

## External Audit Appointment Report

### REPORT TO AUDIT AND STANDARDS COMMITTEE



DATE	20/09/2017
PORTFOLIO	Resources and Performance Management
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#### PURPOSE

1. To inform members of the progress in the appointment of an External Auditor for 5 years commencing 2018/19.

#### RECOMMENDATION

2. The Committee considers the progress report and comments on its contents.

#### REASONS FOR RECOMMENDATION

3. Members can monitor the appointment of an external auditor for the Council.

#### SUMMARY OF KEY POINTS

##### **Public Sector Auditor Appointments (PSAA)**

4. The Full Council agreed to opt-in to the sector led body operated by PSAA in February 2017. They have conducted their procurement exercise and are now in the process of consulting with appointed authorities on the procurement outcome.
5. They have contacted the Council and asked if we have any comments on the appointment of Grant Thornton (UK) LLB as the Council's External Auditor for 5 years starting on 1 April 2018. The formal communication is attached at Appendix 1
6. Once the consultation is complete we expect a final decision on this before 21 December 2017. The Scale of fees for the services will be available in March 2018 and the early indication is a reduction of approximately 18%.

##### **Management Response**

7. The Chief Executive and Chief Finance officer have considered this and have no objection to the appointment and have consulted with the Chair of the Audit and Standards Committee to respond that they are satisfied with the appointment.

##### **Additional Services**

8. It is to be noted that the procurement of an external auditor does not include the requirement to provide some services which in the past have been included with the appointment. This principally relates to the grant claim services for housing benefits.
9. From 2018/19 the Council will have to make a separate arrangement for the provision of these services in line with the requirements of the grant making body, which in the case of Housing Benefits is the Department of Work and Pensions.

#### **FINANCIAL IMPLICATIONS AND BUDGET PROVISION**

10. Revised fees for External audit will be taken forward in the Budget Setting process for 2018/19.

#### **POLICY IMPLICATIONS**

11. None

#### **DETAILS OF CONSULTATION**

12. None

#### **BACKGROUND PAPERS**

13. None

#### **FURTHER INFORMATION**

**PLEASE CONTACT:**

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**ALSO:**

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