



Northumberland County Council

SHAREHOLDER CABINET COMMITTEE

20 July 2023

Advance Northumberland Appointment of External Auditors

Report of Jan Willis, Executive Director of Transformation and Resources and S151 Officer

1. Purpose of the Report

- 1.1. To inform the Committee of the proposed appointment of Robson Laidler Accountants Ltd as external auditors to Advance Northumberland Ltd and its subsidiaries for a three-year period from 2022-23 to 2024-5 in place of Mazars LLP and to seek authority for the shareholder representative to give reserved matters consent for their appointment on behalf of the Council as shareholder.

2. Recommendations

- 2.1. To authorise the shareholder representative to give reserved matters consent on behalf of the Council for the appointment of Robson Laidler as external auditors to Advance Northumberland.

3. Link to the Corporate Plan

- 3.1. This report is consistent with the priorities in the Corporate Plan 2023-26 “Achieving Value for Money”.

4. Key Issues

- 4.1. Following an open procurement exercise, Robson Laidler have been selected to provide external audit services to Advance Northumberland Ltd and its subsidiaries under a three-year contract covering the financial years 2022-23 to 2024-25.
- 4.2. The appointment of external auditors is reserved matter under schedule 1 para 3c of the company’s articles of association. Accordingly, shareholder consent is required before Robson Laidler can be formally appointed.
- 4.3. Furthermore, under company law the removal of an auditor requires an Ordinary Resolution passed at a General Meeting of the company for which special notice has been given and which must take place in person. A written resolution is not permitted. This offers the opportunity for the auditor to raise any concerns with shareholders.

- 4.4. The current external auditors, Mazars LLP did not submit a bid for the new contract and have indicated that they will resign upon confirmation of the appointment of the new auditors.
- 4.5. The Advance Board have approved the appointment of Robson Laidler and on 27th June 2023 a general meeting of the company was called on special notice for Wednesday 26th July 2023 for the purpose of approving the following resolution: That with immediate effect Mazars LLP be replaced as auditors of the Company and all its subsidiaries by Robson Laidler Accountants Ltd.

IMPLICATIONS ARISING OUT OF THE REPORT

Policy	None.
Finance and value for money	Effective oversight of Council owned companies is required to ensure compliance with the Council's best value duty. This includes ensuring appropriate arrangements are in place for the external audit of company accounts.
Legal	
Procurement	None.
Human Resources	None.
Property	None.
Equalities	None.
Risk Assessment	None.
Crime & Disorder	None.
Customer Considerations	None.
Carbon Reduction	None.
Health & Wellbeing	
Wards	All.

Background Papers:

Report sign off:

	Name
Monitoring Officer/Legal	Stephen Gerrard
Executive Director of Transformation and Resources & S151 Officer	Jan Willis
Chief Executive	Helen Paterson
Portfolio Holder(s)	Wojciech Ploszaj

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