

# Annual Regulatory Compliance and Quality Report

**Grant Thornton LLP**

**July 2017**

**Public Sector Audit Appointments Limited (PSAA) is an independent company limited by guarantee incorporated by the Local Government Association in August 2014.**

**The Secretary of State for Communities and Local Government delegated a number of statutory functions (from the Audit Commission Act 1998) to PSAA on a transitional basis by way of a letter of delegation issued under powers contained in the Local Audit and Accountability Act 2014.**

**As a consequence of these delegations, for 2017/18 the company will continue to be responsible under transitional arrangements for appointing auditors to local government and police bodies, for setting audit fees and for making arrangements for certification of housing benefit subsidy claims.**

**Looking beyond 2017/18, the Secretary of State has specified PSAA as an appointing person for principal local government bodies from 2018/19, under the provisions of the Local Audit and Accountability Act 2014 and the Local Audit (Appointing Person) Regulations 2016**

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# Summary report

## Introduction

1 Public Sector Audit Appointments Limited (PSAA) monitors the performance of all its audit firms. The results of our monitoring provide audited bodies and other stakeholders with assurance that auditors within our regime are delivering high-quality audits.

2 There are two strands to our monitoring:

- audit quality- applying our annual quality review programme (QRP) to the audit work undertaken for the 2015/16 year of account; and
- regulatory compliance- reporting quarterly on audit firms' compliance with our 2016/17 regulatory requirements as set out in the Terms of Appointment.

3 The audit quality and regulatory compliance monitoring for 2016/17 incorporated a range of measurements and checks comprising:

- a review of each firm's latest published annual transparency reports;
- the results of reviewing a sample of each firm's internal audit quality monitoring reviews (QMRs) of its financial statements, Value for Money (VFM) arrangements conclusion and housing benefit (HB COUNT) work. Our review included assessing compliance with the HB COUNT guidance;
- an assessment as to whether we could rely on the results of each firm's systems for quality control and monitoring;
- a review of the Financial Reporting Council's (FRC) published reports on the results of its inspection of audits in the private sector;
- the results of our inspection of each firm by the FRC's Audit Quality Review team (AQRT) as part of our commissioned rolling inspection programme of financial statements and VFM work;
- the results of each firm's compliance with 15 key indicators relating to our Terms of Appointment requirements;
- a review of each firm's systems to ensure they comply with our regulatory and information assurance requirements; and
- a review of each firm's client satisfaction surveys for 2015/16 work.

4 This report summarises the results of our monitoring work for Grant Thornton LLP (GT).

## Overall performance

5 The firm is meeting our standards for overall audit quality and our regulatory compliance requirements. We calculated the red, amber, green (RAG) indicator for overall audit quality and regulatory compliance using the principles detailed in Appendices 1 and 2.

6 For 2016/17, GT's combined audit quality and regulatory compliance rating was amber.

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Figure 1: **2017 Comparative performance for audit quality and regulatory compliance**

BDO	EY	GT	KPMG	Mazars
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7 GT has maintained its green rating performance against the regulatory compliance indicators since last year, with all but two of the 2016/17 indicators scored as green. GT's overall weighted audit quality score of 1.91 is broadly consistent with last year's 2.00.

8 The satisfaction survey results show that audited bodies are very satisfied with the performance of GT as their auditor.

## Detailed report

### Quality review programme

#### *FRC Inspection*

**9** Every year each firm provides a self-assessment in the form of a transparency report issued in accordance with the requirements of the Professional Oversight Board of the FRC. Our review of the latest GT transparency report did not highlight any significant issues of note.

**10** Annually, the FRC publishes reports on the audit firms subject to full scope FRC inspections, including GTs in our regime. We place reliance on the work of the FRC, which reviews the GTs' systems and processes for ensuring audit quality and reviews a sample of their audits of public interest entities. The reports focus on the key areas requiring action by the firm to safeguard and enhance audit quality. They do not seek to provide a balanced scorecard of the quality of a firm's audit work.

**11** In its latest public report on GT, the FRC reported on eight engagement reviews. In five cases they concluded that audit procedures were performed to an acceptable standard. Three audits were identified as requiring significant improvement, three more than last year.

**12** The FRC has identified key issues in its reports which, profession wide, should be addressed in order to improve audit quality. These were:

- challenge of management in key areas involving judgement, such as impairment reviews, asset valuations and provisions;
- the design and execution of audit procedures relating to revenue recognition; and
- systems and arrangements for ensuring compliance with ethical and independence requirements.

**13** We have raised these issues with GT and with all other firms in our regime and we will continue to monitor progress in these areas.

**14** We also commissioned inspections of all firms by the FRC for this year's QRP. The AQRT inspected three financial statements opinion and one VFM arrangements conclusion file from GT's 2015/16 PSAA work and provided an updated commentary on the applicability of firm-wide procedures to our audits. Having considered the review points raised by the AQRT, we assessed two of the audits inspected as acceptable with limited improvements required and one as acceptable overall with improvements required for the financial statements work. VFM arrangements conclusion work was rated as acceptable overall with improvements required.

**15** The principal issues resulting from the AQRT reviews of financial statement audits, across all the firms, following this year's programme of work for PSAA were:

- insufficient challenge and independent corroboration of management experts' valuations of property, plant and equipment (PPE) and other fixed assets;
- insufficient documentation of risk assessment procedures where PPE not classified as a significant audit risk despite the account balance being subject to key estimation

uncertainty and valuation policies requiring periodic valuations increasing the risk of misstatement over the account balance;

- insufficient audit work over the valuation of pension scheme assets, testing of data provided to actuaries and direction and review of the pension fund auditor;
- inadequate procedures to test the completeness, authorisation and appropriateness of journals, and risk characteristic testing not comprehensive in all cases;
- deficiencies in the audit procedures of a first year audit, including lack of consideration of prior year significant risks and issues as part of the audit team's risk assessment, and insufficient evidence of client take on procedures;
- limited evidence to support the testing rationale for operating expenditure and the testing of completeness of expenditure and liabilities; and
- the involvement of the RI in the areas of key audit significance was not to the level expected and was a potential causal factor for many of the issues identified in at the audits for which they were responsible.

**16** In respect of VFM arrangements work, the AQRT reported:

- A lack of enquiry of senior and non-financial management staff as part of the audit team's risk assessment;
- Where risks were identified, there was a lack of inquiry of appropriate management in completing procedures in response to those identified significant risks; and
- Failure to evidence account taken of governance issues (e.g. changes to s151 officer, political leadership, matters in reported in Annual Governance Statement).

**17** We have combined our scores for the AQRT inspections for PSAA with the firm's QMR scores in the relevant sections in the rest of this report. These improvement points are included in Appendix 4.

#### *QMR programme*

**18** PSAA sets quality standards for its appointed auditors and monitors their performance against them. The principal means of monitoring and evaluating the quality of auditors' work is the annual QRP. For 2016/17 we relied on each firm's own quality monitoring arrangements.

**19** All firms agreed to follow PSAA's methodology and reporting format for their QMRs for VFM arrangements conclusion and HB COUNT work and to use their own methodology for assessing work on the financial statements (converting the financial statements results to our scoring system). We concluded that GT's QMRs were generally sufficiently detailed and rigorous for us to place reliance and determine scores on all of the reviews provided by the firm.

**20** Each firm scored their QMRs using a common four-point scale, with 3 being the highest and 0 being the lowest. A score of 1 is our benchmark for acceptable performance. The full assessment scale is detailed in Table 1 and we calculated the score for overall audit quality on a weighted assessment using the weightings detailed in appendix 1.

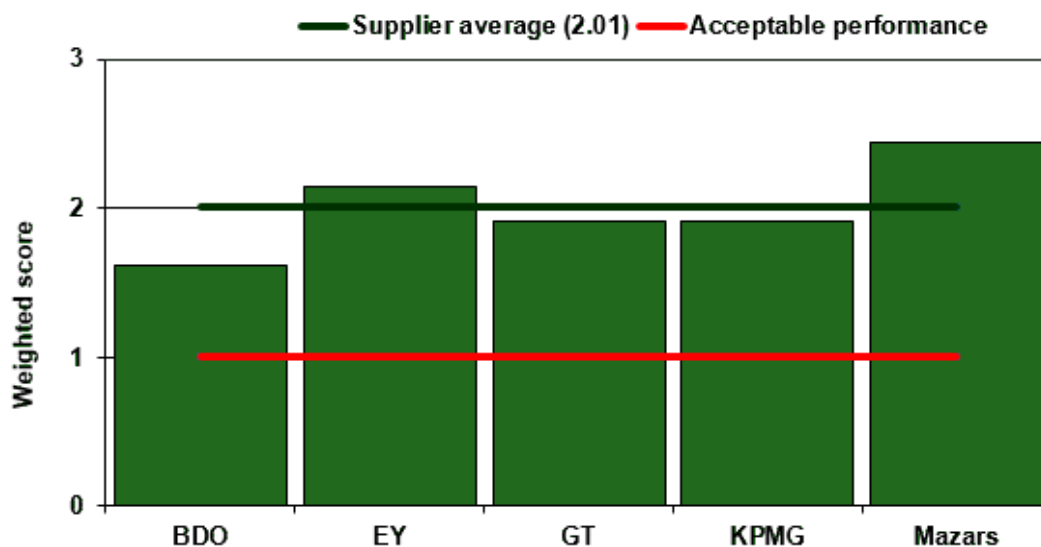
Table 1: **PSAA assessment scale**

Score	Descriptor
3	Good
2	Acceptable with limited improvements required
1	Acceptable overall with improvements required
0	Significant improvements required

21 GT's score was 1.91 compared to an all firm average 2.01. This is broadly consistent with last year's score of 2.00.

22 Figure 2 shows the assessment of GT's overall audit quality performance in comparison to other firms.

Figure 2: **2017 Audit quality performance**



23 Our QRP methodology is designed to highlight any specific weaknesses at individual file level, specifically where our benchmark score of 1 is not met, which may have ordinarily been masked behind a high average score across the various elements (Financial statements, VFM and HB COUNT) of the QRP.

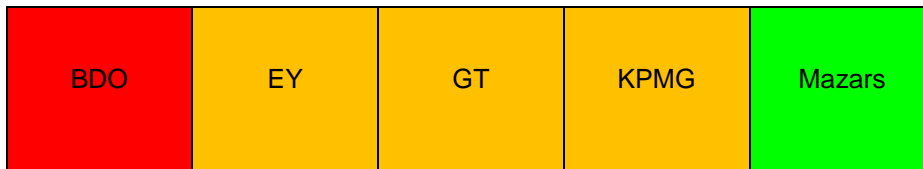
24 We have calculated a red, amber, green (RAG) indicator for each element of the QRP, using the principles detailed in Appendix 2, as well as for overall audit quality. Where a firm scores an average of less than 2, or has any scores of 0, a rating higher than amber in that element is not possible. Where a firm has three individual scores of 0, then the overall rating is red.



25 For 2016/17, GT's overall rating for audit quality was amber because one financial statement audit was rated as 0 (significant improvements required). We consider each of the individual elements making up this rating below.

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Figure 3: **2017 Comparative performance for audit quality**



### **Financial statements audit work**

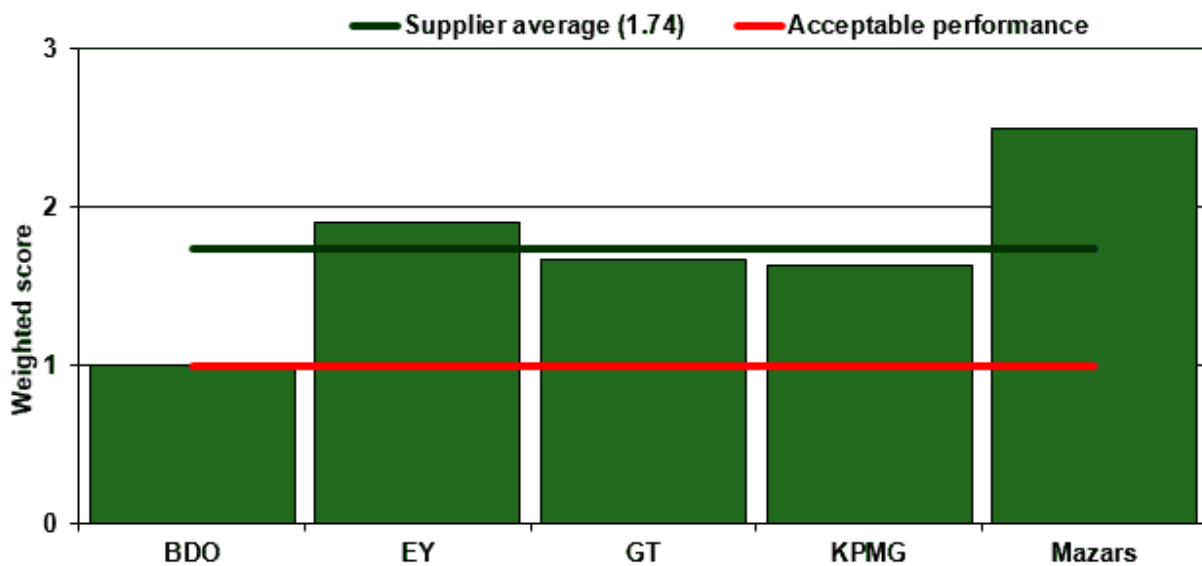
The firm provided the results of 12 QMRs for financial statement audit files. We reviewed these and agreed with the firm's assessments with two exceptions where we took the view that a score of 2 was more appropriate than a score of 3.

26 The improvement areas from these reviews included:

- obtaining better evidence to support asset valuations;
- ensuring the accuracy of the published audit report;
- better documenting audit sampling, journals testing and the validity of information prepared by the entity; and
- having clearer documentation on file of the timeliness of EL reviews and involvement.

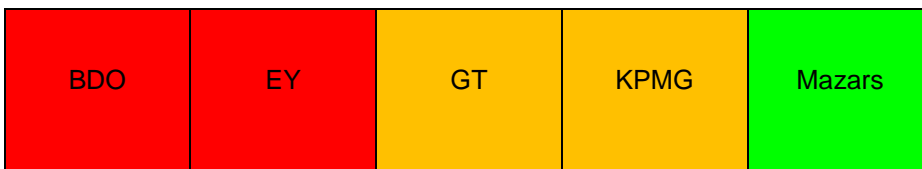
27 In addition, the AQRT reviews for PSAA provided a score for three additional financial statements assessments. Figure 4 shows the comparative performance for financial statement audit work based on the results of the QMRs and AQRT review. GT's average score was 1.67 compared to an all firm average of 1.74.

Figure 4: 2017 financial statements performance



28 For 2015/16 audit work, GT’s rating for financial statements work was amber as one audit was rated as 0 (significant improvements required).

Figure 5: 2017 Comparative performance for financial statements audit work



**VFM conclusion audit work**

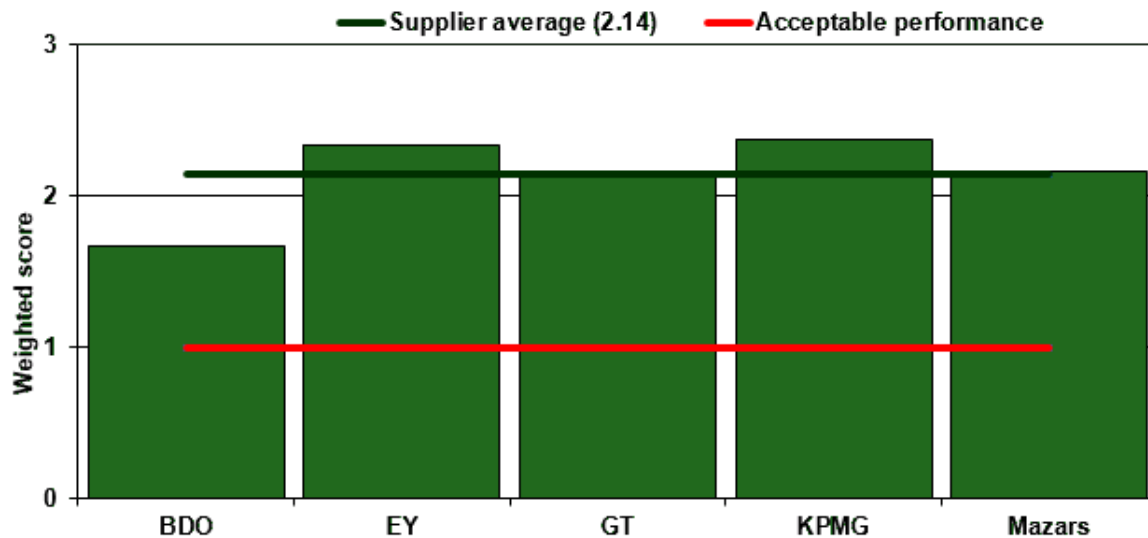
29 The GT provided the results of 18 QMRs for VFM arrangements conclusion audit work. We reviewed the results and agreed with the assessments.

30 The improvement areas from these individual QMRs and the AQRT review included:

- having clearer documentation on file of the timeliness of EL reviews and involvement; and
- ensuring clearer documentation on file of the consideration of risks.

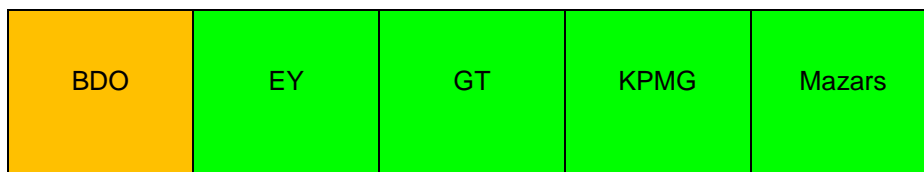
31 In addition, the AQR review for PSAA provided a score for one additional VFM arrangements conclusion assessment. Figure 6 shows the comparative performance for VFM audit work based on the results of the QMRs and the AQRT review. GT’s score was 2.16 compared to an all firm average of 2.14.

Figure 6: 2017 VFM conclusion performance



32 For 2015/16 VFM arrangements conclusion work, GT's rating was green.

Figure 7: 2017 Comparative performance for VFM conclusion audit work



### Housing benefit work

33 Each year auditors certify local authority claims for housing benefit subsidy to the Department for Work and Pensions (DWP). They are required to undertake this work using specific guidance and tools (HB COUNT) which are agreed annually with the DWP. HB COUNT sets out the approach and work needed to certify the subsidy claim form. It includes a requirement to test a sample of cases to check that benefits have been awarded in accordance with benefit regulations and that subsidy has been properly claimed.

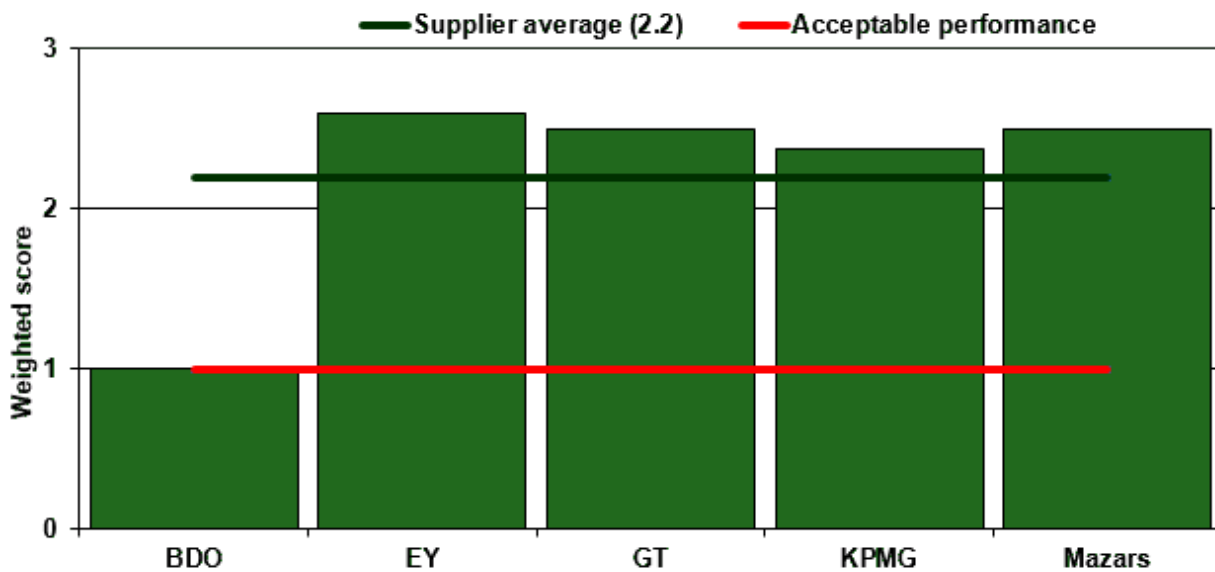
34 The firm provided the results of seven QMRs for HB COUNT work. We reviewed the results of these and we generally agreed with the firm's assessments. In three cases we increased the firm's scores by 1 point to maintain consistency with other scores across the regime.

35 The improvement areas from these individual QMRs included:

- improving the quality of documentation surrounding the work undertaken.

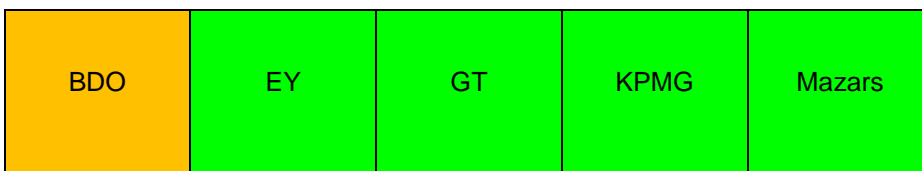
36 Figure 8 shows the comparative performance of each firm based on the QMRs. GT's average score was 2.50 compared to an all firm average of 2.20.

Figure 8: 2017 HB COUNT performance



37 For 2015/16, HB Count certification work, GT’s rating was green.

Figure 9: 2017 Comparative performance for HB COUNT audit work



## Regulatory compliance

### Systems for compliance with our regulatory requirements

38 In 2016/17, GT confirmed to PSAA that its systems and procedures for regulatory compliance were the same as those in the previous year. Nothing came to PSAA’s attention in year to suggest this is not correct, and we concluded that we could continue to rely on GT’s systems.

### Systems for compliance with our information assurance requirements

39 During 2015, PSAA instructed its Internal Auditor (TIAA) to undertake a review of the GT’s information assurance arrangements based on a return completed by the firm. The review considered whether the firm met the requirements of information governance legislation. There were no issues arising as a result of this review and we concluded that we could rely on the firm’s arrangements. For this review, GT has provided confirmation that its general systems and procedures have not changed and we can continue to rely on them for regulatory compliance

## Quarterly monitoring of our regulatory requirements

40 PSAA reported the details in the quarterly monitoring reports issued to the firm during the year, including fee variation request and requests for non-audit services from the firm. Figure 10 details the firm's overall regulatory compliance RAG rating compared to other firms.

Figure 10: **2017 Comparative performance for regulatory compliance**

BDO	EY	GT	KPMG	Mazars
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41 GT performed well across all of the regulatory compliance requirements, with all but two of the 15 indicators being rated as green. The firm was rated amber in respect of the timeliness of the resolution of elector objections, as there were two objections not dealt with in nine months outstanding as at 31 March 2017. One complaint made to GT was upheld and the firm has also been rated amber in this area.

42 We have included a summary at Appendix 3 of the results of the 2016/17 regulatory compliance monitoring RAG ratings, comparing the firm's performance against the overall performance for all firms.

## Client satisfaction surveys

43 All firms agreed to undertake client satisfaction surveys for 2015/16 audits, and to report the results to PSAA. We specified questions to be included in the survey and asked firms to provide us with an analysis of the results.

44 The firm received results from a sample of audited bodies on completion of their 2015/16 audit. Table 2 details the questions and the average score.

Table 2: **Satisfaction survey results**

Question	Average score (max. 10)
How satisfied are you overall with your audit?	8.5
How satisfied are you with the amount of contact with your Engagement Lead?	9
How satisfied are you with the amount of contact with your Audit Manager?	9

Question	Average score (max. 10)
How satisfied are you with the technical competence and skills of your audit team?	8
How satisfied are you with your auditor's performance at committee meetings?	9
How satisfied are you with your auditor's understanding of the key issues and risks specific to your organisation?	9
How satisfied are you with the usefulness of your auditor's reports?	8
How satisfied are you with the timeliness of your auditor's reports?	9

These results show that audited bodies are, on the whole, very satisfied with the level of service received from GT and for 2015/16 work, GT's rating for client satisfaction was green.

Figure 11: **2017 Comparative performance for client satisfaction**

BDO	EY	GT	KPMG	Mazars

45 The firm has undertaken an analysis of any improvement points raised in the survey and has committed to action any individual improvement points identified.

### Recommendations

#### Recommendations arising from the 2016/17 quality review programme

46 The key areas for improvement identified this year from file reviews are noted below, as taken from the body of this report:

##### *Financial statements*

- obtaining better evidence to support asset valuations;
- ensuring the accuracy of the published audit report;
- better documenting audit sampling, journals testing and the validity of information prepared by the entity; and
- having clearer documentation on file of the timeliness of EL reviews and involvement.

### *VFM*

- having clearer documentation on file of the timeliness of EL reviews and involvement;  
and
- ensuring clearer documentation on file of the consideration of risks.

### *HB*

- improving the quality of documentation surrounding the work undertaken.

### *Compliance*

- no issues

**47** Appendix 4 provides details of the actions the firm has, or intends to take to address these improvement areas. We understand the findings from the QMR will be considered by the firm's quality team and then communicated to staff.

## Appendix 1 – Weightings to calculate overall quality score

Table 3: **Weightings**

<b>Audit element</b>	<b>Local government 60%</b>	<b>NHS 40%</b>
Financial statements	60	70
VFM Conclusions	30	30
HB	10	-
Total	100	100



## Appendix 2 - Audit quality and regulatory compliance RAG rating

Table 4: QRP elements of financial statements, VFM conclusions and housing benefit work.

Rating	Firm level: Overall Audit Quality score	Firm level: Individual QRP element
<b>Green</b>	Firm audit quality score $\geq 2$ and no scores of '0' at file review level	Average element score $\geq 2$ and no scores of '0' at file review level
<b>Amber</b>	Firm audit quality score $\geq 1$ with up to two scores of '0' at file review level	Average element score $\geq 1$ with up to one score of '0' at file review level
<b>Red</b>	Firm audit quality score $< 1$ , <b>or</b> Firm audit quality score $\geq 1$ but three or more scores of '0' at file review level	Average element score $< 1$ , <b>or</b> Average element score $\geq 1$ but two or more scores of '0' at file review level

Table 5: Regulatory compliance RAG rating based on 15 quarterly monitoring

Rating	Overall Firm level score- indicators
<b>Green</b>	11 or more at green and no more than two at red.
<b>Red</b>	Six or more indicators at red.
<b>Amber</b>	Neither green nor red.

**Table 6: Combined audit quality and regulatory compliance RAG**

		<b>QRP RAG</b>		
		<b>Red</b>	<b>Amber</b>	<b>Green</b>
<b>Regulatory compliance RAG</b>	<b>Red</b>	R	R	A
	<b>Amber</b>	R	A	A
	<b>Green</b>	A	A	G

**Table 7: RAG rating the results of satisfaction survey results**

<b>Firm assessment (average)</b>	<b>Firm unsatisfactory – satisfactory assessment (average)</b>	<b>PSAA RAG rating</b>
<b>0 – 5</b> <b>0 - 10</b>		
0-1.5 0 - 3	very dissatisfied / dissatisfied / unsatisfactory	R
1.5 – 3.5 4 – 6	reasonable / good / satisfied	A
3.5 – 5 7 - 10	very good / very satisfied / outstanding	G

### Appendix 3 - Results of 2016/17 regulatory compliance monitoring

Activity	Target	All Suppliers % (no.)	GT % (no.)	Firm Comments
Issue of planning (fee) letters.	100% by 29 April 2016.  Green>95.01% delivered or only 1 missed Amber 90.01% to 95% delivered or only 2 missed Red<90% delivered or 3 or more missed	100% (0)	100% (0)	
Issue of NHS audit opinions.	100% by 27 May 2016 (CCG) and 1 June 2016 (NHS Trusts).  Green>95.01% delivered or only 1 missed Amber 90.01% to 95% delivered or only 2 missed Red<90% delivered or 3 or more missed	100% (0)	100% (0)	
Issue of NHS VFM conclusions.	100% by 27 May 2016 (CCG) and 2 June 2016 (NHS Trusts).  Green>95.01% delivered or only 1 missed Amber 90.01% to 95% delivered or only 2 missed Red<90% delivered or 3 or more missed	100% (0)	100% (0)	
Issue of local government audit opinions.	100% by 30 September 2016.  Green>95.01% delivered or only 1 missed Amber 90.01% to 95% delivered or only 2 missed Red<90% delivered or 3 or more missed	97% (16)	98% (4)	
Issue of local government audit VFM conclusions.	100% by 30 September 2016.  Green>95.01% delivered or only 1 missed Amber 90.01% to 95% delivered or only 2 missed Red<90% delivered or 3 or more missed	97% (17)	98% (4)	
Issue of WGA reports.	100% by 21 October 2016.  Green>95.01% delivered or only 1 missed Amber 90.01% to 95% delivered or only 2 missed Red<90% delivered or 3 or more missed	97% (16)	97% (6)	
Confirmation of final NHS fee to audited bodies	100% by 31 July 2016  Green>95.01% delivered or only 1 missed Amber 90.01% to 95% delivered or only 2 missed Red<90% delivered or 3 or more missed	100% (0)	100% (0)	
Issue of NHS annual audit letters.	100% by 31 July 2016  Green>95.01% delivered or only 1 missed Amber 90.01% to 95% delivered or only 2 missed Red<90% delivered or 3 or more missed	99% (2)	98% (2)	
Confirmation of final local government fee to audited bodies	100% by 30 October 2016  Green>95.01% delivered or only 1 missed Amber 90.01% to 95% delivered or only 2 missed Red<90% delivered or 3 or more missed	100% (0)	100% (0)	
Issue of local government annual audit letters.	100% by 30 October 2016  Green>95.01% delivered or only 1 missed Amber 90.01% to 95% delivered or only 2 missed Red<90% delivered or 3 or more missed	97% (18)	96% (8)	

Activity	Target	All Suppliers % (no.)	GT % (no.)	Firm Comments
Audited body database information.	Accurate database information provided to PSAA.  Green>95.01% delivered or only 1 missed Amber 90.01% to 95% delivered or only 2 missed Red<90% delivered or 3 or more missed	99% (11)	99% (3)	
Complaints upheld against auditors.	Complaints upheld against auditors.  Green 0 Upheld Amber 1 upheld Red 2 or more upheld	1	1	
Non-compliance with requirements on independence issues.	Instances of non-compliance.  Firms: Green 1 case Amber 2 cases Red 3 or more cases  Regime: Green Up to 5 cases Amber 6 or 7 cases Red 8 or more cases	1	0	
Attendance at Contact Partner Meetings	Attendance of Contact Partner at all meetings.  Firms: Green 1 case Amber 2 cases Red 3 or more cases  Regime: Green Up to 5 cases Amber 6 or 7 cases Red 8 or more cases	0	0	
Consideration of objections	Outstanding objections not determined within 9 months.  Firms: Green 1 case Amber 2 cases Red 3 or more cases  Regime: Green Up to 5 cases Amber 6 or 7 cases Red 8 or more cases	5	2	

Source: PSAA

## Appendix 4 - Summary of regulatory compliance and QRP improvement areas

Table 8- improvement areas

Area	Improvement required	GT response
Key messages from FRC annual reports	<p>A need for auditors to improve the quality of the audit evidence of the challenge of management on key judgement areas, such as impairment reviews, asset valuations and provisions;</p> <p>A need for auditors to improve the design and execution of audit procedures relating to revenue recognition; and</p> <p>A need for auditors to improve the systems and arrangements for ensuring compliance with ethical and independence requirements.</p>	<p>We have emphasised these points to our local audit teams through our regional and national training, skype technical calls and through our Weekly Bulletin. We have run specific skype training sessions on scepticism, critical judgements such as asset valuation and revenue recognition. We have also included these points in our year end audit sign off checklists, as an aide memoire to engagement leads before the sign.</p> <p>With the introduction of the new Ethical Standard, and the guidance in the NAO's AGN 01, we have invested significantly in our ethics function. Our Public Sector Ethics and Compliance Specialist, now sits within the firm's Quality, Ethics and Excellence function, insuring that all public sector ethics issues get expert input before being resolved.</p>
AQR review on PSAA work (across all firms)	Document within the risk assessment of Property, Plant and Equipment (PPE) the impact on the risk of misstatement over the account balance caused by estimation uncertainty and valuation policies requiring periodic valuations	<p>We have provided specific training to teams on estimation techniques and estimates, and around valuation.</p> <p>We have also run a specific skype call and provided updated guidance for teams on the audit of pension funds (including around valuation issues).</p>

	<p>Ensure that sufficient challenge and independent corroboration is made of management experts' valuations of property, plant and equipment PPE and other fixed assets;</p> <p>Better evidence audit work over the valuation of pension scheme assets, testing of data provided to actuaries and direction and review of the pension fund auditor;</p> <p>Evidence procedures to test the completeness, authorisation and appropriateness of journals, and ensure that risk characteristic testing is comprehensive;</p> <p>Ensure that client take on procedures are evidenced on first year audits. Prior year significant risks and issues should be evidenced as part of the audit team's risk assessment;</p> <p>Evidence the decisions taken to support the testing rationale for operating expenditure and the testing of completeness of expenditure and liabilities; and</p> <p>Ensure that the involvement of the RI in the areas of key audit significance is to the level expected and properly documented.</p> <p>Evidence that enquiry of senior and non-financial management staff is included as part of the audit team's VFM arrangements risk assessment and response to identified significant risks.</p> <p>Evidence account taken of governance issues (e.g. changes to s151 officer, political leadership,</p>	<p>We have provided specific training around journals and risk assessment.</p> <p>Our Ethics team has produced updated guidance on take on including evidencing.</p> <p>We have provided training and guidance on testing of operating expenditure and liabilities.</p> <p>We ran a specific session for Engagement Leads on audit quality including our expectations on their involvement.</p> <p>We have provided updated guidance to teams on our approach to VfM including risk assessment and responding.</p> <p>Within our guidance, we have referred to the need to take account of governance issues</p>
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	matters in reported in Annual Governance Statement) in providing VFM arrangements conclusion.	
Financial statements	<p>Obtain better evidence to support asset valuations;</p> <p>Ensure the accuracy of the published audit report;</p> <p>Better documenting audit sampling, journals testing and the validity of information prepared by the entity; and</p> <p>Ensure clearer documentation on file of the timeliness of EL reviews and involvement.</p>	<p>We have provided specific training to teams on estimation techniques and estimates, and around valuation.</p> <p>We have included specific guidance in our Weekly Update and our opinion checklist to teams on the accuracy of the published report.</p> <p>We have provided specific training around journals and risk assessment.</p> <p>We ran a specific session for Engagement Leads on audit quality including our expectations on their involvement.</p>
VFM arrangements conclusions	<p>Ensure clearer documentation on file of the timeliness of EL reviews and involvement; and</p> <p>Ensure clearer documentation on file of the consideration of risks.</p>	<p>We have provided updated guidance to teams on our approach to VfM including risk assessment and responding.</p>
Housing benefit	<p>Improve the quality of documentation surrounding the work undertaken.</p>	<p>We are reviewing and updating our approach to Housing Benefits in the light of PSAA feedback. Overall, our performance was strong, and the key thing now is to ensure our work is efficient and minimises unnecessary charges to clients.</p>

Regulatory compliance	No issues	-
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