

CONFIRMATION OF AUDITOR APPOINTMENT FROM 2015/16

To: **Audit and Accounts Committee**

Date: **20th January 2015**

From: **Head of Finance**

Electoral Division(s): **All**

Forward Plan Ref: **N/A**

Key decision: **No**

Purpose: To notify the Audit and Accounts Committee of the Audit Commission's confirmation of the auditor appointment for the Council from 2015/16.

Key Issues: Confirmation of the change in external auditor from 2015/16.

Recommendations: The Audit and Accounts Committee to note the change in auditor from PricewaterhouseCoopers LLP to BDO LLP from 2015/16 for a period of 2 years.

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1.0 BACKGROUND

- 1.1 In accordance with section 3 of the Audit Commission Act 1998, an auditor is appointed by the Audit Commission to audit the accounts of a body whose accounts are required to be audited.
- 1.2 For the past 7 years, the external audit of the Council's accounts has been undertaken by PricewaterhouseCoopers LLP (PwC).
- 1.3 It is the Audit Commission's policy that engagement leaders at an audited body, at which a full Code audit is required to be carried out, should act for an initial period of five years. The Commission's view is that generally the range of regulatory safeguards it applies within its audit regime is sufficient to reduce any threats to independence that may otherwise arise at the end of this period to an acceptable level. Therefore, to safeguard audit quality, and in accordance with APB Ethical Standard 3, it will subsequently approve engagement leaders for an additional period of up to no more than two years, provided that there are no considerations that compromise, or could be perceived to compromise, the auditor's independence or objectivity.
- 1.4 Julian Rickett, as the engagement leader, is currently in his 7th year of appointment and will therefore be replaced by Clive Everest for the 2014-15 audit of the Council's Accounts.

2.0 CONFIRMATION OF AUDITOR APPOINTMENT 2015/16

- 2.1 Following correspondence in June, on the 15 December 2014, the Council received notification from the Audit Commission confirming the appointment of BDO LLP to audit the Accounts of the Council for two years from 2015/16.
- 2.2 The detailed letter from the Audit Commission can be seen at Appendix 1.

3.0 ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

3.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

3.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

4.0 SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

There are no significant implications within this category.

4.2 Statutory, Risk and Legal Implications

There are no significant implications within this category.

4.3 Equality and Diversity Implications

There are no significant implications within this category.

4.4 Engagement and Consultation Implications

There are no significant implications within this category.

4.5 Localism and Local Member Involvement

There are no significant implications within this category.

4.6 Public Health Implications

There are no significant implications within this category.

<u>Source Documents</u>	<u>Location</u>
Audit Commission letter dated 15 th December 2014.	Head of Finance office copy attached as appendix.