

**TYNE AND WEAR FIRE AND RESCUE AUTHORITY****MEETING: 13<sup>TH</sup> JUNE 2011****ANNUAL AUDIT FEE 2010/2011****REPORT OF THE FINANCE OFFICER****1 Purpose of the Report**

1.1 The external auditors of the Fire Authority, the Audit Commission, are required annually, to set out the work that they intend to cover and the applicable fee for that work for the new financial year (2011/2012). This report informs members of the recent notification for information and comment.

**2. Annual Audit Fee for 2011/2012**

2.1 Appendix A to this report shows the full notification received from the Audit Commission which details the audit work that they propose to undertake for the financial year 2011/2012 and their fee proposal for that work.

2.2 The details are set out in summary in the table below shows the applicable planned fees for 2011/2012 and how these compare to the previous year.

<b>Audit Activity</b>	<b>Planned fee 2011/2012 £</b>	<b>Planned fee 2010/2011 £</b>
Proposed Audit Fee	<b>68,080</b>	<b>74,000</b>

2.3 The Authority's Scale fee for 2011/12 has been reduced to £68,080 as a result of no inflationary increase and a cut in scale fees of 3%. The continued reduction in the overall audit fee of 8% (£5,920) for 2011/12 is welcomed.

**3. Recommendation**

3.1 The Committee is recommended to:

- Note the contents of this report
- Note the reduced audit fees for the work to be undertaken in 2011/2012, based on the Audit Commission's risk-based approach to audit planning.

**Background Papers**

Audit Commission: Audit Opinion Plan 2011/2012

Audit Commission: Notification of Fees for 2011/2012