

POLICE AND CRIME COMMISSIONER FOR LEICESTERSHIRE DECISION RECORD

To be completed in cases where a decision is required

DECISION OF POLICE AND CRIME COMMISSIONER

Date: 6th February 2017

Officers present: Helen King, Chief Finance Officer

Received in OPCC Date:

OPCC Ref: ExE0001 | 17.

Title: Agreement to Opt in to the National Scheme for Auditor Appointments

Summary of Issue:

Current external audit arrangements for Leicestershire and other Public Sector bodies were secured by the Audit Commission and expire at the end of 2017/18. The external auditors for public sector bodies for 2018/19 onwards have to be appointed before the end of 2017.

The Secretary of State has given Public Sector Audit Appointments (PSAA) the role of appointing local auditors under a national scheme.

PSAA are a not for profit company established by the Local Government Association (LGA) who administer the current audit contracts, previously led by the Audit Commission before it closed.

The Secretary of State for Communities and Local Government has specified PSAA as the appointing person for principal local government bodies.

PSAA will appoint an auditor for opted-in authorities for each of the five financial years beginning from 1 April 2018.

PSAA will carry out collective procurement which is intended to secure the best prices, keeping the cost of audit as low as possible. Since taking over the audit arrangements from the Audit Commission, the PCC has received reductions on audit fees compared to previous years' contracts.

The PSAA approach will endeavour to appoint the same auditors to other opted in bodies that are involved in formal collaboration or joint working initiatives.

This would be of great benefit in the East Midlands forces and PCCs (and all in the East Midlands are "opting in") where there are a mix of different audit bodies and different auditors within those bodies and where this has on occasion resulted in inconsistent application of approach and additional costs to gain assurances.

The Local Authority and Accountability Act 2014 provides that firms must be registered as public auditors with one of the chartered institutes acting in the capacity of a Recognised Supervisory Body (RSB). The quality of registered firms work will be subject to scrutiny by both the RSB and the Financial Reporting Council (FRC) under arrangements set out in the Act.

External Audit Fees for Leicestershire PCC in 2015/16 were £36K compared to £43k under the previous Audit Commission arrangements. The 2015/16 sum included £3k for assurance of regional arrangements which it is anticipated could reduce further from shared arrangements and opportunities to achieve economies of scale

Recommendations presented:

That the PCC agree to opt in to the Public Sector Audit Arrangements for External Auditor Appointments for Leicestershire.

Key discussion points at meeting:

The PCC and the Chief Constable, although two corporation soles are required to appoint the same auditor, therefore, this recommendation will cover both organisations.

It was resolved that :

Leicestershire Opt In to the arrangements.

OFFICE OF PCC APPROVAL

Chief Executive or Chief Finance Officer:

I have been consulted about the proposal and confirm that appropriate advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner



Signature:

Name: Helen King

Date: 2/2/17

Publication Scheme

Decision of Monitoring Officer:

As Monitoring Officer for the Office of Police and Crime Commissioner for Leicestershire I have determined that :

It is appropriate to publish this record of decision made by the Police and Crime Commissioner : **Yes**

It is appropriate to publish the contents of the assessment of the decision by either of the senior post holders in the Office of the Police and Crime Commissioner for Leicestershire (i.e. either the Chief Executive or Chief Finance Officer) : **Yes**

It is appropriate to publish details of the decision by the Police and Crime Commissioner for Leicestershire : **Yes**

Reasons for any non Publication (referencing appropriate legislation):

Not applicable

Signature



Name ANGELA PERRY

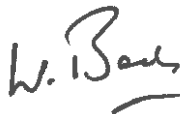
Date 6.2.17

Police and Crime Commissioner for Leicestershire

Having received the advice set out above and reviewed relevant documentation my decision in regard of this matter is:

Supported /~~Not-Supported~~

Signature



Date

21 Feb
2017.