MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	**AUDIT AND SCRUTINY SUB COMMITTEE**		
DATE:	**8 FEBRUARY 2018**	**REPORT NO:**	**CFO/007/18**
PRESENTING OFFICER	**IAN CUMMINS**		
RESPONSIBLE OFFICER:	**IAN CUMMINS**	**REPORT AUTHOR:**	**IAN CUMMINS**
OFFICERS CONSULTED:	**SMG**		
TITLE OF REPORT:	**CONFIRMATION OF EXTERNAL AUDITOR APPOINTMENT FOR 2018/19**		

APPENDICES:	**APPENDIX A:**	**CFO/071/16 ARRANGEMENTS FOR APPOINTING EXTERNAL AUDITORS**
	APPENDIX B:	**CFO/062/17 APPOINTMENT OF EXTERNAL AUDITORS**
	APPENDIX C:	**PSAA EMAIL "MFRA – CONFIRMATION OF AUDITOR APPOINTMENT FROM 2018/19"**

Purpose of Report

1. To inform Members that following the Public Sector Auditor Appointment Limited (PSAA) Board meeting in December 2017, PSAA have now advised the Authority that Grant Thornton have been confirmed as the external auditor for the Authority from 2018/19 to 2022/23.

Recommendation

2. That Members note the report.

Introduction and Background

3. Report CFO/071/16 sought approval from Members on the preferred option for the appointment of the external auditor from 2018/19 as the existing arrangements with Grant Thornton would conclude at the end of 2017/18. CFO/071/16 is attached as Appendix A for Members information. Members approved using the LGA's Public Sector Auditor Appointment Limited (PSAA) as the Authority's 'appointing person' for external audit services for 2018/19 and future years.

4. After completing their procurement exercise PSAA proposed that Grant Thornton (GT) be the nominated Auditor for the Authority. Members approved the

appointment of GT when they considered report CFO/062/17, attached as Appendix B.

5. The formal appointment of GT as the Authority's auditors was subject to final approval at the PSAA Board meeting on 14th December 2017. PSAA have now advised the Authority that the Board approved GT as the Authority's auditors. The confirmation email is attached to this report as Appendix C.

6. Members are asked to note this decision.

Equality and Diversity Implications

7. None contained within this report.

Staff Implications

8. None contained within this report.

Legal Implications

9. The Local Audit and Accountability Act 2014 abolished the Audit Commission and established transitional arrangements for the appointment of external auditors. Additional regulations, the Local Audit (Appointing Person) Regulations 2015 and the Accounts and Audit Regulations 2015 require the Authority to meet various requirements when determining the appointment of the external auditor.

Financial Implications & Value for Money

10. The cost of the current external audit function is £32,424. PSAA have indicated that on average the fee may be up to 18% lower. Therefore no increase in cost is expected and the contract price should at a minimum be within the current budget.

Risk Management, Health & Safety, and Environmental Implications

11. None contained within this report.

Contribution to Our Mission: *Safer Stronger Communities – Safe Effective Firefighters*

12. External audit help ensure the Authority's internal controls and financial management are robust and therefore funds earmarked for operational activities remain intact.

BACKGROUND PAPERS

CFO/071/16 "Arrangements for appointing external auditors" Audit and Scrutiny Sub Committee 15th September 2016.

CFO/062/17 "Appointment of External Auditor" Community Safety and Protection Committee 5th September 2017.

GLOSSARY OF TERMS

MFRA	**M**erseyside **F**ire and **R**escue **A**uthority is the physical and legal entity. When writing reports MFRA is the “object”.
PSAA	Public Sector Auditor Appointment Limited.