

The estimate of £50 million savings is derived from savings in the operating costs of the Audit Commission's corporate and central directorates, as reported in the Commission's Annual Report for the financial year 2008/9 and expectations of lower fees for audited bodies as a result of competition. The Annual Report, which can be found at: <http://www.audit-commission.gov.uk/aboutus/annualreportsandreviews/oldperformancedocuments/pages/previousannualreports.asp> states that the operating costs of the directorates concerned were £52.1 million. We will undertake an impact assessment, which will quantify the costs and benefits of our proposed reforms in more detail, before introducing the legislation needed to implement our proposals. The impact assessment will be published on the Department's website at:

www.communities.gov.uk