

Council of Governors Meeting in Public

Subject:	Appointing the External Auditor	Date: 11 th August 2020		
Prepared By:	Paul Robinson Chief Finance Officer and Assurance Committee, Shirley A Higginbotham Director of Corporate Affairs			
Approved By:	Graham Ward, NED, Chair of Audit and Assurance Committee			
Presented By:	Sue Holmes – Lead Governor			
Purpose				
To seek approval to appoint KPMG as the external auditors for the Trust as recommended by the External Audit working group			Approval	x
			Assurance	
			Update	
			Consider	
Strategic Objectives				
To provide outstanding care	To promote and support health and wellbeing	To maximise the potential of our workforce	To continuously learn and improve	To achieve better value
			x	x
Overall Level of Assurance				
	Significant	Sufficient	Limited	None
		x		
Risks/Issues				
Financial	Value for money procurement process utilising approved frameworks			
Patient Impact	N/A			
Staff Impact	N/A			
Services	N/A			
Reputational	It is a legal requirement for the Trust to have an appointed external auditor at all times			
Committees/groups where this item has been presented before				
N/A				
Executive Summary				
<p>The Health and Social Care Act 2006 states that every foundation trust must have an auditor this is appointed by the council of governors. The Act states that it is for the council of governors to appoint or remove the auditor at a general meeting of the council.</p> <p>PWC were appointed for the end of the 2017/18 financial year for a 3 year contract, this will cease at the end of the 2019/20 audit. The Trust therefore must have an auditor appointed for this time.</p> <p>The Council of Governors agreed the process for the appointment of the external auditors in November 2019, and a working group, comprising governors and members of the Audit and Assurance committee was established to take this forward, with the final decision made by the Council of Governors.</p> <p>A formal procurement process was undertaken, however as previously reported to Committee no tenders were received.</p> <p>Recently KPMG expressed an interest in being the Trusts external auditor and it was agreed they would present to the Governor working group, the outcome of the presentation was the group agreed to recommend KPMG to the Council of Governors to act as External Auditors for a period of three years. The Head of Strategic Procurement advised the group the trust could make a direct award to KPMG through the framework.</p> <p>The Council of Governors are asked to approve the appointment of KPMG, as external auditors for a period of three years, as recommended by the Governor working group.</p>				