

29 January 2018

Debbie Bozkurt
Chief Finance Officer
Western Isles Health and Social Care Partnership
Council Offices
Sandwick Road
Stornoway
Isle of Lewis
HS1 2BW

Dear Debbie

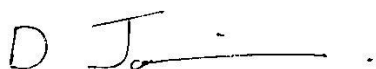
Western Isles Health and Social Care Partnership: proposed audit fee 2017/18

In December 2017 Elaine Boyd, Assistant Director – Appointments and Assurance, wrote to the Chief Officer setting out details of Audit Scotland's expected fee for the 2017/18 audit of the Integration Joint Board.

Based on this information, I now enclose my fee proposal for Western Isles Health and Social Care Partnership .

I would be happy to discuss this proposal with you.

Yours sincerely



David Jamieson
Senior Audit Manager

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Western Isles Health and Social Care Partnership: Fee for the audit proposal

Introduction

1. Audit Scotland sets auditor remuneration based on its assessment of the work likely to be needed to deliver the audit. To this figure will be added an allocation of pooled costs, performance audit / Best Value costs and audit support costs resulting in a total “expected fee”. Where, for example, significant local issues arise, the auditor remuneration element of the expected fee may be increased by up to 10% subject to negotiation and agreement with the IJB. Any adjustment outwith this range may only be agreed with the prior consent of the procurement team in Audit Scotland.
2. The breakdown of the expected audit fee for the IJB is shown in **Exhibit 1** below

Exhibit 1: Expected audit fee

Fee element	2017/18	2016/17	Increase
Auditor remuneration	£16,470	-	
Pooled costs	£1,460	-	
Performance audit / BV costs	£5,020	-	
Audit support costs	£1,050	-	
Total fee	£24,000	£17,400	£6,600

Proposed audit fee - Western Isles Health and Social Care Partnership

3. We have considered the following local circumstances in preparing our 2017/18 fee proposal:
 - an assessment of the local risk areas for the IJB
 - an assessment of the governance and accountability arrangements, the control environment and the risk assessment procedures
 - an initial review of internal audit and the reliance that can be placed on its work
 - a review of the arrangements for producing the financial statements
 - any issues that may impact on the audit opinion.
4. Based on this assessment we propose that the 2017/18 auditor remuneration for Western Isles Health and Social Care Partnership should be £24,000 in line with Audit Scotland’s expected fee.

Annual Audit Plan

5. The scope and timetable of our audit work is detailed in our annual audit plan which will be issued shortly. If it becomes necessary to undertake work that was not provided for in the audit plan, for example, correspondence or complaints requiring significant input, an increase in the agreed audit fee will be discussed with you separately.