

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO ACCOUNTS AND AUDIT COMMITTEE

Agenda Item No 7

meeting date: 16 NOVEMBER 2016
title: CONFIRMATION OF EXTERNAL AUDITOR APPOINTMENT – 2017/18
submitted by: DIRECTOR OF RESOURCES
principal author: LAWSON ODDIE

1 PURPOSE

1.1 To inform members of the confirmed appointment of Grant Thornton UK LLP as the council's external auditor for 2017/18.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – none identified.
- Corporate Priorities - to continue to be a well-managed council, providing efficient services based on identified customer need.
- Other Considerations – none identified.

2 BACKGROUND

2.1 The Local Audit and Accountability Act 2014 (the Act) brought to a close the Audit Commission and established transitional arrangements for the appointment of external auditors and the setting of audit fees for all local government and NHS bodies in England.

2.2 In summary Public Sector Audit Appointments (PSAA) were specified by the Secretary of State as an appointing person under regulation 3 of the Local Audit (Appointing Person) Regulations 2015.

2.3 On 5 October 2015 the Secretary of State Communities and Local Government (CLG) determined that the transitional arrangements for local government bodies would be extended by one year to also include the audit of the accounts for 2017/18.

3 LATEST POSITION

3.1 We have now been formally notified of the appointment of Grant Thornton UK LLP as the council's external auditor for 2017/18. A copy of the letter that has been received from Public Sector Audit Appointments (PSAA) is attached at Annex 1.

3.2 A report is included elsewhere on the agenda with regard to external audit appointments for 2018/19 and beyond.

4 CONCLUSION

4.1 We have received notification from Public Sector Audit Appointments (PSAA) that Grant Thornton UK LLP have been appointed as our external auditors for 2017/18.

4.2 This is an extension of the appointment made under section 3 of the Audit Commission Act for the audit of the accounts up to 2016/17, under the audit contracts previously let by the Audit Commission.

HEAD OF FINANCIAL SERVICES
AA24-16/LO/AC
1 November 2016

DIRECTOR OF RESOURCES



22 September 2016

Jane Pearson
Director of Resources
Ribble Valley Borough Council
Council Offices
Church Walk
Clitheroe
Lancashire
BB7 2RA

Email auditorappointments@psaa.co.uk

Dear Ms Pearson

Ribble Valley Borough Council - confirmation of auditor appointment for 2017/18

I am writing to confirm the appointment of Grant Thornton UK LLP to audit the accounts of Ribble Valley Borough Council for 2017/18.

This is an extension of the appointment made under section 3 of the Audit Commission Act for the audit of the accounts up to 2016/17, under the audit contracts previously let by the Audit Commission. The auditor appointment has been extended for one year as a consequence of the extension of the transitional arrangements made by the Department of Communities and Local Government.

The appointment of Grant Thornton UK LLP under the current audit contracts will conclude with the completion of the audit of the accounts for 2017/18.

Extension of the transitional arrangements

Following the closure of the Audit Commission in 2015, the Secretary of State for Communities and Local Government delegated statutory functions on a transitional basis from the Audit Commission Act 1998 to PSAA. These were delegated by a commencement order made under the Local Audit and Accountability Act 2014.

In October 2015, the Secretary of State confirmed that the transitional provisions would be amended to allow an extension of the audit contracts for a period of one year for audits of principal local government bodies only. A commencement order was made on 27 June 2016, supported by a revised letter of delegation to PSAA.

The audit contracts novated to PSAA have therefore also been extended for one year for principal local government bodies, and will end with the completion of the audits of the 2017/18 accounts.



Changes to auditor appointments

Please be aware that it is a statutory requirement for PSAA to make the auditor appointment for principal local government bodies for 2017/18, on the basis of the provisions set out in the Audit Commission Act 1998.

If you wish to make representations about the extension of the current auditor appointment, please send them by email to auditorappointments@psaa.co.uk by 7 **October 2016**. Your email should set out the reasons why you think the appointment should change. Any changes in auditor appointments can only be made under these audit contracts for the 2017/18 audit.

We will consider carefully any representations you make about your current auditor appointment. If we accept your representations, we will consult you on an alternative appointment.

Local auditor appointment requirements from 2018/19

The arrangements for local auditor appointment set out in the Local Audit and Accountability Act will apply for audits of the accounts of principal local government bodies from 2018/19 onwards. Auditor appointments must be made for 2018/19 audits by 31 December 2017, as required by section 7 of the Local Audit and Accountability Act 2014. Appointments may be made by the audited body itself, by groups of audited bodies, or by a specified appointing person.

PSAA has been specified by the Secretary of State for Communities and Local Government as the appointing person for principal local government bodies under the provisions of the 2014 Act. This means that PSAA will make auditor appointments to relevant principal local government bodies that choose to opt into the national appointment arrangements PSAA is developing. We will be communicating with audited bodies separately on this.

If you have any questions about your auditor appointment, please email us at auditorappointments@psaa.co.uk.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Jon Hayes".

Jon Hayes
Chief Officer