

Jane Markham

From: "YLCA Admin" <Admin@Yorkshirelca.gov.uk>
Date: 23 May, 2016 1:01 PM
Subject: NEW EXTERNAL AUDIT REGIME FOR SMALLER AUTHORITIES – SAAA CHAIRMAN'S COMMUNICATION NO: 4

FROM: SHEENA SPENCE
 CHIEF OFFICER
 YORKSHIRE LOCAL COUNCILS ASSOCIATIONS

Dear Clerk,

NEW EXTERNAL AUDIT REGIME FOR SMALLER AUTHORITIES – SAAA CHAIRMAN'S COMMUNICATION NO: 4

We are e-mailing to give you the latest information which has been supplied by Mike Attenborough-Cox the Chairman of Smaller Authorities Audits Limited (SAAA). Please find this below:

The body is now fully established as an independent sector led body and is a company limited by guarantee. We are now in the process of finalising the legal details around our Articles and our Memorandum of Understanding with DCLG as well as clarifying current and future funding arrangements. Working with our procurement partner, SAAA has started the procurement process to appoint external auditors to opted-in authorities for a 5 year period commencing 1 April 2017. The contract notice has been placed in the Official Journal of the European Union (OJEU) and the Pre-Qualification Questionnaire (PQQ) published. The next milestone will be mid-May which is the deadline for expressions of interests from potential suppliers. PQQs will be evaluated and the SAAA Board will approve a shortlist of suppliers to proceed to the next stage of the procurement process in June. The Invitation to Tender (ITT) will be issued at the end of June to shortlisted suppliers with an end of July deadline for the submission of tenders. The evaluation of tenders will take place during August which should lead to a selection of "appointed auditors" by the SAAA Board in September, enabling contracts to be issued and concluded in October.

SAAA Ltd continues to hold regular discussions with all stakeholders in the sector, and has been working with Public Sector Audit Appointments Ltd (PSAA) and the Department of Communities and Local Government (DCLG) to plan a smooth transition to the new regime. The number of Smaller Authorities opting out of the SAAA Scheme and choosing to make their own arrangements now totals less than 50 nationally. These authorities will have to ensure full compliance with the relevant legislation and follow the detailed CIPFA guidance on how to procure their own "appointed auditors", taking note of the implications outlined in Chairman's Communication No. 3 and key messages for opted-out authorities. If you believe that your authority may have opted out in error then you need to contact SAAA immediately (please do this via YLCA).

SAAA Ltd has now moved to new premises in the Chartered Institute of Public Finance and Accountancy (CIPFA) headquarters at 77 Mansell Street, London E1 8AN. This arrangement provides a modern office base with the premier public sector accountancy body. Howard Midworth has been appointed as the General Manager and Howard will be known to many in the sector from his time as Chief Executive at the Society of Local Council Clerks. He brings an in depth understanding and recent experience of smaller authorities and the limited assurance audit regime, and has also previously worked in various senior management and finance roles for a principal authority and in the private sector. In addition, we have also recruited, Alastair Pether, as our IT, Database and Communications Manager. Peter Wrigley who has been the Programme Manager during the successful set up phase will be concluding his involvement in June; we wish Peter well in his new post and would like to thank him for his invaluable support.

23-May-16