

CHESHIRE FIRE AUTHORITY

MEETING OF: AUDIT COMMITTEE
DATE: 17TH APRIL 2024
REPORT OF: TREASURER (S151 OFFICER)
AUTHOR: JAMES CUNNINGHAM

SUBJECT: APPOINTMENT OF EXTERNAL AUDITOR

Purpose of Report

1. To update the Audit Committee on the appointment of an external auditor.

Recommended: That

[1] the report be noted.

Background

2. The Audit Commission was previously responsible for appointing external audit to public sector authorities. Its remit was extended to perform audits for certain public sector bodies, specifically fire and rescue services from 2004.
3. The Audit Commission was disbanded by the UK Government in 2015, with future audits being conducted by audit firms in the private sector.
4. Public Sector Audit Appointments Limited (PSAA) was formed by the Local Government Association. Initially the PSAA took responsibility for appointing external auditors for public bodies as part of a transitional arrangement.
5. Public bodies were then able to either appoint their own auditors or delegate appointment to the PSAA.
6. The Fire Authority chose to use PSAA to appoint its external auditors.
7. The PSAA act for a significant number of public bodies and as such are able to negotiate beneficial rates as a result.
8. The current landscape of public sector audits can reasonably be described as a complete mess. A large number of public bodies have been unable to publish audited accounts, as their audits have not been completed.

Information

9. The PSAA had previously appointed Grant Thornton as the auditor for the Authority on a three year fixed term contract. The last year of the appointment was for 2022/23 year.
10. The PSAA then appointed Mazars in August 2023 for the following three statutory accounting years.
11. In February 2024 the PSAA then asked if they could appoint a different auditor to the Authority in order to solve a national problem in auditor appointments.
12. The PSAA have proposed that Bishop Fleming be appointed as auditor to the Fire Authority.
13. The Committee should note that as a result of the PSAA action, the start of any work associated with the appointment has been much later than hoped and will have a knock on effect for the audit.

Financial Implications

14. None

Legal Implications

15. Signing of the statutory accounts maybe delayed.

Equality and Diversity Implications

16. None

Environmental Implications

17. None

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BACKGROUND PAPERS: NONE**