

# **Audit Commission Work Programme and Scale of Fees**

**Nottinghamshire County Council Audit Committee  
Audit 2012/13**

**The Audit Commission is a public corporation set up in 1983 to protect the public purse.**

**The Commission appoints auditors to councils, NHS bodies (excluding NHS Foundation trusts), police authorities and other local public services in England, and oversees their work. The auditors we appoint are either Audit Commission employees (our in-house Audit Practice) or one of the private audit firms. Our Audit Practice also audits NHS foundation trusts under separate arrangements.**

**We also help public bodies manage the financial challenges they face by providing authoritative, unbiased, evidence-based analysis and advice.**

# Contents

**Summary.....2**

**Appendix 1 – Work Programme and Scale of Fees 2012/13 - Local Government.....3**

# Summary

**1** Following consultation, the work programme and fee scales for 2012/13 have been confirmed for audits of local government, fire, police and health bodies. The Audit Commission published its Local Government Work Programme and Scale of Fees for 2012/13 on 11 April 2011 (Appendix 1). The key points from the publication are:

- The scale fees set by the Commission have been reduced by up to 40% for local government audits and have been fixed for five years. The Nottinghamshire County Council 2012/13 fee has been set at £130,950 (£218,250 in 2011/12).
- Grant certification fees are to be reduced from 2012/13 by 40 per cent. The previous schedule of maximum hourly rates is being replaced with a composite indicative fee for certification work for each council, with the indicative fee based on the latest actual certification fees for 2010/11. The Nottinghamshire County Council indicative fee for 2012/13 is £1,950.
- The Commission has specified that auditors will continue to carry out audit work on the Whole of Government Accounts.
- The Value for Money Conclusion audit will continue to be based on the two criteria, specified by the Commission, about audited bodies' arrangements for securing financial resilience and prioritising resources.
- The Commission does not envisage carrying out any inspections at any Councils in 2012/13, unless specifically directed to do so by the Secretary of State.
- The Commission will continue to charge fees to cover the additional costs of dealing with any local elector's objections to the accounts which have been accepted as valid.
- The Commission expects to publish its 2012/13 fee scale for Pension Fund audits soon. The fees are expected to be up to 40% less than in 2011/12 (the Nottinghamshire fee was £48,325 in 2011/12).

**2** In March 2012, the Commission concluded the procurement exercise to outsource the work of the audit practice, awarding five-year contracts to four private sector firms. The East Midlands contract has been awarded to KPMG. The Commission is consulting all audited bodies in April 2012 about the appointment of their auditor for the audit of the 2012/13 and future years' accounts. The appointments will start on 1 September 2012 and the Nottinghamshire County Council 2012/13 Audit Plan and fee proposals is expected to be prepared and presented to the Audit Committee by KPMG.

Appendix 1 – Work Programme and Scale of Fees 2012/13 - Local Government