

Transport for the North Audit and Governance Committee – Item 9

Subject: External Audit Update

Author: Iain Craven

Sponsor: Iain Craven, Finance Director

Meeting Date: Wednesday 19 September 2018

1. Executive Summary:

- 1.1 The Report updates the Audit and Governance Committee regarding the appointment of external auditors for Transport for the North (TfN).

2. Recommendation:

- 2.1 That members note the process being undertaken for the appointment of external auditors for TfN, and the proposed appointment of Mazars as external auditor.

3. Issues:

- 3.1 Per the financial and governance frameworks within which it operates, TfN is required to appoint external auditors. Consultation with the Audit and Governance Committee regarding the appointment of external auditors is a requirement of TfN governance arrangements and is also good practice.
- 3.2 Following discussions between TfN and Public Sector Audit Appointments (www.psaa.co.uk), it was confirmed that TfN falls within the PSAA remit with regard to audit appointments. Given the need to expedite the appointment of auditors and the timing of the Audit and Governance Committee meetings, TfN consulted by email with Committee members in relation to the process for the appointment of auditors.
- 3.3 Following confirmation from Committee members that they were happy to proceed to an external audit appointment via the PSAA, we have written to the PSAA and received from them a proposal that Mazars be appointed as TfN's external auditor. TfN was invited by PSAA to make any representations that we might wish in relation to this appointment. On the basis that this appointment is free of any

current conflicts and is unlikely to result in potential conflicts in the future, TfN is happy to proceed on this basis and therefore no such representations were made to PSAA.

- 3.5 On this basis, the proposal will be taken forward to the PSAA Board on 10 October for formal ratification and Mazars will then become the external auditor for TfN.

List of Background Documents

None

Required Considerations

Please confirm using the yes/no options whether or not the following considerations are of relevance to this report.

Equalities:

Age		No
Disability		No
Gender Reassignment		No
Pregnancy and Maternity		No
Race		No
Religion or Belief		No
Sex		No
Sexual Orientation		No

Consideration	Comment	Responsible Officer	Director
Equalities	A full Impact assessment has not been carried out because this report considers procedural issues only.	Iain Craven	Dawn Madin

Environment and Sustainability

	No
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Consideration	Comment	Responsible Officer	Director
Sustainability / Environment	A full impact assessment has not been carried out because this report considers procedural issues only.	Iain Craven	Iain Craven

Legal

Yes	
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Consideration	Comment	Responsible Officer	Director
Legal	Legal implications have been considered and are included in the report.	Sasha Wayne	Sasha Wayne

Finance

	No
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Consideration	Comment	Responsible Officer	Director
Finance	Transport for the North Finance Team has confirmed there are no financial implications.	Iain Craven	Iain Craven

Resource

	No
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Consideration	Comment	Responsible Officer	Director
Resource	Transport for the North HR Team has confirmed there are no resource implications.	Iain Craven	Dawn Madin

Risk

Yes	
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Consideration	Comment	Responsible Officer	Director
Risk	A risk assessment has been carried out and the key risks are included in the report.	Haddy Njie	Iain Craven

Consultation

	No
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Consideration	Comment	Responsible Officer	Director
Consultation	A consultation has not been carried out because this report considers procedural issues only.	Iain Craven	Iain Craven