

RECORD OF OFFICER EXECUTIVE DECISION

Subject: Appointment of Auditors for the Benefit Subsidy Audit

Officer: Peter Stuart

(1) Record of decision taken: to appoint EY to undertake the Benefit Subsidy audit from 2018/19 onwards.

(2) Date of decision: 20 June 2018

(3) Statement of reasons for making the decision:

The PSAA (ex Audit Commission) were set up to award the contracts for the 'Statements' audit to the tendering firms around the UK, upon the discontinuation of the AC. In the first round of awards, the contracts included the audit of the Housing Benefit Subsidy Claim but in the second (due to start 18/19) the contracts no longer include this element and a separate award must be made.

Whilst this is understandable, a separate award to a different auditor could create some problems given the close interaction between the main audit for the Statement of Accounts and that of the Benefit Subsidy. Were the latter to be awarded to a separate firm, there is potential for some significant diseconomies of scale to arise, as well as some administrative overhead that would impact upon the Mid Sussex staff.

Prices have therefore been sought from the incoming (and incumbent) auditor, EY, to continue with the Benefit work. This has occurred on a County-wide basis and has been led by Crawley BC. EY have provided a price for the work which is competitive when compared to previous years and uses day rates for undertaking extra work which is often the norm on the subsidy return.

The prices are set out below.

	Original	Revised
Mid Sussex DC	£13,679	£13,172

Given the values of each years contract, I am prepared to take an Executive Decision and award a three-year contract to EY for the Benefit Subsidy Audit for the years 18/19, 19/20 and 2020/21.

The value of the contract is therefore c.£39k for that period and is within my delegation under Standing Orders.

I will be letting the DWP know of this Council's position by 3rd July 2018 as they have asked.

(4) Alternative options considered and rejected: The option of appointing a different firm was considered and rejected for the reasons stated

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(5) Name of Cabinet Member with whom decision discussed:

Councillor Judy Llewellyn-Burke

Judy Llewellyn-Burke

(6) Any Code of Conduct Interests of the Cabinet Members:

N/A

(7) Any relevant Code of Conduct dispensations:

N/A

Signed:

P. Stuart

Officer – Peter Stuart, Head of Corporate Resources