

**APPOINTMENT OF LOCAL EXTERNAL AUDITORS
BOROUGH TREASURER**

1 PURPOSE OF REPORT

- 1.1 To notify to the Committee of the conclusion of the Public Sector Auditor Appointment (PSAA) collective procurement process to appoint an External Auditor from the 2018/19 financial year.

2 RECOMMENDATION

- 2.1 **The Committee notes that Ernst & Young LLP has been appointed as the Council's External Auditor from the 2018/19 financial year through the collective procurement process run by PSAA.**

3 REASONS FOR RECOMMENDATION

- 3.1 To inform the Committee of the outcome of the PSAA collective procurement process that Bracknell Forest Council agreed to be part of, along with virtually all other local authorities.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 There are no alternative options available.

5 SUPPORTING INFORMATION

Background

- 5.1 At its meeting on 27 January 2017 the Committee agreed to recommend to Council that Bracknell Forest join the Public Sector Auditor Appointments collective procurement arrangement to appoint an External Auditor from the 2018/19 financial year. The Committee concluded that this approach would be most likely to achieve best value in a relatively restricted market and would avoid the need and cost of the Council itself undertaking a complex and time consuming procurement process and establishing and administering a new independent Auditor Panel.
- 5.2 In [October?] the PSAA wrote to Chief Executives and Chief Finance Officers to inform them of the preliminary results of their procurement process and invite any feedback around possible impediments to their draft conclusions. As it was notified that the process had concluded that Ernst and Young should be re-appointed as the Council's auditor, there was no reason to object, given that the relationship with the firm is a constructive one.
- 5.3 Members will note that a report from the External Auditor to this meeting identifies that Ernst and Young are proposing a managed transition of their senior managers working on the Council's account in order to ensure that an appropriate level of independence is maintained over time, which is normal practice.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The Local Audit and Accountability Act 2014 Act creates a legal framework enabling the Government to nominate a 'person' to act as a joint procurement body for local audit and to give that body the powers and duties to operate collective procurement arrangements. Such a body is required to appoint auditors to those local authorities which 'opt in' to the collective procurement arrangement.

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- 6.2 The fee levels for the audit are prescribed by the PSAA, meaning the Council will benefit from the economies of scale associated with being part of a collective procurement arrangement.

Equalities Impact Assessment

- 6.3 Not applicable

Strategic Risk Management Issues

- 6.4 None

Other Officers

- 6.5 Not applicable

7 CONSULTATION

Principal Groups Consulted

- 7.1 Not applicable

Background Papers

None

Contact for further information

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