

## Warwickshire Joint Audit and Standards Committee Report Summary

**Meeting Date:** 19<sup>th</sup> January 2022

**Subject:** External Audit arrangement post April 2023

**Contact details:** Sara Ansell

### **Purpose of the Report:**

The purpose of this report is to provide to the Committee the comprehensive briefing report that has been presented to the PCC, for consideration, to assist him in deciding on the best option for procuring external audit services beyond April 2023 for the PCC and Chief Constable. It is recommended as part of that report, that the PCC seeks the views of the JASC prior to making a formal decision on future external audit service procurement/provision.

### **Recommendation:**

For the JASC to note the briefing paper received by the PCC from the Treasurer, along with the recommendation made, and provide their own feedback and thoughts to the PCC prior to a formal decision being made.

### **Background:**

The attached briefing paper provides a comprehensive update on the statutory obligations and reasons for needing to make a decision and the options available including the advantages and disadvantages of each option for securing external audit services beyond April 2023, when the current PSAA contract ends. The report provides consideration of the next steps, risks and the legal and financial implications.

### **Executive summary:**

Discussions regarding the content of the briefing paper have been held between the PCC and Treasurer, and separately between the Treasurer and Director of Finance. The Director of Finance will discuss the options with the Chief Constable and her views will also be taken into account in the final decision making process. Both Section 151 officers agree on the recommendation made to the PCC.

The recommendation does however also include that the PCC takes into account the views of the JASC and their feedback before finalising his decision.

If the PCC wishes to accept the recommendation, a formal decision to do so needs to be taken and communicated to PSAA prior to 11 March 2022.

If the PCC wishes to not accept the recommendation, and chooses an alternative option an action plan and appropriate budget will need to be established to consider the necessary preparations to ensure that a full and compliant procurement process can be ran to secure external audit services beyond April 2023.

JASC has specific responsibilities in regard to external audit and are reproduced here from its terms of reference:

***External Audit***

*The Committee will provide advice and recommendations to the PCC or Chief Constable in relation to the following areas:*

*Support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by Public Sector Audit Appointments Ltd.*

*Comment on the scope and depth of external audit work, its independence and whether it gives satisfactory value for money.*

*Consider the external auditor's annual audit letter, relevant reports and the report to those charged with governance.*

*Consider specific reports as agreed with the external auditor.*

*Advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.*

The Commissioner welcomes and will consider the views of the Committee prior to his decision making on this matter.