

Opted-out Authorities

All active small authorities are required by law to have appointed external auditors by 31 December 2016 for the 2017/18 financial year, with these appointments beginning on 1 April 2017.

For all opted in authorities, SAAA Ltd will have concluded the external auditor appointment process on their behalf by early November 2016.

Opted out authorities will need to make their own arrangements and should have appointed their auditors, or be in the process of doing so, in accordance with the prescribed process under the Audit and Accountability Act 2014.

SAAA Ltd is required as the 'specified person' appointed by the Secretary of State for the Department of Communities and Local Government to contact those authorities' that have opted-out of the central appointment process to confirm that their external auditors have each been properly appointed by the authority in accordance with the legislation and CIPFA guidelines.

Information required will include:

- Confirmation that the authority has established an independent Audit Panel/Committee which meets the requirement of the Local Audit and Accountability Act 2014 (Schedule 4) and the relevant CIPFA guidance.
- Contact details for the Chairman of the Audit Panel/Committee
- Name of external audit firm appointed
- Date of appointment
- Copy of Audit Panel/Committee meeting minute
- Confirmation that the full Council has agreed the recommendation of the Audit Panel/Committee
- Name of appointed external auditor firm partner and manager
- Contact details of external audit firm (address, e-mail, telephone)
- Institute of Chartered Accountants in England and Wales (ICAEW) Registration number of the external auditor.

SAAA Ltd will shortly be writing to all opted-out authorities requiring a certificate to be signed by the Clerk/RFO and Chairman of the Council and returned to SAAA Ltd, confirming the external auditor appointment with the above details.

If at this late stage the authority has not complied with the process or will not meet the end of December deadline and wishes to opt back in to the central procurement regime, this will incur a charge of £250 + VAT.

If a completed certificate confirming the external auditor appointment is not returned by the opted-out authority to SAAA Ltd by 31 December 2016, then SAAA Ltd is required to notify the Secretary of State for Communities and Local Government that the authority has failed to properly appoint an external auditor for 2017-18. The Secretary of State will then make the auditor appointment for the authority. This will involve a charge of not less than £300 + VAT to the authority.

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Chairman – Smaller Authorities' Audit Appointments Limited