

Kevin Stackhouse

From: FeeVariations <FeeVariations@psaa.co.uk>
Sent: 22 October 2021 14:42
To: Kevin Stackhouse
Subject: Fee Variation Statement 2019/20 for South Derbyshire District Council

Dear Mr Stackhouse,

We are writing to inform you that we have reviewed the fee variation proposal (£40,635) submitted by your auditor Ernst & Young LLP for South Derbyshire District Council for audit year 2019/20.

As you know we have a robust procedure to review and approve fee variations in accordance with the Local Audit (Appointing Person) Regulations. The auditor is required to discuss the proposal with the audited body before any matter is referred to PSAA. Auditors then provide us with the detail of the proposal and whether or not the proposal has been agreed (in full or in part) by the audited body. Once received PSAA considers each and every individual claim carefully, irrespective of whether or not there is local agreement. We have set out our process for assessing fee variation proposals on our website Fee variation process – PSAA, which includes considering their value and size relative to others that are similar.

Having carefully reviewed and considered all of the information provided to us, we have concluded that a variation of £18,110 is appropriate in your case (i.e. reducing the auditor's proposal by £22,525). A breakdown of the amounts approved is shown below.

Scale Fee	£37,942
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Fee Variations

Approved on	Category	Value
20/10/2021	PPE valuation	£2,300
20/10/2021	PPAs	£3,062
20/10/2021	COVID-19 impact on completion	£7,000
20/10/2021	Pension valuation	£2,100
20/10/2021	Quality or preparation issues	£848
20/10/2021	Increased FRC challenge	£2,800

Total Fee Variations	£18,110
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2019-2020 total fee including this variation	£56,052
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We appreciate that you may want to discuss this matter further, and if this is the case please contact us at feevariations@psaa.co.uk.

Kind regards

PSAA

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