



Business Case

Project; Teachers' Pensions Return & Pooling of Housing Receipts Independent Audit

Directorate Financial Services

Date 27/11/2018

Description of the Goods and Service

Independent External Audit procurement for a period of 3 years and 2 x 12 month contract extensions covering 5 years.

Independent audits are required for verification of two statutory financial returns:-

- Teachers' Pensions Return
- Pooling of Housing Receipts

The value of the combined audits will not exceed £10,000 + VAT

Proposal and Justification for Goods / Service

It is proposed that one external auditor be appointed to cover a period of up to 5 years with the remit of conducting two independent audits as detailed below.

Pooling of Housing Receipts

The Ministry of Housing, Communities and Local Government (MHCLG) requires an independent and appropriately qualified reporting accountant to perform agreed upon procedures and report on factual findings in accordance with International Standard on Related Services (ISRS) 4400 Engagements to Perform Agreed-upon Procedures Regarding Financial Information.

Responsibility for the accurate completion of the 2017-2018 pooling return and the amounts reported remain with the local authority and the Responsible Finance Officer (Section 151 officer).

Teachers' Pensions Return

The Teachers' Pension Regulations 2010 (SI 2010/990) and The Teachers' Pension Scheme Regulations 2014 (SI 2014/512) require employers to deduct contributions from teachers' salaries and to send them to TP, together with the employer's contributions. A return of contributions due and paid referred to as End of Year Certificate EOYC.

The EOYC is to be prepared by and is the sole responsibility of the Employer's Service Director Finance (Section 151 officer).

If the proposed procurement is not approved, then the responsible Section 151 officer will not have discharged his duties in relation to the specific legislative responsibilities of the role.



Date that Goods / Service required to be delivered

The annual deadlines for both audits are detailed below:-

Teachers Pensions 30th November

Pooling of Housing Receipts 31st October

Budget

Estimated value of combined contract not to exceed £10,000 + VAT

Funding has been identified within Financial Services and HRA existing budgets.

Benefits of Proposal

The procurement of the two audits together as one contract is expected to rationalise the process and achieve savings as a collective.



The business unit ensures that the council meets its statutory responsibilities in relation to financial management and its legal obligations by ensuring there is a sound governance arrangement in place for effective stewardship of public funds.

In House Provision

It is a statutory requirement that both audits must be conducted by an external independent auditor.

Recommendation

This report recommends that a tender exercise be approved to find the auditor who demonstrates best value.

Authorised Approval

Signed *D. Galley* ^{10 Finance} *S151* (Position)

Date *11/12/2019*

Officer Decision Record

Record of Decision of the *Service Director – Finance Business Unit (S151 Officer)*

Subject

Independent External Audit procurement for a period of 3 years and 2 x 12 month contract extensions covering 5 years.

Independent audits are required for verification of two statutory financial returns:-

- *Teachers' Pensions Return*
- *Pooling of Housing Receipts*

It is a statutory requirement that both audits must be conducted by an external independent auditor.

Please see attached Business Case for further detail.

Authority


Authority is given by the Service Director for Finance - Section 151 Officer in accordance with his delegated powers under BMBC's scheme of delegation.

Decision Taken

Approval is given to procure the services.

Date of Decision

14/02/2019

Signature 
(Insert Officer name)
14.02.19

Scan / email the completed form and appendices to the Council Governance Unit and keep the original on the project file

