

COUNCIL – 21ST FEBRUARY 2022

Report of the Audit Committee

ITEM 6.5 APPOINTMENT OF EXTERNAL AUDITORS

Purpose of Report

To consider a recommendation of the Audit Committee that the Council opts into the appointing person arrangements made by Public Sector Audit Appointments Ltd (PSAA) for the appointment of external auditors and that authority is delegated to the Strategic Director of Environmental & Corporate Services to submit the formal notice of acceptance and provision of information to PSAA as required.

Recommendations

1. That the Council opts into the appointing person arrangements made by Public Sector Audit Appointments Ltd (PSAA) for the appointment of external auditors.
2. That authority is delegated to the Strategic Director of Environmental & Corporate Services to submit the formal notice of acceptance and provision of information to PSAA as required.

Reasons

1. To enable the Council to participate in the PSAA appointing arrangements.
2. To allow the engagement process to be carried out efficiently.

Policy Justification and Previous Decisions

Appointment of an external auditor is a legal requirement.

The previous appointment of the external auditor was carried out using an equivalent appointing arrangement.

At its meeting on 16th November 2021, the Audit Committee considered a report of the Strategic Director of Environmental & Corporate Services setting out the appointment process and options available on the appointment of external auditors, and offering a proposal that the Audit Committee can consider recommending to Council for the final decision on the appointment of an External Auditor for 2023/24 and subsequent years.

The Committee resolved to recommend to Full Council that the Council opts into the appointing person arrangements made by Public Sector Audit Appointments Ltd (PSAA) for the appointment of external auditors and that authority is delegated to the Strategic Director of Environmental & Corporate Services to submit the formal notice of acceptance and provision of information to PSAA as required.

The report considered by the Committee, is attached as an appendix.

Implementation Timetable including Future Decisions and Scrutiny

The appointment of external auditors would be with effect from 1 April 2023. The deadline for opting into the PSAA appointing arrangements is 11 March 2022, which will need to follow ratification by Council.

Report Implications

Financial Implications

Whatever appointing option is followed, there will be uncertainty about the audit fee chargeable. On balance it is likely that the PSAA appointing arrangements, as detailed in the body of the report, will produce a financially advantageous outcome.

Risk Management

There are no especial risks associated with this decision.

Key Decision: No

Background Papers: Audit Committee Minute 37, 2021/22, 16th November 2021.

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Appendix: Appointment of External Auditors, report of the Strategic Director of Environmental & Corporate Services, Audit Committee, 16th November 2021.