

Name of meeting: Corporate Governance & Audit Committee
Date: 30th January 2018

Title of report: Appointment of External Auditor
Purpose of report; To advise Members of the decision of Public Sector Audit Appointments Ltd

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Not applicable
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports) ?	Not applicable
The Decision - Is it eligible for "call in" by Scrutiny?	Not applicable
Date signed off by Director & name	D Hogg 19/01/18
Is it also signed off by the Service Director for Finance, IT & Transactional Services	
Is it also signed off by the Service Director - Legal Governance and Commissioning?	29/12/17
Cabinet member portfolio	Not applicable

Electoral wards affected: All
Ward councillors consulted: Not applicable

Public

1. Summary

- 1.1 At its meeting on 27th January 2017 this Committee agreed that the Council be recommended to ask Public Sector Audit Appointments Ltd to carry out Auditor Panel duties on behalf of the Council and nominate a proposed External Auditor to the Council in due course. The council agreed with this action at its meeting on 15th February 2017.
- 1.2 At the meeting on the 15th September 2017 this Committee noted that Public Sector Audit Appointments Ltd (PSSA) had carried out a tendering exercise, and had notified the Council that they wish to formally consult on their proposal to appoint Grant Thornton (UK) LLP to audit the accounts of Kirklees Metropolitan Council for five years from 2018/19. This Committee agreed that there were no reasons to object to the proposal.
- 1.3 On the 19th December 2017, Public Sector Audit Appointments Ltd (PSSA) advised the council that its board meeting on 14 December 2017 confirmed the appointment of Grant Thornton (UK) LLP to audit the accounts of Kirklees Metropolitan Council for five years, for the accounts from 2018/19 to 2022/23. [This appointment is made under regulation 13 of the Local Audit (Appointing Person) Regulations 2015].
- 1.4 The appointment will start on 1 April 2018. The current auditors KPMG continue as auditors for the current financial year (2017/18), and should complete that assignment during the summer of 2018.

2. Information required to take a decision

- 2.1 This report is to be noted only, as the decision was delegated to PSAA.

3. Implications for the Council

- 3.1 Early Intervention and Prevention (EIP) -None directly
- 3.2 Economic Resilience (ER) -None directly
- 3.3 Improving Outcomes for Children -None directly
- 3.4 Reducing demand of services -None directly
- 3.5 Although each of the sub categorisations above suggests no direct implications, the work of the external auditor covers all aspects of the councils operations, including elements of the above, indirectly.
- 3.6 Given that the work of the external auditor has been specified nationally based on national and international accounting standards and the expectations of the National Audit Office, there should be no particular difference between any suppliers. There will be initial learning by both parties as each gets used to the processes and expectations of the other.

4. Consultees and their opinions

- 4.1 Not applicable

5. Next steps

- 5.1 Grant Thornton are expected to contact the Chief Executive and Chief Finance officer within the next few weeks to start making arrangements for taking up the role from the 1st April 2018. At or soon after that

meeting, officers will invite the new appointed auditors representatives to introduce themselves to this committee at a convenient meeting.

6. Officer recommendations and reasons

6.1 Not applicable.

7. Recommendation

7.1 To note the appointment of Grant Thornton (UK) LLP to audit the accounts of Kirklees Metropolitan Council for the five financial years 2018/19 to 2022/23.

8. Contact officer

Martin Dearnley, Head of Risk (01484 221000; x 73672)

9. Background Papers and History of Decisions

Previous reports re this mater to this Committee as noted in section 1.

10. Director responsible

Not applicable.