

REPORT TO: Business Efficiency Board
DATE: 3 June 2009
REPORTING OFFICER: Strategic Director – Corporate & Policy
SUBJECT: External Audit Fee Letter 2009/10
WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to present to the Business Efficiency Board the external auditor's Audit Fee Letter for the 2009/10 financial year. The Board receives the letter on behalf of the Council.

2.0 RECOMMENDATION:

2.1 The Board is asked to receive and approve the Audit Fee Letter for 2009/10.

3.0 SUPPORTING INFORMATION

3.1 All local authorities are required to be audited by an auditor appointed by the Audit Commission under the terms of the Audit Commission Act 1998. At Halton Borough Council, the audit is undertaken by the Audit Commission's own staff.

3.2 The Audit Fee Letter for 2009/10 is attached to this report.

4.0 POLICY, FINANCIAL AND OTHER IMPLICATIONS

4.1 The proposed fee for the 2009/10 audit is £239,408, which is 6.8 per cent below the scale fee. The planned fee for £222,554 was 2008/09.

4.2 The Council is required to have its external audit conducted by an auditor appointed by the Audit Commission. The auditor must conduct the audit under the Code of Audit Practice approved by Parliament.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 The work of the external auditor provides assurance over the Council's financial accounting and value for money arrangements. As such it has implications for all the Council's priorities.

6.0 RISK ANALYSIS

- 6.1 The planned audit work and audit fee is based on the risk-based approach to audit planning as set out in the Code of Audit Practice and work mandated by the Audit Commission for 2009/10.
- 6.2 In setting the audit fee, the external auditor has assumed that the general level of risk in relation to the audit of the financial statements is slightly higher than that identified in 2008/09.

7.0 EQUALITY AND DIVERSITY ISSUES

- 7.1 There are no direct equality and diversity issues arising from this report.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None.