

Draft Local Audit Bill

Purpose of report

For information and discussion.

Summary

The LGA Executive received a report at its 12 December 2012 meeting, on the draft Local Audit Bill and agreed that the LGA should explore options of establishing a sector owned approach to the procurement of external audit on behalf of local government (when the current contracts come to an end) in order to minimise costs to the sector. This report is attached for information at **Appendix A**.

Paragraph 6 in the report exemplifies the impact of the Commission's recent outsourcing exercise for the audit fees of some councils represented on the Executive. The following table provides a similar illustration for this Board.

Council	Proposed Fee for 12/13	Final scale fees for 12/13
Sevenoaks DC	£84,962	£56,641
Somerset CC	£199,756	£133,164
LB of Hounslow	£288,806	£192,537
East Lindsey DC	£92,340	£61,560

It is expected that the report of the ad hoc Committee of the House of Commons appointed to conduct pre-legislative scrutiny of the Draft Local Audit Bill will be published in the New Year. If this occurs before the Board meets, an oral update will be provided at the meeting.

Recommendation

Members are asked to note and comment on the report.

Action

Officers to take forward as directed by Members.

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