JOINT INDEPENDENT AUDIT COMMITTEE
2 MARCH 2022

12

SUBJECT	APPOINTMENT OF EXTERNAL AUDITORS FROM 2023/24 AUDIT
REPORT BY	DEPUTY CHIEF FINANCE OFFICER (PCC & CC)
CONTACT OFFICERS	GILLIAN HOLDER, DEPUTY CHIEF FINANCE OFFICER TEL: 01522 947467
SUMMARY AND PURPOSE OF REPORT To provide the committee with the draft PCC Decision notice for consideration by Members prior to it being signed-off by the PCC.	
RECOMMENDATION	That the Committee review the draft decision notice and comment on the options and the recommendation.

A. Supporting Information

1. Introduction

The purpose of this report is to set out the procurement options to make a decision whether to opt in to the PSAA as appointing person by their deadline of 11 March 2022.

2. Background

2.1 The Local Audit & Accountability Act 2014 abolished the previous audit regime, and the Audit Commission closed on 31 March 2015.

2.2 The current External Auditor is Ernst & Young LLP up to and including the audit of the 2022/23 financial year.

2.3 The Police & Crime Commissioner (PCC) for Lincolnshire is required to appoint their own, and the Chief Constable's, External Auditor by 31 December 2022, for the 2023/24 financial year onwards, and then make a further appointment of a local auditor at least once every 5 years.

2.4 The local auditor appointed must be eligible for appointment in accordance with the Local Audit & Accountability Act 2014.

3. Options

3.1 The draft PCC Decision notice is attached at Appendix A, this includes the options paper to be considered to make the decision on the preferred procurement approach.

3.2 The options paper was considered on 4 January 2022 by the EM Regional CFOs who agreed that their preferred option was to opt in to the PSAA as the appointing person.

4. Key Dates

4.1 PCC decision will be required on the preferred procurement option by 11 March 2022.

4.2 If 4.1 above does not involve the PSAA, a PCC decision will also be needed in March 2022 to determine how an Auditor Panel will be established.

4.3 If a stand-alone procurement is chosen it will need to commence in April 2022.

4.4 If 4.1 above does not involve the PSAA, the PCC will need to appoint the external auditor for both PCC and CC in December 2022.

4.5 If 4.1 is to opt into the PSAA, the timetable and process will be directed by that body, with a view to appointing in December 2022.

4.6 The PCC must publish specific information in accordance with The Local Audit & Accountability Act 2014 (Part 3), within 28 days of the appointment.

B. Financial Considerations

None at this stage. Financial considerations will be part of the procurement process in the future. The fees for 2021/22 are £22,554 for the PCC and £11,550 for the CC.

C. Legal and Human Rights Considerations

None

D. Personnel, Equal Opportunities and Diversity Issues

(Including any impact or issues relating to Children & Young People)

None

E. Review Arrangements

The JIAC will be kept up to date with progress.

F. Risk Management

Consideration of the options now mitigates the risk of missing the opportunity to opt into the PSAA as the appointing person by 11 March 2022. It also mitigates the risk of failing to appoint the External Auditor by 31 December 2022.

All opportunities to engage with the PSAA, to ensure the second round of appointments address the issues experienced in round one, will be maximised.

G. Public Access to Information

Information in the report along with any supporting material is subject to the Freedom of Information Act 2000 and other legislation.