



RECORD OF DELEGATED DECISION (OFFICER)

CONTRACT AWARD

1. Decision Reference No.	CEX461
2. Name/Title of Officer	Dawn Garton Director for Corporate Services
3. Email address of Officer	dgarton@melton.gov.uk
4. Title / Subject Matter:	Award of Contract - Audit of the Pooling return
5. Type of Decision:	Public
6. Key Decision?	No
7. Decision Taken: <ol style="list-style-type: none">1. To award the contract for the Audit of the Council's Pooling return to Mazars.2. To enter into any necessary legal documentation to effect the award	
8. Reasons for Decision: Since the audit of the Council's pooling return has been removed from the main audit contract, it has been necessary to separately contract this process each year. The Pooling return is an annual return generated by Local Authorities showing the breakdown of the various elements of the housing capital receipts. DLUHC requires an independent and appropriately qualified reporting accountant to perform agreed upon procedures and report on factual findings in accordance with <i>International Standard on Related Services (ISRS) 4400 Revised Engagements to Perform Agreed-upon Procedures Regarding Financial Information (ISRS 4400 (Revised))</i> . The local authority has the responsibility for appointing the independent reporting accountant for this purpose. The pooling return is completed through the DELTA system by 30 April following the reporting year end. Where the certified pooling return indicates that the Council has received £125k or more of poolable housing receipts than the Council must engage a reporting accountant to conduct the audit. The Council has received over £125k in 2023-24 and in each year in the previous 10 years and there is no expectation that this will not continue.	

The relevant regulation under which this process falls is the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (SI 2003/3146 as amended).

Three quotes were sought from relevantly qualified and experienced auditors for a 3 year contract which will cover the return for 2023-24, 2024-25 and 2025-26 and responses were received as follows:

Grant Thornton - £10,000 per annum for 3 years with no addition for inflation so 3 year total £30,000.

Mazars - £5,500 for year 1 increasing by a capped amount of inflation between 2% and 7% based on the relevant inflation at April each year, so maximum total for 3 years £17,520.

Ernst Young - did not respond to our request within the time-frame specified.

Mazars is therefore the preferred supplier.

The supplier has been procured in compliance with the contract procedure rules, and all necessary due diligence has been carried out by the Council Officer.

9. Authority / Legal Power:

Legal – See below

The Director for Corporate Services has delegated authority in accordance with Part 12.2 of the Officer Scheme of Delegation to make this decision.

10. Background Papers attached?

No

11. Alternative options available / rejected:

1. Contract Grant Thornton – although they are the Auditor for the Council’s main accounts over this 3 year period, it would not impact on the work undertaken and would be un-necessarily expensive to the Council
2. Do not contract this at all – this would be in breach of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (SI 2003/3146 as amended).

12. Implications:

<p>Legal</p>	<p>The Council has a legal obligation for this audit.</p> <p>The Council has the power to enter into contracts in order discharge its functions (Local Government Act 1972, s111 and the Local Government (contract) Act 1997, s1).</p> <p>The Local Government Act 1972 requires the Council to have regulations for how it enters into contracts. In addition to complying with all relevant UK and EU legislation every contract entered into on behalf of the Council must also comply with the Council’s Contract Procedure Rules and the Council’s Financial Regulations</p> <p>[Legal Approval - 1 July 2024]</p>
<p>Finance</p>	<p>The audit of the pooling return is a regulatory requirement and therefore has an annual budget assigned within the general fund. The HRA proportion is redistributed in line with current apportionment policies.</p> <p>[Finance Approval – 28 June 2024]</p>
<p>HR</p>	<p>There are no HR implications as a result of this contract</p> <p>[HR Approval – 1 July 2024]</p>
<p>Procurement</p>	<p>Welland Procurement approval 02/07/24 – complies with CPR’s</p>
<p>Other</p>	<p>Not applicable</p>

13. Signature of Decision Maker with authority to sign:

Email approval received
Dawn Garton
Director for Corporate Services

14. Consultation with:

Not applicable

15. Date:

28 June 2024

16. Officer Responsible for Procurement

I confirm compliance with the Contract Procedure Rules
David Scott – Assistant Director for Resources