ALTERNATIVE OPTIONS CONSIDERED

8.1 None.

9. IMPLICATIONS

Financial Implications

9.1 The fees are provided for in the 2017/18 budget.

Legal Implications

9.2 Due process has been followed so there are no legal implications, anticipated.

Equalities Implications

9.3 None specific

10. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

10.1 The Accounts & Audit Regulations 2015

11. APPENDICES

11.1 Appendix A - Ernst & Young LLP letter 20 April 2017 'Annual Audit and Certification Fees 2017/18.