

Appendix 2

April 2009

John Polychronakis
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Dear Mr Polychronakis

Annual inspection fee 2009/10

Further to our discussions, I am writing to confirm the assessment and inspection work that we propose to undertake for the 2009/10 financial year at Dudley Metropolitan Council. The inspection fee:

- is based on the risk-based approach to inspection planning as set out in the Comprehensive Area Assessment (CAA) framework and associated guidance; and
- reflects only the Audit Commission's inspection work, excluding any audit fees. Your appointed auditor will be writing to you separately on fees for audit work.

CAA will deliver a more proportionate and risk based approach to inspection, targeting only high risk services and outcomes for inspection where alternative improvement activity is not appropriate. The inspection plan will be reviewed and updated as necessary.

The total indicative fee for inspection for 2009/10 is £16,630.00 and is shown in the table below. The inspection fee has been set in accordance with the Audit Commission's work programme and scales of fees 2009/10.

Assessment and inspection work plan and fee

Assessment / inspection activity	Planned fee for 2009/10
Area assessment of local partnership	n/a (CLG grant funded)
Managing performance theme of organisational assessment	16,630.00

Add: Risk based inspection if applicable	0.00
Total inspection fee	£16,630.00

If I need to make any significant amendments to the inspection plan and fee during the course of the year, I will first discuss this with you and then confirm in writing outlining the reasons for the change, including the proposed scope for the work.

The above fee excludes any work you requested and the Commission has agreed to undertake using its advice and assistance powers.

If you have any questions regarding this letter, please contact me in the first instance. Alternatively you may wish to contact the Central Head of Operations, Phil Jones.

Yours sincerely,

Gary Stevens
Comprehensive Area Assessment Lead

cc Bill Baker, Interim Director of Finance