

RIBBLE VALLEY BOROUGH COUNCIL

please ask for: OLWEN HEAP
direct line: 01200 414408
e-mail: olwen.heap@ribblevalley.gov.uk
my ref: OH/CMS
your ref:
date: 9 October 2017

Council Offices
Church Walk
CLITHEROE
Lancashire BB7 2RA

Switchboard: 01200 425111
Fax: 01200 414488
www.ribblevalley.gov.uk

Dear Councillor

The next meeting of the **ACCOUNTS & AUDIT COMMITTEE** is at **6.30pm on WEDNESDAY, 18 OCTOBER 2017** in the **TOWN HALL, CHURCH STREET, CLITHEROE.**

I do hope you can be there.

Yours sincerely

CHIEF EXECUTIVE

To: Committee Members (copy for information to all other members of the Council)
Directors
Grant Thornton
Press

AGENDA

Part 1 – items of business to be discussed in public

1. Apologies for absence.
- ✓ 2. Minutes of the meeting held on 26 July 2017 – copy enclosed.
3. Declarations of Pecuniary and Non-Pecuniary Interests (if any).
4. Public Participation (if any).

DECISION ITEMS

- ✓ 5. Annual Audit Letter 2016/2017 – report of Director of Resources – copy enclosed.

INFORMATION ITEMS

- ✓ 6. Internal Audit Progress Report 2017/2018 – report of Director of Resources – copy enclosed.

- ✓ 7. Grant Thornton Progress Update – report of Director of Resources – copy enclosed.
- ✓ 8. Update on External Audit Appointments 2018/2019 Onwards – report of Director of Resources – copy enclosed.

Part II - items of business **not** to be discussed in public

None



The Annual Audit Letter for Ribble Valley Borough Council

Year ended 31 March 2017

September 2017

Karen Murray

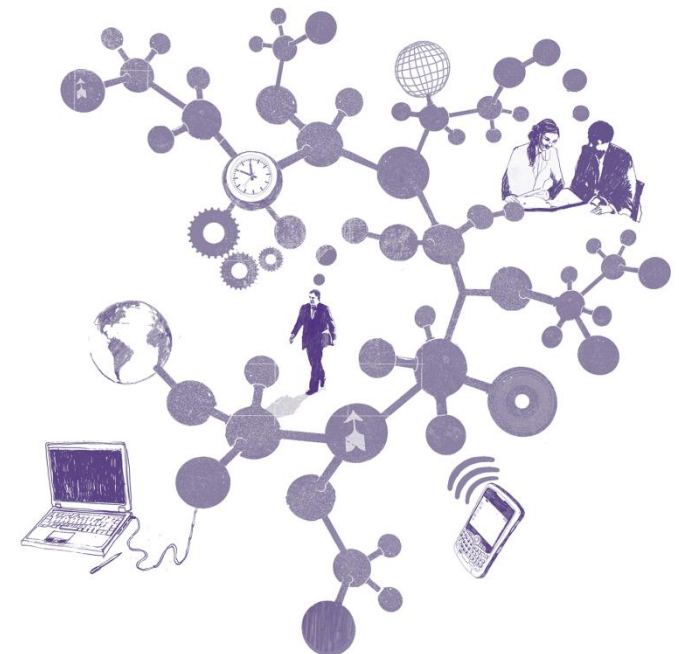
Director
T 0161 234 6364
E Karen.l.murray@uk.gt.com

Caroline Stead

Senior Manager
T 0161 234 6355
E caroline.l.stead@uk.gt.com

[Amelia Payton

Executive
T 0161 953 6943
E amelia.l.payton@uk.gt.com



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Appendices

A Reports issued and fees

Executive summary

Purpose of this letter

Our Annual Audit Letter (Letter) summarises the key findings arising from the work we have carried out at Ribble Valley Borough Council (the Council) for the year ended 31 March 2017.

This Letter provides a commentary on the results of our work to the Council and its external stakeholders, and highlights issues we wish to draw to the attention of the public. In preparing this letter, we have followed the National Audit Office (NAO)'s Code of Audit Practice (the Code) and Auditor Guidance Note (AGN) 07 – 'Auditor Reporting'.

We reported the detailed findings from our audit work to the Council's Accounts and Audit Committee (as those charged with governance) in our Audit Findings Report on 26 July 2017.

Our responsibilities

We have carried out our audit in accordance with the NAO's Code of Audit Practice, which reflects the requirements of the Local Audit and Accountability Act 2014 (the Act). Our key responsibilities are to:

- give an opinion on the Council's financial statements (section two)
- assess the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources (the value for money conclusion) (section three).

In our audit of the Council's financial statements, we comply with International Standards on Auditing (UK and Ireland) (ISAs) and other guidance issued by the NAO.

Our work

Financial statements opinion

We gave an unqualified opinion on the Council's financial statements on 26 July 2017.

Value for money conclusion

We were satisfied that the Council put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources during the year ended 31 March 2017. We reflected this in our audit opinion on 26 July 2017.

Certificate

We certified that we had completed the audit of the accounts of Ribble Valley Borough Council in accordance with the requirements of the Code on 26 July 2017.

Certification of grants

We also carry out work to certify the Council's Housing Benefit subsidy claim on behalf of the Department for Work and Pensions. Our work on this claim is not yet complete and will be finalised by 30 November 2017. We will report the results of this work to the Accounts and Audit Committee in our Annual Certification Letter.

Working with the Council/Authority

We would like to record our appreciation for the assistance and co-operation provided to us during our audit by the Council's staff.

Grant Thornton UK LLP
September 2017

Audit of the accounts

Our audit approach

Materiality

In our audit of the Council's accounts, we applied the concept of materiality to determine the nature, timing and extent of our work, and to evaluate the results of our work. We define materiality as the size of the misstatement in the financial statements that would lead a reasonably knowledgeable person to change or influence their economic decisions.

We determined materiality for our audit of the Council's accounts to be £414k, which is 2% of the Council's gross expenditure at the net cost of services level. We used this benchmark, as in our view, users of the Council's accounts are most interested in how it has spent the income it has raised from taxation and grants during the year.

We also set a lower level of specific materiality for senior officer remuneration and related parties.

We set a lower threshold of £21,000, above which we reported errors to the Accounts and Audit Committee in our Audit Findings Report.

The scope of our audit

Our audit involves obtaining enough evidence about the amounts and disclosures in the financial statements to give reasonable assurance they are free from material misstatement, whether caused by fraud or error. This includes assessing whether:

- the Council accounting policies are appropriate, have been consistently applied and adequately disclosed;
- significant accounting estimates made by the Director of Resources are reasonable; and
- the overall presentation of the financial statements gives a true and fair view.

We also read the narrative report and annual governance statement to check they are consistent with our understanding of the Council and with the accounts included in the Statement of Accounts on which we gave our opinion.

We carry out our audit in line with ISAs (UK and Ireland) and the NAO Code of Audit Practice. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach was based on a thorough understanding of the Council's business and is risk based.

We identified key risks and set out overleaf the work we performed in response to these risks and the results of this work.

Audit of the accounts - Council

These are the risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p>The revenue cycle includes fraudulent transactions</p> <p>Under ISA (UK&I) 240 there is a presumed risk that revenue may be misstated due to the improper recognition of revenue.</p> <p>This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.</p>	<p>Having considered the risk factors set out in ISA240 and the nature of the revenue streams at Ribble Valley Borough Council, we determined the risk of fraud arising from revenue recognition could be rebutted, because:</p> <ul style="list-style-type: none"> • there is little incentive to manipulate revenue recognition; • opportunities to manipulate revenue recognition are very limited; and • the culture and ethical frameworks of local authorities, including Ribble Valley Borough Council, mean that all forms of fraud are seen as unacceptable. 	<p>Our audit work did not identify any issues in respect of revenue recognition.</p>
<p>Management over-ride of controls</p> <p>Under ISA (UK&I) 240 it is presumed that the risk of management over-ride of controls is present in all entities.</p>	<p>We have reviewed:</p> <ul style="list-style-type: none"> • your entity level controls • your journal entry process and selection of unusual journal entries for testing back to supporting documentation • accounting estimates, judgements and decisions made by management 	<p>Our audit work did not identify any evidence of management over-ride of controls.</p> <p>In particular the findings of our review of journal controls and testing of journal controls and testing of journal entries has not identified any significant issues</p>

Audit of the accounts - Council

These are the risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p>Business rates pool</p> <p>The Council is acting as the Lead Authority on the Lancashire Business Rates Pool. The pooling arrangement took effect from 1 April 2016. This is a new accounting requirement for 2016/17.</p> <p>We identified a risk that the values included in the financial statements and related disclosure notes in relation the pool are not correct.</p>	<p>We have:</p> <ul style="list-style-type: none"> gained an understanding of the controls put in place by management to ensure the values in relation to the Lancashire Business Rates Pool are not materially misstated reviewed the toolkit used to calculate the Business Rates Pool values reviewed the accounting entries in the financial statements to ensure they are consistent with our understanding of supporting documentation and with the requirements of the CIPFA Code of Practice. 	<p>Our audit work did not identify any significant issues in relation to the risk identified</p>
<p>Valuation of pension fund net liability</p> <p>The Council's pension fund asset and liability as reflected in its balance sheet represent a significant estimate in the financial statements.</p>	<p>We have:</p> <ul style="list-style-type: none"> identified the controls put in place by management to ensure that the pension fund liability is not materially misstated and assessed that they were implemented as expected and that they are sufficient to mitigate the risk of material misstatement. reviewed the competence, expertise and objectivity of the actuary who carried out your pension fund valuation and gained an understanding of the basis on which the valuation was carried out. undertook procedures to confirm the reasonableness of the actuarial assumptions made. reviewed the consistency of the pension fund asset and liability and disclosures in notes to the financial statements with the actuarial report from your actuary. 	<p>Our audit work did not identify any significant issues in relation to the risk identified</p>

Audit of the accounts - Council

These are the risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p>Employee remuneration</p> <p>Payroll expenditure represents a significant percentage of the Council's gross expenditure.</p> <p>We identified the completeness of payroll expenditure in the financial statements as a risk requiring particular audit attention:</p> <ul style="list-style-type: none"> Employee remuneration accruals understated (Remuneration expenses not correct) 	<p>We undertook the following work in relation to this risk:</p> <ul style="list-style-type: none"> documented our understanding of processes and key controls over the transaction cycle undertaken walkthrough of the key controls to confirm the controls were operating in line with our documented understanding completed our trend analysis and risk identification for monthly payroll costs for the full financial year reviewed the reconciliation of payroll expenditure recorded in the general ledger to the subsidiary systems and interfaces 	<p>Our audit work has not identified any significant issues in relation to the risk identified</p>
<p>Operating expenses</p> <p>Non-pay expenditure represents a significant percentage of the Council's gross expenditure. Management uses judgement to estimate accruals of un-invoiced non-pay costs.</p> <p>We identified the completeness of non- pay expenditure in the financial statements as a risk requiring particular audit attention:</p> <ul style="list-style-type: none"> Creditors understated or not recorded in the correct period (Operating expenses understated) 	<p>We undertook the following work in relation to this risk:</p> <ul style="list-style-type: none"> documented our understanding of processes and key controls over operating expenditure undertaken walkthrough of the key controls to confirm the controls were in line with our documented understanding reviewed management's processes to raise accruals and ensure the accruals recognised are materially complete tested a sample of creditor balances and accruals recognised in the year end balance sheet tested cash payments made after the year-end to identify potential unrecorded liabilities and gain assurance over the completeness of the payables balance in the accounts 	<p>Our audit work has not identified any significant issues in relation to the risk identified</p>

Audit of the accounts - Council

These are the risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p>Changes to the presentation of local authority financial statements</p> <p>CIPFA has been working on the 'Telling the Story' project, for which the aim was to streamline the financial statements and improve accessibility to the user and this has resulted in changes to the 2016/17 CIPFA Code of Practice.</p> <p>The changes affect the presentation of income and expenditure in the financial statements and associated disclosure notes. A prior period adjustment (PPA) to restate the 2015/16 comparative figures is also required.</p>	<p>We have undertaken the following work in relation to this risk:</p> <ul style="list-style-type: none"> • documented and evaluated the process for the recording the required financial reporting changes to the 2016/17 financial statements • reviewed the re-classification of the Comprehensive Income and Expenditure Statement (CIES) comparatives to ensure that they are in line with the Council's internal reporting structure • reviewed the appropriateness of the revised grouping of entries within the Movement In Reserves Statement (MIRS) • tested the classification of income and expenditure for 2016/17 recorded within the Cost of Services section of the CIES • tested the completeness of income and expenditure by reviewing the reconciliation of the CIES to the general ledger • tested the classification of income and expenditure reported within the new Expenditure and Funding Analysis (EFA) note to the financial statements • reviewed the new segmental reporting disclosures within the 2016/17 financial statements to ensure compliance with the CIPFA Code of Practice. 	<p>Our audit work has not identified any significant issues in relation to the risk identified</p>

Audit of the accounts

Audit opinion

We gave an unqualified opinion on the Council's accounts on 26 July 2017, in advance of the 30 September 2017 national deadline.

The Council made the accounts available for audit in line with the agreed timetable, and provided a good set of supporting working papers. The finance team responded promptly and efficiently to our queries during the audit.

Issues arising from the audit of the accounts

We reported the key issues from our audit of the accounts of the Council to the Council's Accounts and Audit Committee on 26 July 2017

Annual Governance Statement and Narrative Report

We are required to review the Council's Annual Governance Statement and Narrative Report. It published them on its website with the draft accounts in line with the national deadlines.

Both documents were prepared in line with the relevant guidance and were consistent with the supporting evidence provided by the Council and with our knowledge of the Council.

Value for Money conclusion

Background

We carried out our review in accordance with the NAO Code of Audit Practice (the Code), following the guidance issued by the NAO in November 2016 which specified the criterion for auditors to evaluate:

In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people.

Key findings

Our first step in carrying out our work was to perform a risk assessment. This identified no significant risks for us to concentrate our work. We updated our review of your arrangements to ensure that there were no additional risks identified.

Overall VfM conclusion

We are satisfied that in all significant respects the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2017.

Appendix A: Reports issued and fees

We confirm below our final fees charged for the audit and confirm there were no fees for the provision of non audit services.

Fees

	Proposed fee £	Actual fees £	2015/16 fees £
Statutory audit of Council	40,202	40,202	40,202
Housing Benefit Grant Certification	6,690	6,690	11,191
Total fees (excluding VAT)	46,892	46,892	51,393

Non- audit services

No non-audit or audited related services have been undertaken for the Council

The proposed fees for the year were in line with the scale fee set by Public Sector Audit Appointments Ltd (PSAA). The Housing Benefit Grant Certification Fee for 2015/16 includes £631 of additional fee approved by PSAA due to additional work required in 2015/16.

Reports issued

Report	Date issued
Audit Plan	March 2017
Audit Findings Report	July 2017
Annual Audit Letter	September 2017



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RIBBLE VALLEY BOROUGH COUNCIL REPORT TO ACCOUNTS AND AUDIT COMMITTEE

Agenda Item No 6

meeting date: 18 OCTOBER 2017
 title: INTERNAL AUDIT PROGRESS REPORT 2017/18
 submitted by: DIRECTOR OF RESOURCES
 principal author: MICK AINSCOW

1 PURPOSE

1.1 To report to Committee internal audit work progress to date for 2017/18.

1.2 Relevance to the Council's ambitions and priorities:

- Corporate priorities – the Council seeks to maintain critical financial management and controls, and provide efficient and effective services.
- Other considerations – the Council has a statutory duty to maintain an adequate and effective system of internal audit.

2 BACKGROUND

2.1 Internal audit ensure that sound internal controls are inherent in all the Council's systems. All services are identified into auditable areas and then subjected to a risk assessment process looking at factors such as financial value and audit experience. A risk score is then calculated for each area.

2.2 An operational audit plan is then produced to prioritise resources allocation based on the risk score, with all high-risk areas being covered annually.

2.3 The full internal audit plan for 2017/18 is attached as Annex 1 alongside progress to date. In summary resources for the year have been allocated as follows:






Audit Area	2017/18 Planned Days	Actual Days to 30 September 2017
Fundamental (Main) Systems	230	90
Other Systems	74	36
Probity and Regularity	242	115
On-going checks	12	7
Risk Management, Performance Indicators	40	26
Non-Audit Duties (Insurance)	30	22
College	20	18
Contingencies/unplanned work	25	18
Available Audit Days to 31 March 2018		341
	673	673

2.4 The position with regards to audit work carried out as at the 1 October 2017 is included within Annex 1 and shows completed audits, audits in progress and continuous activity.

2.5 During the year we aim to review all of the Council's fundamental systems. Reviews have so far been completed in relation to the Housing Benefits and Cash Receipting systems. Testing is also underway on the Payroll and Sundry Debtors systems.



3 ISSUES


- 3.1 During the first six months of this year time has been spent carrying out audits on Flexitime, Procurement, Fees and Charges, Members Allowances, Car Parking and Grants, as well as assurance work around Corporate Governance. The annual exercise has also been carried out to verify staff driving licences and insurance certificates.
- 3.2 In addition to our systems work we will continue to carry out a series of on-going checks to prevent/detect fraud and corruption.
- 3.3 At present we use an assurance system for all audits carried out. Each completed audit report contains a conclusion which gives a level of assurance opinion as follows:

Level 1	Full		The Council can place full reliance on the levels of control in operation
Level 2	Substantial		The Council can place substantial reliance on the levels of control in operation
Level 3	Reasonable		Generally sound systems of control. Some minor weaknesses in control which need to be addressed
Level 4	Limited		Only limited reliance can be placed on the arrangements/ controls in operation. Significant control issues need to be resolved.
Level 5	Minimal		System of control is weak, exposing the operation to the risk of significant error or unauthorised activity

4 REPORTS CARRIED OUT AND ASSURANCE OPINIONS

- 4.1 This report covers audit work and reports issued since the last report to Committee on 20 July 2017. The table below sets out the assurance opinions issued from these audits:

Date of Report	Assurance Opinion	Report Details
19.09.17	Full 	Procurement System – all aspects of the system were examined to ensure Contract Procedure rules and Financial Regulations were being followed. System was operating well with no recommendations arising.
19.09.17	Full 	Flexitime System – all aspects of the system were examined. Consistency of operation across departments much improved from the previous audit.

Date of Report	Assurance Opinion	Report Details
28.09.17	Full 	Cash Receipting System – sound system of internal control operating. Controls in place were being consistently applied. No recommendations arising.

5 QUALITY MONITORING

5.1 Customer feedback questionnaires are issued following the completion of the majority of audit work carried out. These questionnaires ask for the auditees view on the work that has been undertaken. No questionnaires have been returned since the last meeting with any outstanding ones currently being pursued from the officers concerned.

6 UPDATE ON RED RISKS

6.1 Clitheroe Market Redevelopment

Latest position - Following reporting of the consultation outcome in March 2017 and a report to Policy and Finance in June 2017, the working group undertook detailed evaluation of options to progress the development. A report on progress with the scheme in the light of the working groups findings and discussions with Barnfield Construction was considered by Policy and Finance Committee in September 2017. Detailed discussions with Barnfield Construction continue to confirm the scheme.

7 CONCLUSION

7.1 Progress to date with the 2017/18 audit plan is satisfactory.

PRINCIPAL AUDITOR

DIRECTOR OF RESOURCES

AA20-17/MA/AC
5 October 2017

BACKGROUND PAPERS: None

For further information please ask for Mick Ainscow .

Annex 1

2017/18 Planned Days	Audit	Actual days to 30/09/17	Status as at 30/09/17
<i>Fundamental (Main) Systems</i>			
25	Main Accounting	5	Initial testing
20	Creditors	0	Not started
20	Sundry Debtors	18	Testing largely complete
30	Payroll and HR	12	Initial testing
40	Council Tax	0	Not started
40	Housing Benefits/CT Support	40	✓
40	NNDR/Business Rates Pooling	0	Not started
15	Cash Receipting	15	✓
230		90	
<i>Other Systems Work</i>			
15	VAT	6	Initial testing
12	Treasury Management	5	Initial testing
15	Procurement	15	✓
20	Business Continuity	0	Not started
12	Asset Management	10	Testing largely complete
74		36	
<i>Probity and Regularity</i>			
3	Joiners Arms Homeless Unit	0	Not started
5	Members Allowances	5	✓
15	Recruitment/Safeguarding Arrangements	10	Testing in progress
15	Insurance	0	Not started
5	Land Charges	1	Initial testing
12	Fees and Charges/Cash Collection Procedures	12	✓
12	Health and Safety	3	Initial testing
10	Car Parking	10	✓
5	VIC/Platform Gallery	0	Not started
12	Trade and Domestic Refuse Collection	8	Testing underway
15	Externally contracted Provision of RVBC Services	5	Initial testing
10	Environmental Health	9	Testing complete
15	Transparency/Open Data	8	Testing underway
5	Healthy Lifestyles/Up and Active	4	Testing largely complete
5	Ribblesdale Pool	2	Initial testing
5	Museum/Café	4	Testing complete
12	Partnership Arrangements	0	Not started
12	Grants received	12	✓
12	Grants paid	12	✓
12	Data Protection	0	Not started
15	Section 106 Agreements/Planning Enforcement	0	Not started

2017/18 Planned Days	Audit	Actual days to 30/09/17	Status as at 30/09/17
10	Building Control	0	Not started
10	Flexitime System	10	✓
10	Planning Applications	0	Not started
242		115	
<i>Continuous Activity/Ongoing Checks</i>			
12	Income Monitoring	7	∞
25	Contingencies/unplanned work	18	Driving Licence/Car Insurance Check and Election Duties/Postal Vote Opening
15	Risk Management	2	∞
20	Corporate Governance	20	∞
5	Performance Indicators	4	∞
40		26	
30	Insurance	22	∞
20	Training	18	∞
	Available audit days to 31/3/2018	341	
673		673	

Key:

∞ Continuous Activity

✓ Completed

Not started No work undertaken in the current year on these audits

Accounts & Audit Committee Update Ribble Valley Borough Council Progress Report and Update

October 2017

Karen Murray

Engagement Lead

T 0161 234 6364

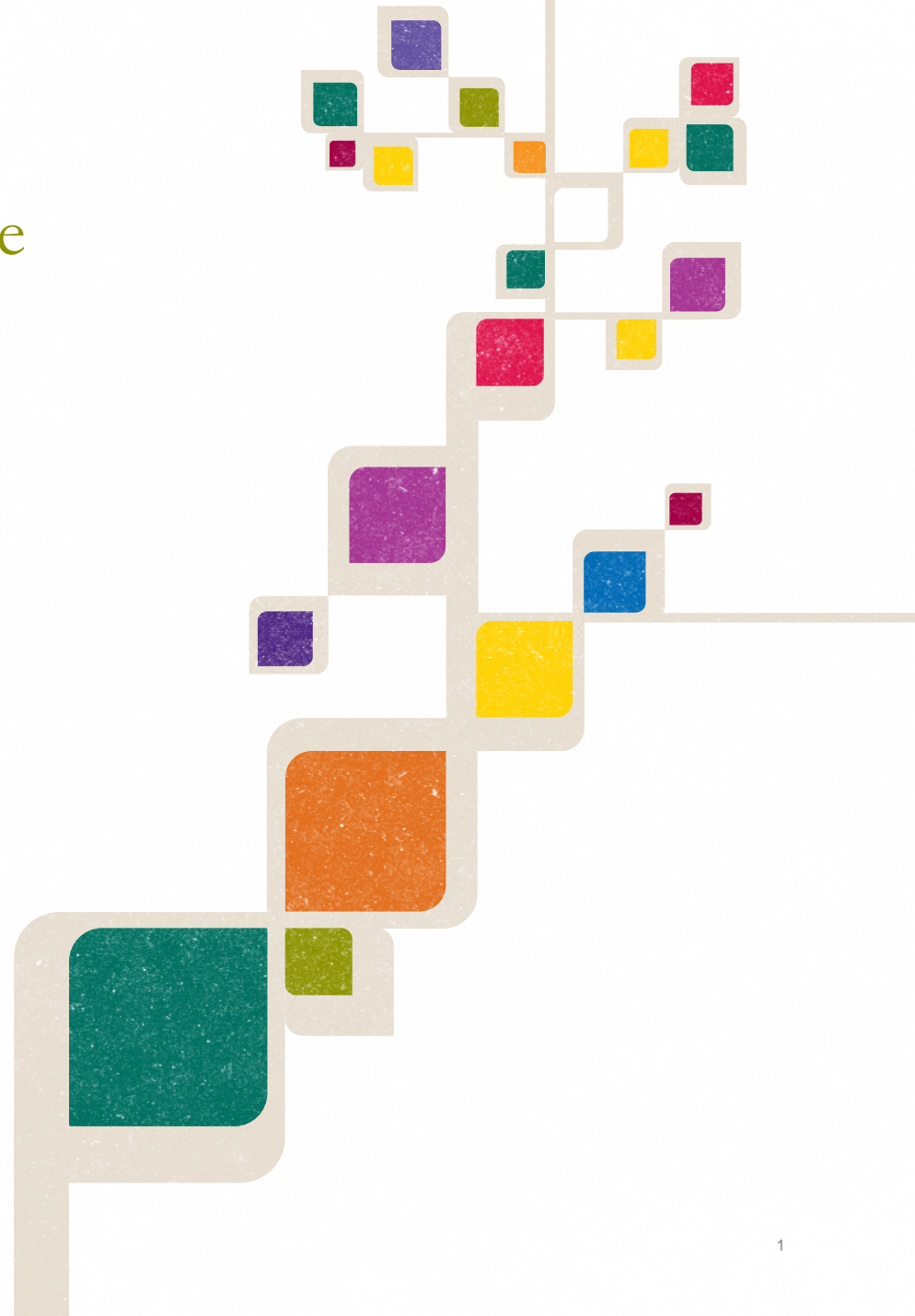
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Ian Pinches

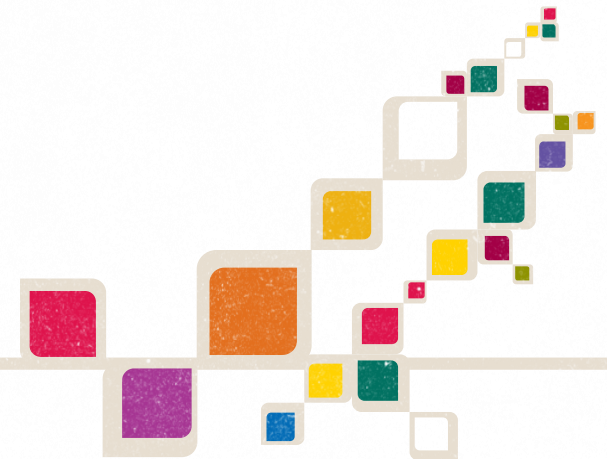
Manager

T 0161 234 6359

E ian.m.pinches@uk.gt.com



The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect your business or any weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.



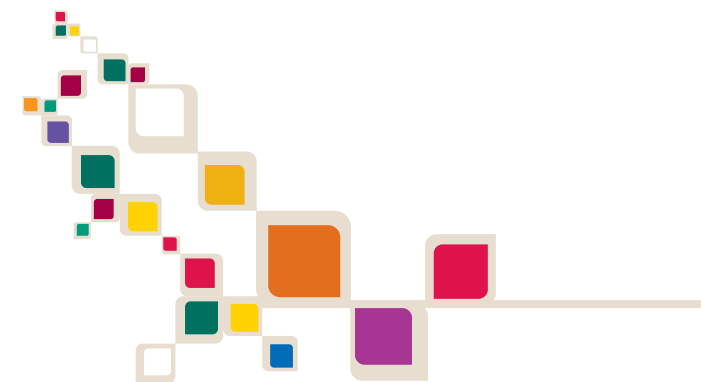
Introduction

This paper provides the Accounts and Audit Committee with a report on progress in delivering our responsibilities as your external auditors.

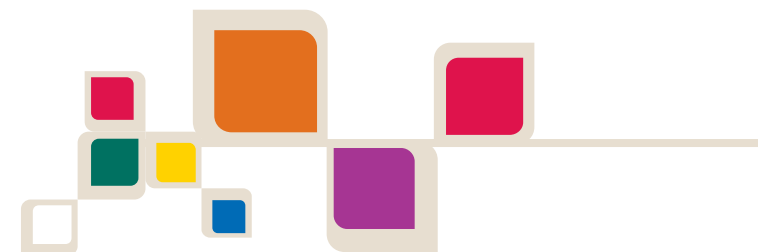
Members of the Audit and Governance Committee can find further useful material on our website www.grant-thornton.co.uk, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications and articles, including the reports mentioned in this update along with other items:

- Income generation is an increasingly essential part of providing sustainable local services ; <http://www.grantthornton.co.uk/en/insights/the-income-generation-report-local-leaders-are-ready-to-be-more-commercial/>
- Social enterprises are becoming increasingly common vehicles for delivering services that are not an ‘essential’ service for an authority but still important to the local community; <http://www.grantthornton.co.uk/en/insights/a-guide-to-setting-up-a-social-enterprise/>
- Fraud risk, 'adequate procedures', and local authorities; <http://www.grantthornton.co.uk/en/insights/fraud-risk-adequate-procedures-and-local-authorities/>
- Brexit and local government; <http://www.grantthornton.co.uk/en/insights/a-global-britain-needs-more-local-government-not-less/> and <http://www.grantthornton.co.uk/en/insights/brexit-local-government--transitioning-successfully/>

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

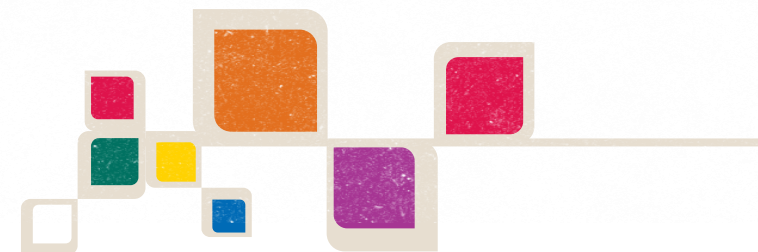


Progress at October 2017



2016/17			
	Planned Date	Complete?	Comments
<p>Annual Audit Letter Our Annual Audit Letter is included on this agenda.</p>	October 2017	Yes	
<p>Housing Benefit Subsidy Claim The work on the Housing benefits work is ongoing. The work will be completed by the deadline of 30 November and we will report our findings in the certification report in January</p>	November 2017	Underway	
2017/18			
	Planned Date	Complete?	Comments
<p>Fee Letter We are required to issue a 'Planned fee letter for 2017/18 by the end of April 2017. This is the final audit year under the current contract. PSAA has awarded contracts to audit suppliers and is currently consulting on local appointments. Your audit supplier from 2018/19 will be confirmed by the end of December 2017.</p>	April 2017	Yes	
<p>Accounts Audit Plan We will issue a detailed accounts audit plan to the Council setting out our proposed approach the audit of the Council's 2017/18 financial statements. This will be issued upon completion of our audit planning.</p> <p>The statutory deadline for the issued of the 2017/18 opinion is brought forward by two months to 31 July 2018. We are discussing with your officers our plan and timetable to ensure that we complete our work by this earlier deadline.</p> <p>We may also need to discuss and agree with you arrangements for the issue of the draft Audit Findings Report, in view of the time available to complete our work and your committee report deadlines.</p>	July 2018	No	The 2016/17 audit was completed to the earlier timetable. This was a useful "dry run" and means the Council is well set to achieve the statutory deadline in 2018

Progress at October 2017



2017/18	Planned Date	Complete?	Comments
<p>Interim accounts audit</p> <p>Our interim fieldwork visit plan will reflect the need to complete as much as possible earlier in the audit cycle. Our work will include:</p> <ul style="list-style-type: none"> • review of the Council's control environment • Updating our understanding of financial systems • review of Internal Audit reports on core financial systems • early work on emerging accounting issues • early substantive testing • Value for Money conclusion risk assessment. 	To be agreed	No	We will agree the timing of our interim visit with officers in due course.
<p>Final accounts audit</p> <ul style="list-style-type: none"> • proposed opinion on the Council's accounts • proposed Value for Money conclusion • review of the Council's disclosures in the consolidated accounts against the Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 	July 2018		We will agree the timing of our final accounts work with officers in due course.
<p>Value for Money (VfM) conclusion</p> <p>The scope of our work is unchanged to last year and is set out in the final guidance issued by the National Audit Office in November 2015. The Code requires auditors to satisfy themselves that; "the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources".</p> <p>The guidance confirmed the overall criterion as; "in all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people".</p> <p>The three sub criteria for assessment to be able to give a conclusion overall are:</p> <ul style="list-style-type: none"> • Informed decision making • Sustainable resource deployment • Working with partners and other third parties 	July 2018		We will undertake our work in respect of the Council's VfM conclusion and will report back to you in our Audit Findings Report in July 2018.

Technical Matters



Code of Practice on Local Authority Accounting in the United Kingdom 2017/18 and forthcoming provisions for IFRS 9 and IFRS 15

Code of Practice on Local Authority Accounting in the United Kingdom 2017/18

CIPFA/LASAAC has issued the Local Authority Accounting Code for 2017/18. The main changes to the Code include:

- amendments to section 2.2 (Business Improvement District Schemes (England, Wales and Scotland), Business Rate Supplements (England), and Community Infrastructure Levy (England and Wales)) for the Community Infrastructure Levy to clarify the treatment of revenue costs and any charges received before the commencement date
- amendment to section 3.1 (Narrative Reporting) to introduce key reporting principles for the Narrative Report
- updates to section 3.4 (Presentation of Financial Statements) to clarify the reporting requirements for accounting policies and going concern reporting
- changes to section 3.5 (Housing Revenue Account) to reflect the Housing Revenue Account (Accounting Practices) Directions 2016 disclosure requirements for English authorities
- following the amendments in the Update to the 2016/17 Code, changes to sections 4.2 (Lease and Lease Type Arrangements), 4.3 (Service Concession Arrangements: Local Authority as Grantor), 7.4 (Financial Instruments – Disclosure and Presentation Requirements)

- amendments to section 6.5 (Accounting and Reporting by Pension Funds) to require a new disclosure of investment management transaction costs and clarification on the approach to investment concentration disclosure.

Forthcoming provisions for IFRS 9 and IFRS 15

CIPFA/LASAAC has issued 'Forthcoming provisions for IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers in the Code of Practice on Local Authority Accounting in the United Kingdom 2018'. It sets out the changes to the 2018/19 Code in respect of IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers. It has been issued in advance of the 2018/19 Code to provide local authorities with time to prepare for the changes required under these new standards.

IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes a single classification approach for financial assets, a forward looking 'expected loss' model for impairment (rather than the 'incurred loss' model under IAS 39) and some fundamental changes to requirements around hedge accounting.

Technical Matters

Questions:

- Is your Head of Finance aware of the changes to the Code of Practice in 2017/18 and the forthcoming changes to lease accounting and revenue recognition?

IFRS 15 replaces IAS 18 Revenue and IAS 11 Construction Contracts. IFRS 15 changes the basis for deciding whether revenue is recognised at a point in time or over a period of time and introduces five steps for revenue recognition.

It should be noted that the publication does not have the authority of the Code and early adoption of the two standards is not permitted by the 2017/18 Code.

Sector issues



Independent Review of Building Regulations and Fire Safety

Sector Issues

The Government has published the terms of reference for the independent Review of Building Regulations and Fire Safety, commissioned following the Grenfell Tower fire tragedy.

The DCLG press release states:

“This Review will urgently assess the effectiveness of current building and fire safety regulations and related compliance and enforcement issues, with a focus on multi occupancy high rise residential buildings. This will include addressing whether the government’s large-scale cladding system testing programme identified any potential systemic failures.

The Review’s 2 key priorities are to develop a more robust regulatory system for the future and provide further assurance to residents that the buildings they live in are safe and remain safe. While the Review will cover the regulatory system for all buildings, it will have a specific focus on multi occupancy high rise residential buildings.

Dame Judith Hackitt, a qualified engineer with strong regulatory background, is leading the Review and will draw on the experience of local government, industry, the fire sector, international experts and MPs. She will also engage with residents of multi occupancy residential buildings.

The Review will report jointly to Communities Secretary Sajid Javid and Home Secretary Amber Rudd. An interim report will be submitted in autumn 2017 and a final report submitted in spring 2018. The Review will co-operate fully with the Public Inquiry, and Dame Judith Hackitt will review her recommendations in the light of the findings of the Inquiry.”

The terms of reference state that the review will:

- map the current regulatory system (i.e. the regulations, guidance and processes) as it applies to new and existing buildings through planning, design, construction, maintenance, refurbishment and change management;
- consider the competencies, duties and balance of responsibilities of key individuals within the system in ensuring that fire safety standards are adhered to;
- assess the theoretical coherence of the current regulatory system and how it operates in practice
- compare this with other international regulatory systems for buildings and regulatory systems in other sectors with similar safety risks;
- make recommendations that ensure the regulatory system is fit for purpose with a particular focus on multi-occupancy high-rise residential buildings.

The full terms of reference are available at:

<https://www.gov.uk/government/publications/independent-review-of-building-regulations-and-fire-safety-terms-of-reference>

Procurement of external audit services



Public Sector
Audit Appointments

Procurement outcome

As a result of the highly successful procurement of auditor services, opted-in Local government and police bodies throughout England will collectively benefit from reduced fees for audit services in 2018/19 compared to 2016/17. Aggregate savings are expected to exceed £6 million per annum, equivalent to a reduction of approximately 18% in the scale fees payable by local bodies.

The results of the process announced on 20 June 2017 involve the award of the following contracts:

- Lot 1 of approx. £14.6 million per audit year was awarded to Grant Thornton LLP;
- Lot 2 of approx. £10.9 million per audit year was awarded to EY LLP;
- Lot 3 of approx. £6.6 million per audit year to awarded to Mazars LLP;
- Lot 4 of approx. £2.2 million per audit year to awarded to BDO LLP;
- Lot 5 of approx. £2.2 million per audit year to awarded to Deloitte LLP; and
- Lot 6 with no guaranteed value of work to awarded to a consortium of Moore Stephens LLP and Scott-Moncrieff LLP.

Contracts were awarded on the basis of most economically advantageous tender with 50% of the available score awarded to price and 50% awarded to quality.

The procurement strategy, agreed by the PSAA Board in December 2016, sets out the basis on which the procurement of audit services was carried out.

Having concluded the procurement, PSAA will commence the process of appointing auditors to opted-in bodies. For more information on the auditor appointment process [click here](#).

Sector Issues

Finalising and confirming appointments

The PSAA Board will approve all proposed appointments from 2018/19, following consultation with audited bodies, at its meeting in mid-December. The Board's decision on the appointment of auditors is final. Following Board consideration, we will write to each audited body to confirm their appointment. We plan to send all confirmations on 18 December..



Housing Benefit (Subsidy) Assurance Process 2018/19: Module 1 Special Purpose Framework Instruction:

This Circular sets out the arrangements for the audit of the housing benefits subsidy for 2018/19. It is for the LA to appoint a reporting accountant to undertake this work and notify the DWP of this. A standard letter of notification for the LA use is set out in Appendix 1. This letter of notification must be issued to the DWP by the LA no later than the 1st March 2018.

Local Authority 2016/17 Revenue Expenditure and Financing

Sector Issues

DCLG has produced a summary of Local Authorities' 2016/17 provisional revenue spending and financing. It notes that Local government expenditure accounts for almost a quarter of all government spending and the majority of this is through local authority revenue expenditure. The summary is compiled from the Revenue Outturn (RO) returns submitted by all local authorities in England. Coverage is not limited to local councils in England and includes other authority types such as Police and Crime Commissioners and Fire authorities.

The headline messages include:

- Local authority revenue expenditure totalled £93.5 billion for all local authorities in England in 2016-17. This was 1.1% lower than £94.5 billion spent over 2015-16.
- Expenditure on Adult Social Care increased to £14.9 billion in 2016-17. This was £0.5 billion (3.6%) higher than in 2015-16. 2016-17 was first year local authorities were able to raise additional funding for Adult Social Care through the council tax precept.
- The largest decrease in local authority expenditure was on Education services. This was £0.8 billion (2.4%) lower in 2016-17 than in 2015-16. The majority of this decrease is due to local authority funded schools converting to academies.
- Local authorities are financing more of their expenditure from locally retained income. 40.4% of revenue expenditure was funded through council tax and retained business rates and 57.5% from central Government grants. The remaining 2.1% was funded by reserves and collection fund surpluses. These percentages were 38.7%, 60.4% and 0.9% respectively in 2015-16.
- Local authorities used £1.5 billion (6.2%) of the £24.6 billion reserves balance held at the start of the 2016-17.
- Local authorities' use of reserves was £1.1 billion higher in 2016-17 than in 2015-16. Due to changes in their capital programme, £0.5 billion of this increase is due to the Greater London Authority.

The full report is available at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/639755/Revenue_Expenditure_and_Financing_2016-17_Provisional_Outturn.pdf

Did you know....

This data set and many others are included in CFO Insights.

CFO Insights is the Grant Thornton and CIPFA online analysis tool. It gives those aspiring to improve the financial position of their organisation instant access to insight on the financial performance, socio-economic context and service outcomes of theirs and every other council in England, Scotland and Wales.

More information is available at:

<http://www.cfoinsights.co.uk/>

Grant Thornton publications



Combined Authorities: Signs of Success

In her foreword to ‘Building our Industrial Strategy’ the Prime Minister states that the initiative “will help to deliver a stronger economy and a fairer society – where wealth and opportunity are spread across every community in our United Kingdom, not just the most prosperous places in London and the South East.” Combined Authorities (CAs) – the newest model for the governance of local public services – are central to this.

In response to this, Grant Thornton and Bond Dickinson have jointly commissioned a report which provides an insight into the establishment of each combined authority in the context of their specific challenges. It is still early days for most combined authorities – the political and administrative difficulties of adopting this model are not to be under-estimated - but early signs are emerging of their potential to innovate and drive success.

The report benchmarks combined authorities using key indicators of growth, housing, transport and skills amongst others. We have also used our Vibrant Economy Index, which goes beyond financial returns and takes into account the wellbeing of society, to compare city regions. We believe that these benchmarks can serve as a baseline for assessment of progress over time.

Key findings from the report:

- CAs must begin to reduce the institutional blurring with historic local government structures that has occurred with their formation. As greater clarity emerges over their roles, functions, and profiles of individual mayors, ; their perceived legitimacy will increase.
- CAs stand and fall on their ability to add value through targeted investment, strategic co-ordination, joined-up policy and the leveraging in of additional resources (particularly additional private sector funds).
- There is no single checklist or set of criteria for measuring the success of mayors and combined authorities, each city region must articulate its own challenges and show progress in tackling them.
- A balanced set of benchmarks encompassing both economic and social success will, however, serve as a useful stimulus for the debate around the impact of the combined authority model over time.

Grant Thornton publications

Questions:

- Have you read our report?



<http://www.grantthornton.co.uk/en/insights/combined-authorities-signs-of-success/>

Setting up a successful social enterprise

Local government continues to innovate as it reacts to ongoing austerity. An important strand of this response has been the development of alternative delivery models, including local authority trading companies, joint ventures and social enterprises.

This report focuses on social enterprises in local government; those organisations that trade with a social purpose or carry out activities for community benefit rather than private advantage. Social enterprises come in a variety of shapes and sizes as they do not have a single legal structure or ownership rule and can adopt any corporate form as long as it has a social purpose.

In this report we explore what social enterprises look like, the requirements for setting one up, how they should be managed to achieve success and how they can be ended.

We have complemented this with a range of case studies providing inspiring ideas from those that have been successful and some lessons learned to take into consideration.

Key findings from the report:

- Austerity continues to be a key driver for change: social enterprises are a clear choice where there is an opportunity to enhance the culture of community involvement by transferring these services into a standalone entity at its centre
- The social enterprise model tends to lend itself more to community services such as libraries, heritage management and leisure, but not exclusively so
- Social enterprises can open up new routes of funding including the ability to be flexible on pricing and access to pro bono or subsidised advice
- Some local authorities have converted existing models into social enterprises; for example where a greater focus on social outcomes has been identified

Striking a balance between financial and social returns

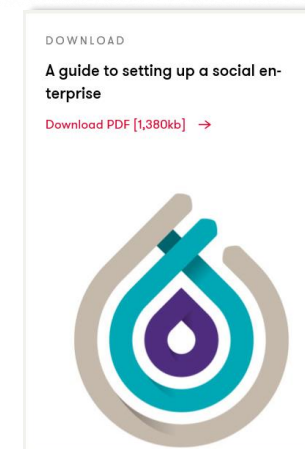
If you are a local authority looking to transition a public service to a social enterprise model certain factors will be key to your success including: leadership, continuing the culture, branding, staff reward and secure income stream.

Download our guide to explore how to handle these factors to ensure success, the requirements for setting up a social enterprise; and how social enterprise can be ended. The guide also showcases a number of compelling case studies from local authorities around England, featuring inspiring ideas from those social enterprises that have been a success; and lessons learned from those that have encountered challenges.

Grant Thornton publications

Questions:

- Is your Council exploring options for delivery of services?
- Have you read our report?
- Have you downloaded our guide?



<http://www.grantthornton.co.uk/en/insights/a-guide-to-setting-up-a-social-enterprise/>

A Manifesto for a Vibrant Economy

Developing infrastructure to enable local growth

Cities and shire areas need the powers and frameworks to collaborate on strategic issues and be able to raise finance to invest in infrastructure priorities. Devolution needs to continue in England across all places, with governance models not being a “one-size-fits all”. Priorities include broadband, airport capacity in the North and east-west transport links.

Addressing the housing shortage, particularly in London and the Southeast, is a vital part of this. There simply is not enough available land on which to build, and green belt legislation, though designed to allow people living in cities space to breath, has become restrictive and is in need of modernisation. Without further provision to free up more land to build on, the young people that we need to protect the future of our economy will not be able to afford housing, and council spending on housing the homeless will continue to rise.

Business rates are also ripe for review – a property-based tax is no longer an accurate basis for taxing the activity and value of local business, in particular as this source of funding becomes increasingly important to the provision of local authority services with the phasing out of the Government’s block grant.

Demographic and funding pressures mean that the NHS no longer remains sustainable, and the integration of health and social care – recognised as critical by all key decision makers – remains more aspiration than reality. .

There is an opportunity for communities to take a more holistic approach to health, for example creating healthier spaces and workplaces and tackling air quality, and to use technology to provide more accessible, cheaper diagnosis and treatment for many routine issues

Finding a better way to measure the vibrancy of places

When applied to a place we can see that traditional indicators of prosperity such as GVA, do not tell the full story. To address this we have developed a [Vibrant Economy Index](#) to measure the current and future vibrancy of places. The Index uses the geography of local authority areas and identifies six broad objectives for society: prosperity, dynamism and opportunity, inclusion and equality, health wellbeing and happiness, resilience and sustainability, and community trust and belonging.

The city of Manchester, for example, is associated with dynamic economic success. While our Index confirms this, it also identifies that the Greater Manchester area overall has exceptionally poor health outcomes, generations of low education attainment and deep-rooted joblessness. These factors threaten future prosperity, as success depends on people’s productive participation in the wider local economy, rather than in concentrated pockets.

Every place has its own challenges and opportunities. Understanding what these are, and the dynamic between them, will help unlock everybody’s ability to thrive. Over the coming months we will continue to develop the Vibrant Economy Index through discussions with businesses, citizens and government at a national and local level.

Guy Clifton – Head of Local Government Advisory

Grant Thornton publications

Question:

- Have you read our manifesto?



<http://www.grantthornton.co.uk/globalassets/1.-member-firms/united-kingdom/pdf/documents/creating-manifesto-vibrant-economy-draft-recommendations.pdf>

The Board: creating and protecting value

Grant Thornton publications

In all sectors, boards are increasingly coming under pressure from both the market and regulators to improve their effectiveness and accountability. This makes business sense given a strong governance culture in the boardroom produces better results, promotes good behaviour within the organisation and drives an organisation’s purpose.

Grant Thornton’s new report ‘The Board: creating and protecting value’ is a cross- sector review of board effectiveness, based on a survey of executives and non-executives from a range of organisations including charities, housing associations, universities, local government, private companies and publically listed companies.

It considers the challenges faced by boards, ways in which they can operate more effectively; and how to strike the right balance between value protection and value creation.

This report uses the DLMA analysis which categorises skills into four areas: Directorship, Leadership, Management and Assurance. This powerful tool provides a framework (see graph 1) with which to evaluate how well an organisation is performing in balance of skills and understanding of roles; and responsibilities between the executive and Board. It helps align risk (value protection) and opportunity (value creation) with overarching strategy and purpose.

Value creation					
Non-executives	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>Directorship How well do the non-executives:</p> <ul style="list-style-type: none"> design, debate and decide the organisation’s future? inspire and guide the executive to realise the organisation’s purpose? provide support to the executives? </td> <td style="width: 50%; vertical-align: top;"> <p>Leadership How well do the executives:</p> <ul style="list-style-type: none"> Make decisions aligned with realising the organisation’s purpose? Inspire and motivate employees to realise the organisation’s purpose? model the values of the organisation? </td> </tr> <tr> <td style="vertical-align: top;"> <p>Assurance How well do the non-executives:</p> <ul style="list-style-type: none"> monitor financial, compliance and business indicators? ensure appropriate processes are in place to manage risk? have oversight of the executive team? </td> <td style="vertical-align: top;"> <p>Management How well do the executives:</p> <ul style="list-style-type: none"> set goals, creating plans and allocating resources to achieve them? effectively assign roles and responsibilities? Focus on day-to-day tasks and resources needed to deliver strategic aims? </td> </tr> </table>	<p>Directorship How well do the non-executives:</p> <ul style="list-style-type: none"> design, debate and decide the organisation’s future? inspire and guide the executive to realise the organisation’s purpose? provide support to the executives? 	<p>Leadership How well do the executives:</p> <ul style="list-style-type: none"> Make decisions aligned with realising the organisation’s purpose? Inspire and motivate employees to realise the organisation’s purpose? model the values of the organisation? 	<p>Assurance How well do the non-executives:</p> <ul style="list-style-type: none"> monitor financial, compliance and business indicators? ensure appropriate processes are in place to manage risk? have oversight of the executive team? 	<p>Management How well do the executives:</p> <ul style="list-style-type: none"> set goals, creating plans and allocating resources to achieve them? effectively assign roles and responsibilities? Focus on day-to-day tasks and resources needed to deliver strategic aims?
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Value protection					
Executives					

Source: The Board: Creating and protecting value, 2017, Grant Thornton

Question:

- Have you read our report?



<http://www.grantthornton.co.uk/globalassets/1.-member-firms/united-kingdom/pdf/publication/board-effectiveness-report-2017.pdf>

International Consortium on Governmental Financial Management

Introduction

Grant Thornton and the International Consortium on Governmental Financial Management (ICGFM) partner every other year to perform an international survey of Public Financial Leaders.

In 2015 the theme was innovation in public financial management. This year's survey has been designed to identify and describe emerging issues around transparency and citizen engagement – building on the themes highlighted in the 2015 report.

The insights will be published in a report later in 2017 and we would be delighted if you were able to spend some time completing the brief on-line questionnaire which can be found [here](#). Your Audit Manager will be able to provide you with a link to the survey if required.

Please note that the ICGFM and Grant Thornton will not identify, or attribute thoughts and quotations to, individual survey respondents in the final 2017 report. This preserves your anonymity, so please respond freely, honestly and openly.

We have again partnered with the ICGFM to survey Financial Leaders

Question:

- Have you completed the ICGFM survey on transparency and citizen engagement?





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RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO ACCOUNTS AND AUDIT COMMITTEE

Agenda Item No 8

meeting date: 18 OCTOBER 2017
title: EXTERNAL AUDITOR APPOINTMENT – 2018/19 ONWARDS
submitted by: DIRECTOR OF RESOURCES
principal author: LAWSON ODDIE

1 PURPOSE

- 1.1. To inform committee of the progress to date on the appointment of our external auditor from 2018/19 onwards
- 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. 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.
- 2.2. The Act also set out the arrangements for the appointment of auditors for subsequent years, with the opportunity for authorities to make their own decisions about how and by whom their auditors are appointed. Regulations made under the Act allow authorities to 'opt in' for their auditor to be appointed by an 'appointing person'.
- 2.3. In July 2016 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. The appointing person is sometimes referred to as the sector led body and PSAA has wide support across local government. PSAA was originally established to operate the transitional arrangements following the closure of the Audit Commission under powers delegated by the Secretary of State. PSAA is an independent, not-for-profit company limited by guarantee and established by the LGA.
- 2.4. At around this time last year the PSAA invited the Council to opt in, along with all other authorities, so that PSAA could enter into a number of contracts with appropriately qualified audit firms and appoint a suitable firm to be the Council/Authority's auditor.
- 2.5. This committee proposed that we agree to this and the decision was referred to full Council where it was approved.

3 PROCUREMENT OUTCOME

- 3.1 As a result of the PSAA procurement of auditor services, opted-in local government and police bodies throughout England will collectively benefit from reduced fees for audit services in 2018/19 compared to 2016/17. Aggregate savings are expected to exceed £6 million per annum, equivalent to a reduction of approximately 18% in the scale fees payable by local bodies. There were 484 opted-in local bodies.

- 3.2 The process thoroughly tested audit quality as well as attracting highly competitive prices. The successful firms possess a wealth of public sector audit experience giving confidence that high standards of service will be maintained.
- 3.3 The tender process also encouraged firms to think creatively about maximising social value benefits. Their responses promise the creation of more than 400 new apprenticeships over the life of the contract, many of which will be recruited from more disadvantaged communities.
- 3.4 The results of the process announced on 20 June 2017 involve the award of the following contracts:
- Lot 1 of approx. £14.6 million per audit year was awarded to Grant Thornton LLP;
 - Lot 2 of approx. £10.9 million per audit year was awarded to EY LLP;
 - Lot 3 of approx. £6.6 million per audit year to awarded to Mazars LLP;
 - Lot 4 of approx. £2.2 million per audit year to awarded to BDO LLP;
 - Lot 5 of approx. £2.2 million per audit year to awarded to Deloitte LLP; and
 - Lot 6 with no guaranteed value of work to awarded to a consortium of Moore Stephens LLP and Scott-Moncrieff LLP.
- 3.5 Contracts were awarded on the basis of most economically advantageous tender with 50% of the available score awarded to price and 50% awarded to quality.

4 LATEST POSITION

- 4.1. A period of consultation by PSAA ran from the 14 August to 22 September on the proposed appointment of auditors. We were informed at the beginning of this consultation that our proposed auditors were to be Grant Thornton UK LLP.
- 4.2. On the 15 September confirmation was given to PSAA that we were satisfied with the proposed appointment of Grant Thornton UK LLP as our auditors from 2018/19. Acknowledgement was then received back on the 27 September as shown at Annex 1.
- 4.3. Final confirmation is now expected sometime towards the end of December 2017 after the PSAA Board have met to consider all proposed auditor appointments at its meeting on 14 December 2017.

5 CONCLUSION

- 5.1. Having opted in to the sector led option for the appointment of external auditors for five financial years commencing 1 April 2018, we have now been notified that the proposal is to appoint Grant Thornton UK LLP.
- 5.2. We will receive final confirmation after the PSAA Board have met on 14 December 2017, and by the statutory deadline of 31 December 2017.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

AA23-17/LO/AC
6 October 2017

From: auditorappointments@psaa.co.uk [<mailto:auditorappointments@psaa.co.uk>]
Sent: 27 September 2017 08:28
To: Marshal Scott; Jane Pearson
Cc: auditorappointments@psaa.co.uk
Subject: Ribble Valley Borough Council - proposed auditor appointment from 2018/19
Importance: High

Ribble Valley Borough Council - this is a formal communication to the chief executive and chief finance officer about the auditor appointment from 2018/19

I am writing to acknowledge receipt of your confirmation that you are satisfied with the proposed appointment of Grant Thornton (UK) LLP to audit the accounts of Ribble Valley Borough Council from 2018/19.

The consultation on proposed appointments closed at **5pm on Friday 22 September 2017**. No further action is needed from you now on this matter. The PSAA Board will consider all proposed auditor appointments at its meeting on 14 December 2017, and we will write to you by email as soon as possible after the meeting to confirm your auditor appointment formally.

Kind regards

Jon Hayes
Chief Officer