
STATUTORY INSTRUMENTS

2015 No. 192

The Local Audit (Appointing Person) Regulations 2015

PART 6

Fees for audit

Setting of fee scales for audits

16.—(1) An appointing person must specify, before the start of the financial year to which the scale of fees relates, the scale or scales of fees for the audit of the accounts of opted in authorities in relation to which the person is the relevant appointing person.

(2) A scale of fees must relate to a particular financial year, but may be set for more than one financial year at a time.

(3) An appointing person may vary the scale of fees which it has specified, but must not do so once the financial year to which the scale of fees relates has begun.

(4) Before specifying or varying any scale of fees, an appointing person must consult—

- (a) all opted in authorities;
- (b) such representative associations of principal authorities as appear to the specified person to be concerned, and
- (c) such bodies of accountants as appear to the appointing person to be appropriate.

(5) A scale of fees may take account of the costs or expenses and anticipated costs and expenses of—

- (a) the appointing person in respect of any function imposed by or under the Act;
- (b) anything which is reasonably incidental or supplementary to the functions of the appointing person imposed by or under the Act;
- (c) local auditors which are recoverable from authorities under the Act, specified in regulation 17(3).

(6) The scales of fees applicable to the audit of an authority which became an opted in authority under regulation 10 or 11 must be the scale of fees applicable to other opted in authorities falling within the same class of authorities as the authority.

Setting of fee for audit

17.—(1) Subject to paragraph (2), the fee for the audit of the accounts of an opted in authority must be set in accordance with the appropriate fee scale specified in accordance with regulation 16.

(2) If it appears to an appointing person, on the basis of information supplied by the local auditor which it has appointed—

- (a) that the work involved in a particular audit was substantially more or less than that envisaged by the appropriate scale, or
- (b) any of the provisions mentioned in paragraph (3) apply,

the appointing person may charge a fee which is larger or smaller than that referred to in paragraph (1), as appropriate.

(3) The costs or expenses of the local auditor recoverable from an authority under any of the following provisions of the Act are recoverable as part of the fee for the audit of the accounts of the opted in authority to which the costs or expenses relate—

- (a) section 23(3) (offences relating to auditor's right to documents and information);
- (b) section 26(3) (inspection of documents etc.);
- (c) section 27(7) (right to make objections at audit);
- (d) section 28(7) (declaration that item of account is unlawful);
- (e) section 31(6) (power of auditor to apply for judicial review);
- (f) paragraph 1(5) of Schedule 7 (public interest reports);
- (g) paragraph 2(4) of Schedule 7 (written recommendations); and
- (h) paragraph 3(5) of Schedule 8 (advisory notices).

(4) The appointing person must give notice to the authority concerned of any larger or smaller fee, giving reasons.

Payment of fee

18. An opted in authority must pay to the relevant appointing person the fee set under regulation 17.