

**AUDIT AND GOVERNANCE COMMITTEE**

**23 March 2012**

**LOCAL PUBLIC AUDIT – UPDATE ON AUDITOR APPOINTMENT**

**Report of the Executive Director of Commercial and Corporate Services**

**1. Purpose of Report**

- 1.1 To provide an update on the appointment of the external auditor to the Council.

**2. Background**

- 2.1 Members have received previous reports updating them on the progress of the procurement of the external auditor for the Council which is being managed by the Audit Commission. This report provides an update in relation to the results of the procurement process for the Council.

**3. Results of the Procurement Process**

- 3.1 The proposed external auditor appointment for the Council is the District Audit Partnership. As the Partnership only won one contract nationally it will become a wholly owned subsidiary of Mazars, which had helped to set it up, and will trade as Mazars DA. It is therefore possible that the same staff that currently work as the Council's external auditors will continue to do so. Given the existing good relationships this would be welcomed. The Audit Commission have said that the appointments, along with other efficiencies, will reduce audit fees for local public bodies by 40% overall. Obviously, the position in relation to fees for the Council will not be known until later. The contracts have been awarded for 5 years and will start in September 2012.
- 3.2 Now contracts have been awarded, the Audit Commission will consult with audited bodies on the appointment of their proposed new auditors. These will then be formally approved by the commission's board in July.

**4. Recommendations**

- 5.1 Members are asked to note the report.

## **Background Papers**

Consultation on Local Public Audit – Audit and Governance Committee 30<sup>th</sup>  
June 2011

Local Public Audit – Update On Procurement Process 25<sup>th</sup> November 2011