

Engaging the External Auditor to Supply Additional (non-audit) Services

Policy

For completion by Author			
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Document Statement

The Council of Governors must appoint the Trust's external auditor for the provision of statutory audit services. This policy relates to the engagement of the auditor to provide additional services.

In order to ensure the independence and objectivity of the auditor, the engagement of the auditor in any additional activities will be subject to this policy.

1. Roles and Responsibilities

The Council of Governors should approve this policy and is asked to delegate authority for the commissioning of additional services to the Audit Committee.

2. Procedure

2.1 The auditor will submit an annual plan for the Audit Committee's consideration and approval. The plan may include proposals for additional non audit services or these may be proposed separately on an ad hoc basis in response to specific Trust requirements.

2.2 The Audit Committee will categorise external auditor services as either:

- Statutory Audit Services (annual audit)
- Further mandatory assurance services that are specifically required by regulatory bodies
- Non-audit services provided by auditors to their clients may fall into three categories:
 - services required by legislation or contract to be undertaken by the auditors
 - Services that it is most efficient for the auditors to provide because of their existing knowledge where the information largely derives from the audited financial records.
 - Services that could be provided by a number of firms such as regarding management consultancy, tax advice and human resources consultancy.

2.3 Further mandatory assurance services will be commissioned from the appointed auditor by the Audit Committee, providing that the Audit Committee is satisfied that the appointed auditor has the necessary expertise and can offer value for money. In most circumstances, these will form part of the annual audit plan.

2.4 Discretionary services will be commissioned by the Audit Committee following consideration of whether the current auditor is best placed to provide the service in terms of relevant experience, expertise, value for money and satisfaction that the auditors independence is not compromised. These services may be commissioned at the time the annual plan is received or as required by the Trust.

2.5 Following approval by the Audit Committee, an additional services engagement letter for each element of non-statutory audit work, must set out the detailed work plan, scope, timeframe, costs and reporting arrangements. This will be signed by the Chief Finance Officer.

2.6 The Audit Committee will report regularly to the Council of Governors on its work, including any work commissioned in respect of additional activities.

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2.7 The Council of Governors will receive a report at least annually of non- audit services that have been approved for the auditors to provide under the policy (on the basis of services approved, regardless of whether they have started or finished) and the expected fee for each service. The annual report will explain to members how, if the auditor provides non-audit services, auditor objectivity and independence is safeguarded.

3. Policy Implementation Plan

The Policy will be implemented by the Audit Committee in line with Code of Governance Provision D2.5 which establishes that the Audit Committee shall develop and implement policy on the engagement of the external auditor to supply non audit services.

4. Monitoring of Compliance

Compliance with this policy will be checked through reports to the Council of Governors and disclosures within the annual report.

5. Endorsed By:		
Name of Lead Clinician / Manager or Committee Chair	Position of Endorser or Name of Endorsing Committee	Date
James Bradley	Director of Finance	November 2025

6. Record of Changes

Section No	Version No	Date of Change	Description of Amendment	Description of Deletion	Description of Addition	Reason
3. Policy Implementation		June 2023	New Code of Governance Reference			New code of governance 2023