

## Notice of Appointment of External Auditors for East Lancashire Hospitals NHS Trust

For the 2018/19 and 2019/20 financial years commencing 1 April, Grant Thornton LLP have been appointed as external auditors for East Lancashire Hospitals NHS Trust.

Having approved the use of the NHS Shared Business Services framework agreement to undertake a mini-competition among eligible suppliers, as well as the evaluation of responses based on price (40%) and quality (60%), the Trust's Auditor Panel met to evaluate the qualitative aspect of the tender responses submitted by these suppliers, based on a consensus of opinion.

Having been presented with an overall weighted score at its meeting on 4 December 2017, the Auditor Panel ratified the decision to recommend to the Trust Board to appoint Grant Thornton LLP as external auditors to the Trust, as the best scoring supplier, based on the tender responses received.

The Trust Board subsequently accepted the recommendation of the Auditor Panel and agreed the appointment on 13 December 2017.

### Summary of regulatory framework

The Local Audit and Accountability Act 2014 requires NHS trusts to select and appoint their own auditors and directly manage their contracts for the audits. To fulfil these requirements, East Lancashire Hospitals NHS Trust is obliged to appoint an external auditor, eligible for appointment in line with the Financial Reporting Council's (FRC) requirements, to audit the annual accounts by 31 December of the preceding year. The appointment can be for longer than a year but there must be a new appointment at least once every 5 years and an auditor can be re-appointed for further terms. The Trust has also appointed an auditor panel to advise on the appointments, in accordance with the Act.

Within 28 days of an appointment being made, the Act also required NHS trusts to publish a notice to name the external auditor, the length of the appointment, the advice, or a summary of the advice to the Board or Governing Body, received from the auditor panel, and, where it has not accepted that advice, the reasons why not.