Archwilio Cymru
Audit Wales

Consultation on fee scales 2027-28

August 2026

How to respond

Please respond by 18 September 2026.

Responses can be sent to the following address:

Fee scales consultation
Audit Wales
1 Capital Quarter
Cardiff
CF10 4BZ

Or completed electronically and sent by email to: info@audit.wales

If you require this publication in an alternative format and/or language please contact us using the details provided above or by telephone on 029 2032 0500.

Publication of responses – confidentiality and data protection

Information provided in response to this consultation may be published or disclosed in accordance with access to information legislation (chiefly the Freedom of Information Act 2000, but also data protection legislation, including the General Data Protection Regulation, and the Environmental Information Regulations 2004).

If you want any information you provide to be treated as confidential, you should tell us why you regard the information you have provided as confidential. If we receive a request for disclosure of information we will take full account of your explanation, but we cannot give any assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Auditor General or Audit Wales.

Personal data will be processed in accordance with data protection legislation. Where such data falls within the scope of a request for information from another person, the provisions of data protection legislation and the Freedom of Information Act will need to be considered in the particular circumstances. While no situation can be prejudged, this is likely to mean that information concerning senior officials and public figures is likely to be disclosed while the names and addresses of ordinary members of the public are likely to be withheld.

Welsh language standards

Audit Wales is required to comply with Welsh Language Standards that provide for the Welsh language not to be treated less favourably than the English language. More information can be found on our Welsh language arrangements on our website. When reviewing this consultation, we would welcome your views on whether you consider there to be anything in this consultation that undermines or supports this requirement. We would also welcome your thoughts on any revisions that could be made to support opportunities to use the Welsh language or ensure we do not treat the Welsh language less favourably than the English language.

Contents

Foreword

Thank you for engaging with our annual consultation on fee scales. We are required by legislation to do this for local government bodies but choose to consult more widely so that all stakeholders have an opportunity to respond to our fee proposals. Taking account of responses to this consultation is an important part of our fee setting process.

How we set our fees

The fees we charge **may not exceed** the full cost of exercising the function that fee relates to. We do not and cannot make a profit on our work.

That principle is set out in the legislation that applies to our role and work.

Fee rates and fees charged

We set our audit fees based on our estimate of the skills mix and number of days which will be needed for us to complete our audit work, taking account of the nature, scale, complexity and risk of the organisation which we are auditing.

The actual fee that any audited body will pay depends on the fee rates together with the quantum of work and the skills mix required.

For our financial accounts audits, well prepared, timely accounts with supporting working papers, and swift responses to audit queries, will minimise the time required for audit which will have a direct impact on the fee charged.

Our proposal for this year

CPI inflation was 2.8% in the year to June 2026. Although we continue to experience inflationary pressures across our cost base, we have considered the Office for Budget Responsibility's inflation forecast published in March 2026, and we have sought to minimise the impact on audited bodies by driving out efficiencies in our work. **We are proposing a fee rate increase of 2.25% for 2027-28**.

We plan to continue to provide access to the National Fraud Initiative on a free-of-charge basis.

What we are doing to drive audit efficiency

We have continued to invest in additional staff resources as we work towards our objective to deliver all of our accounts audit work in line with statutory deadlines by March 2027. As we approach completion of the backlog of audits, we will reduce our staffing levels through natural attrition and temporary contracts to minimise the risks associated with redundancy and staff morale. Whilst this reduction places additional pressure on our fee rates, we continue to make a concerted effort to secure value for money, maintain our financial sustainability, and exploit digital and other technology to help manage costs.

I am acutely aware of the pressures facing the bodies that we audit and will continue to challenge our operating model to ensure that our audit fees continue to provide value for money whilst continuing to invest in and deliver the audit quality which is central to all decisions we make.

Summary

Our work at Audit Wales provides independent assurance regarding the use of public money, supports accountability and transparency, drives improvement in public services, and promotes value for money for the people of Wales.

High-quality statutory accounts are fundamental to public trust, good governance and financial sustainability.

We have identified a range of efficiencies to **limit our proposed fee rate increase to 2.25% for 2027-28**. Audited bodies can play their part in minimising the actual fees charged by preparing high-quality accounts and comprehensive working papers, and ensuring staff are available to respond to queries throughout the audit.

I hope that this consultation is helpful, and I look forward to considering your responses.

Many thanks

Catherine Mealing-Jones
Auditor General for Wales

Consultation

Fee rates 2027-28

Our proposed fee rates for 2027-28 are set out in **Exhibit 1**.

Exhibit 1: proposed fee rates 2027-28

Grade	Rate (£ per hour) 2027-28	Rate (£ per hour) 2026-27
Audit Director	189	187
Audit Manager	146	144
Audit Lead	121	118
Senior Auditor	99	95
Auditor	71	72
Graduate trainee	67	63
Apprentice	48	49

These rates represent a weighted average increase of 2.25% based on our overall staff mix. Increases by grade vary as, to meet the ‘no more than full cost’ requirement, we calculate rates based on actual staff in post, and hence the rates allow for incremental progression where relevant as well as expected pay increases for the year.

The Senedd Finance Committee scrutinises us on our spending, performance and budget plans, and the assumptions in this consultation are subject to their approval of our Estimate in November 2026 and our Fee Scheme early in 2027.

Further information on our work and our expenditure is provided in our Annual Report and Accounts 2025-26 and Annual Plan for 2026-27.

Our draft fee scales for local government bodies

The remainder of this document provides the fee scales for local government bodies and for mandatory participants in the National Fraud Initiative. The scales show the range of fees we expect to charge for a typical audited body in that sector with actual fees being set in response to local circumstances. These scales are not required for any other sector.

I would very much welcome your response to this consultation by 18 September 2026, to inform the Senedd's review of our Estimate and Draft Fee Scheme for 2027-28.

Fee scales for work undertaken under the National Fraud Initiative (data matching)

1 We invite your views on continuing participation in the National Fraud Initiative (NFI) on a nil-fee basis.

2 We are required to consult on and prescribe scales of fees for data matching for mandatory participants in the NFI. The Auditor General conducts the NFI using their statutory data-matching powers under Part 3A of the Public Audit (Wales) Act 2004.

3 The NFI matches data across organisations and systems to help public bodies identify potentially fraudulent or erroneous claims and transactions. The NFI has been a highly effective tool in detecting and preventing fraud and overpayments. Our last biennial report identified potential savings and over-payments of £7.1 million across Wales's public services, increasing cumulative savings to £56.5 million since 1996. We will be reporting the results from the most recent NFI exercise this autumn.

4 We have been in contact with participating bodies about the next NFI exercise. We are also expecting some new participants. Data will be submitted for matching this autumn.

5 Since April 2015, the Senedd has met the costs of running the NFI through payment from the Welsh Consolidated Fund (WCF). This is intended to encourage participation of organisations on a voluntary basis and to simplify arrangements for mandated participants. While we are expecting costs to increase by above inflation to support some wider NFI developments; we intend to continue with the current funding approach for 2027-28. As required by legislation, the fees for mandatory participants are shown in **Exhibit 2**.

Exhibit 2: NFI fees

	Fee 2027-28
Unitary authority; police and crime commissioners and chief constables; fire and rescue authorities; NHS trusts; local health boards	Nil
Voluntary participants	Nil
All participants may also be provided with access to the NFI Application Checker (App Check)	Nil

Fee scales for Local Government bodies

6 We invite your views on the proposed fee scales which will apply to Local Government bodies for the audit of accounts 2026-27 and for 2027-28 performance audit work.

7 Our audit of accounts fee scale takes account of the average increase of fee rates as set out in **Exhibit 1**.

Unitary Authorities

Exhibit 3: draft fee scale for the audit of 2026-27 accounts

		Fee range		Previous Year
Gross Expenditure £ million	Minimum £'000	Median £'000	Maximum £'000	Median £'000
100	150	177	203	172
200	181	212	244	207
300	201	237	272	230
400	217	256	294	249
500	231	271	312	264
600	242	285	327	277
700	252	297	341	289
800	261	307	353	299
900	270	317	365	309
1,000	277	326	375	317
1,100	284	335	385	325
1,200	291	342	394	333

Exhibit 4: draft fee scale for 2027-28 performance audit work

	Fee range			Previous Year
All unitary authorities	Minimum £'000	Median £'000	Maximum £'000	Median £'000
	117	124	140	121

Local Government Pension Funds

Exhibit 5: draft fee scale for audit of 2026-27 accounts

	Fee range			Previous Year
All pension funds	Minimum £'000	Median £'000	Maximum £'000	Median £'000
	46	59	62	58

Fire and Rescue Authorities

Exhibit 6: draft fee scale for audit of 2026-27 accounts

	Fee range			Previous Year
Gross Expenditure £ million	Minimum £'000	Median £'000	Maximum £'000	Median £'000
20	44	52	60	50
40	53	62	72	61
60	59	69	80	68
80	64	75	86	73
100	68	80	91	77

Exhibit 7: draft fee scale for 2027-28 performance audit work

	Fee range			Previous Year
All fire and rescue authorities	Minimum £'000	Median £'000	Maximum £'000	Median £'000
	21	22	25	21

National Park Authorities

Exhibit 8: draft fee scale for audit of 2026-27 accounts

	Fee range			Previous Year
Gross Expenditure £ million	Minimum £'000	Median £'000	Maximum £'000	Median £'000
2	27	32	37	31
4	33	39	44	38
6	37	43	49	42
8	39	46	53	45
10	42	49	57	48

Exhibit 9: draft fee scale for 2027-28 performance audit work

	Fee range			Previous Year
All national park authorities	Minimum £'000	Median £'000	Maximum £'000	Median £'000
	23	25	28	24

Police and Crime Commissioners

8 Auditors undertake audits of two statutory bodies in a police area – the Police and Crime Commissioners (PCCs) and the Chief Constables (CCs). The split of the total fee between the two bodies in a particular police area will be a matter for auditors to determine, based on accounting requirements and the operational arrangements put in place by each of the bodies.

Exhibit 10: draft fee scale for audit of 2026-27 accounts

	Combined fee range for PCCs and CCs			Previous Year
Combined Gross Expenditure of PCC and CC £ million	Minimum £'000	Median £'000	Maximum £'000	Median £'000
50	76	87	99	85
100	89	103	117	100
150	98	114	130	111
200	105	122	139	119
250	111	129	147	126
300	116	135	154	132
350	121	141	160	137

Town and community councils with annual income or expenditure under £2.5 million

9 Town and community councils in Wales are subject to a limited assurance audit regime.

10 In October 2020, the Auditor General published a paper setting out how these audits will be carried out on a three-year cycle as set out in **Exhibit 11**.

Exhibit 11: three-year audit cycle for town and community councils

	Group A	Group B	Group C
2025-26 audits	Basic audit	Full audit	Basic audit
2026-27 audits	Basic audit	Basic audit	Full audit
2027-28 audits	Full audit	Basic audit	Basic audit

11 Charges for this work are based on time taken to the complete the audit at fee rate charges as set out in **Exhibit 1** on **page 7**.

12 **Exhibit 12** provides a range of fees for differing sizes of councils as measured by income and expenditure and incorporates assumptions about the complexity of the larger councils and that the records provided for audit are complete and sufficient for the audit.

Exhibit 12: estimated time charges for the audit of 2026-27 accounts of town and community councils

	Band 1 (<£10k)	Band 2 (<£25k)	Band 3 (<£50k)	Band 4 (<£100k)	Band 5 (<£500k)	Band 6 (>£500k)
Full audit	£410-£800	£430-£800	£505-£905	£620-£1,070	£890-£1,423	£1,100-£1,935
Basic audit	£200-£270	£200-£270	£200-£270	£225-£295	£225-£295	£240-£300

Fee rates for other work in local government

13 Other than those types of bodies for which fee scales have been prescribed as shown above, there are a small number of other types of local government body where our prescription of the fee scale is a matter of converting the resource requirements into fees directly based on the costs of delivering the work or by applying the fee rates as set out in **Exhibit 1**. This will include audits of Corporate Joint Committees. It remains the case that for audits of these bodies we apply a zero-based approach to audit planning.

14 For all types of local government body, to meet their statutory responsibilities, it is sometimes necessary for the Auditor General to carry out work which goes beyond general duties (those set out in section 17 of the Public Audit (Wales) Act 2004 and in section 15 of the Well-being of Future Generations (Wales) Act 2015). Additional work can include reports in the public interest, extraordinary audit, special inspections, and further work in relation to elector challenge and the prevention of unlawful expenditure. Charges for this type of work will reflect the nature of the work required.

15 Auditors may also undertake grant certification work at local government bodies on behalf of the Auditor General. The amount of grant certification work undertaken in any year is dependent on the number of schemes subject to audit and the number of audited bodies participating in those schemes. Charges for this work are made on a per-hour basis and reflect the size, complexity and/or any issues in respect of the grant in question as set out in **Exhibit 13**.

Exhibit 13: estimates of the relative proportions of audit staff grades to be used for different types of grants work

Grade of staff	Complex grants staff mix %	All other grants staff mix %
Engagement Director	1 to 2	0 to 1
Audit Manager	4 to 6	1 to 2
Audit Lead	18 to 21	12 to 16
Auditor/graduate trainee/apprentice	71 to 77	81 to 87

Complex grants include:

- BEN01 Housing and council tax benefits scheme
- LA01 National non-domestic rates return
- PEN05 Teachers’ pensions return

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Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.