

PSAA Quality of Audit Service feedback survey

Research report
December 2019





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Background and Methodology

Public Sector Audit Appointments (PSAA) monitors the performance of the audit firms it has appointed to undertake audits under the Local Audit and Accountability Act 2014. The results of their monitoring provide audited bodies and other stakeholders with assurance that quality audits are being delivered.

In order to inform this monitoring process, it is vital that PSAA understand the views of the bodies it appoints the auditors for, establishing how useful the audit process and outputs are and considering how auditors can improve in this regard. To this end, PSAA commissioned the Local Government Association's (LGA) Research and Information team to conduct two anonymous surveys seeking the views and experiences of directors of finance and Audit Committee Chairs, respectively, in relation to audits relating to the 2018/19 financial year and taking place during 2019/20. The generic name 'Audit Committee' is used in this report.

This is a report of the survey's findings. The main body of this survey covers the questions sent to directors of finance, with brief comparisons drawn from the questions sent to Audit Committee Chairs. The full results of the questions sent to Audit Committee Chairs can be found in Appendix A.

The surveys were conducted using two online forms. An email containing a survey link was sent, on the one hand to the directors of finance or equivalent of all 486 audited bodies served by PSAA, and on the other hand to the 451 chairs of those organisations' Audit Committees. The overall number of directors of finance was greater than the number of Audit Committee Chairs because in some instances, information on the Audit Committee Chair was unavailable. The surveys were available to complete during the period November to December 2019.

The final overall response rate for the directors of finance part of the research was 40 per cent (193 directors of finance). The final overall response rate for the Audit Committee Chairs' part of the research was much lower at 17 per cent (75 Audit Committee Chairs). This level of response rate means that these results should not be taken to be more widely representative of the views of all councils. Rather, they are a snapshot of the views of this particular group of respondents.

PSAA views the feedback of Audit Committee Chairs as being very important for the assessment and improvement of audit firm performance in fulfilling their obligations under the contract. PSAA has encouraged the participation of this group of responders and will continue to engage through a variety of means, including the bi-annual Local Audit Quality Forums, as a mechanism

for obtaining views and feedback from Audit Committee Chairs. In order to give due prominence to the views and comments expressed in the survey received from this group, we have included their comments and response charts alongside the analysis of the director of finance responses where most appropriate. We provide a full analysis from the Audit Committee Chairs in Appendix A.

Summary of results:

Skills and tools of the audit team

- More than 9 out of 10 directors of finance agreed that their auditor clearly explained what the key audit risks were for their organisation.
- Between 40 and 60 per cent of finance directors agreed that their auditor was timely and worked on a no surprises basis.
- Around 60 per cent of finance directors agreed that the audit team had the skills to deliver the audit.
- Under 60 per cent of finance directors agreed that the audit team made good use of information technology to streamline the audit.

Communications

- Around 70 per cent of finance directors agreed that the auditor kept them informed of progress throughout the audit year, and a similar proportion agreed that the auditor clearly explained what work had been completed to address the key risks identified.
- Around 80 per cent of finance directors agreed that the auditor, when presenting the audit closure report, clearly explained the work undertaken and conclusions reached.
- Around 65 per cent of finance directors agreed that the auditor's reports and communications provided insight into the organisation's financial reporting practices.
- Around half of directors of finance who experienced significant differences in views between management and the audit team agreed that these differences in views were clearly explained and information was provided on a timely basis.

Fee variations

- Almost 80 per cent of finance directors reported that their auditor had proposed an additional audit fee at some point during the process.
- More than 82 per cent of these agreed that the audit team explained the reasons for the proposed additional fee.
- Under 30 per cent of these agreed that the audit team explained how the proposed additional fee might be avoided in future years, where appropriate.
- Over 60 per cent of these agreed that the additional fee was reported to the Audit Committee in a timely manner.

Auditor changes

- Just over 20 per cent of finance directors reported that there had been a change in the appointed audit firm.
 - Of these, around 50 per cent agreed that they were satisfied with the management of the transition by the new firm.
- Just over 40 per cent of finance directors reported that there had been a change in the engagement lead.
 - Of these, around 65 per cent agreed that they were satisfied with how the handover was managed.
- Just over 40 per cent of finance directors reported that there had been a change in the audit manager.
 - Of these, just over 50 per cent agreed that they were satisfied with how the handover was managed.
- Just under half of finance directors reported that their audit opinion had been delayed beyond 31 July 2019.
 - Of these, just over 40 per cent agreed that the need to do this and the underlying reason was communicated on a timely basis.
 - Of these, around 15 per cent agreed that the auditor made arrangements to minimise disruption to the organisation.

Meeting expectations

- Just over 60 per cent of finance directors agreed that the audit service provided met expectations for the provision of the audit as set out in the audit firm's method statement.

Themes emerging from comments provided by finance directors

- Themes mostly expressed dissatisfaction or concern with various features of the audit, including proposals of additional fees; lack of communication and delays; poorly managed team changes; the audit team's lack of experience and resources; and more specific concerns around the audit approach, McCloud issues and accounting issues.
- A small number of respondents also expressed dissatisfaction with PSAA and/or MHCLG.
- However, several comments expressed a good working relationship especially with the local audit team and their ability to deliver a satisfactory service under challenging conditions.

Introduction

Public Sector Audit Appointments (PSAA) is specified by the Secretary of State for Housing, Communities and Local Government under the Local Audit and Accountability Act 2014 (the Act 2014) and the Local Audit (Appointing Person) Regulations 2015 (regulations) as the appointing person for principal local government bodies in England, including local police and fire bodies.

Under the PSAA national auditor appointment scheme, auditor appointments were made to 486 authorities comprising organisations in the public sector (local government, police and fire and rescue) that opted in (98%) for the five-year period 2018/19 to 2022/23. The Regulations require PSAA to 'monitor compliance by a local auditor against the contractual obligations in an audit contract'. PSAA carries out an annual programme of work to provide assurance to audited bodies and other stakeholders that quality audits are being delivered.

An important element of the monitoring programme is how the audit firms have managed relations with the audited bodies. In order to inform this monitoring process, it is vital that PSAA obtains customer feedback to understand the views of the bodies it appoints the auditors for, establishing how useful the audit process and outputs are and considering how auditors can improve in this regard. To that end, PSAA commissioned the LGA's Research and Information team to conduct survey research surveys seeking the views and experiences of directors of finance and Audit Committee Chairs, respectively, in relation to audits taking place in 2019/20 relating to the 2018/19 financial year which is the first year of the new contract.

This is a report of the survey's findings. The main body of this survey covers the questions sent to directors of finance, with brief comparisons drawn from the questions sent to Audit Committee Chairs. The full results of the questions sent to Audit Committee Chairs can be found in Appendix A.

Methodology

The surveys were conducted by the LGA's Research and Information team using two online forms. An email containing a survey link was sent to the directors of finance or equivalent of all 486 audited bodies served by PSAA, and to the 451 chairs of those organisations' Audit Committees. The overall number of directors of finance was greater than the number of Audit Committee Chairs because in some instances, information on the Audit Committee Chair was unavailable. All authorities received a survey, even in the case of the 100 authorities where the audit was still in progress as of 30 November 2019. The surveys were available to complete online between November and December 2019. A number of reminders to non-responders were issued during this period.

The final overall response rate for the directors of finance part of the research was 40 per cent (193 directors of finance). Table 1 shows finance director respondents broken down by the firm responsible for auditing their organisation.

Table 1: Respondents broken down by audit firm (directors of finance)			
Audit firm	Contract split (%)	Respondents (%)	Respondents (Number)
BDO	6%	5%	9
Deloitte	6%	5%	9
Ernst & Young	30%	35%	67
Grant Thornton	40%	40%	78
Mazars	18%	16%	30
Total	100%	100%	193

The final overall response rate for the Audit Committee Chairs part of the research was 17 per cent (75 Audit Committee Chairs). Table 2 shows Audit Committee Chair respondents broken down by the firm responsible for auditing their organisation.

Table 2: Respondents broken down by audit firm (Audit Committee Chairs)			
Region	Contract split (%)	Respondents (%)	Respondents (Number)
BDO	6%	7%	5
Deloitte	6%	4%	3
Ernst & Young	30%	35%	26
Grant Thornton	40%	33%	25
Mazars	12%	21%	16
Total	100%	100%	75

Where tables and figures report the base, the description refers to the group of people who were asked the question and the number in brackets refers to the number of respondents who answered each question. Please note that bases vary throughout the survey.

Where the response base is less than 50, care should be taken when interpreting percentages, as small differences can seem magnified. Therefore, where this is the case in this report, the non-percentage values are reported, in brackets, alongside the percentage values. Where this is the case, any significant analysis is not reliable and only the top line data findings will be shown.

Throughout the report percentages in figures and tables may add to more than 100 per cent due to rounding.

In the survey the word 'auditor' covers the firm and the audit partner. Audit Committee is used to refer to the committee that the auditor reports to. The Engagement Lead (EL) is the audit partner or director who is the individual responsible for the audit and signs the opinion.

PSAA quality of audit service feedback survey

This section contains analysis of the full set of results of the part of the survey relating to finance directors. Each sub-section includes:

- An overall summary of the finance director results;
- A breakdown of the finance director results by audit firm;
- A brief comparison with the Audit Committee Chairs results;
- And a selection of representative quotes provided by the finance director respondents.

Efficiency and effectiveness of the audit

Finance director respondents were asked to say the extent to which they agreed with a set of statements related to the efficiency and effectiveness of their audit. More than nine out of 10 (92 per cent) said they strongly agreed or tended to agree that the auditor clearly explained what the key audit risks were for their organisation. Three fifths (60 per cent) said they strongly agreed or tended to agree that documentation and information requests were made on a timely basis. Half (50 per cent) strongly agreed or tended to agree that outputs and fieldwork were provided and completed in line with the agreed timetable; slightly less than half (44 per cent) tended to disagree or strongly disagreed with this statement. Finally, more than half (55 per cent) strongly agreed or tended to agree that communications were made on a no surprises basis.

Table 3: To what extent do you agree or disagree with the following statements in relation to efficiency and effectiveness of the audit?					
Statements	Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree
The auditor clearly explained what the key audit risks are for your organisation.	48%	44%	6%	2%	1%
Documentation and information requests were made on a timely basis.	20%	40%	11%	17%	11%
Outputs and fieldwork provided and completed in line with agreed timetable.	18%	32%	6%	18%	26%
Communications were made on a no surprises basis.	23%	32%	11%	21%	13%

Base: all finance director respondents (193)

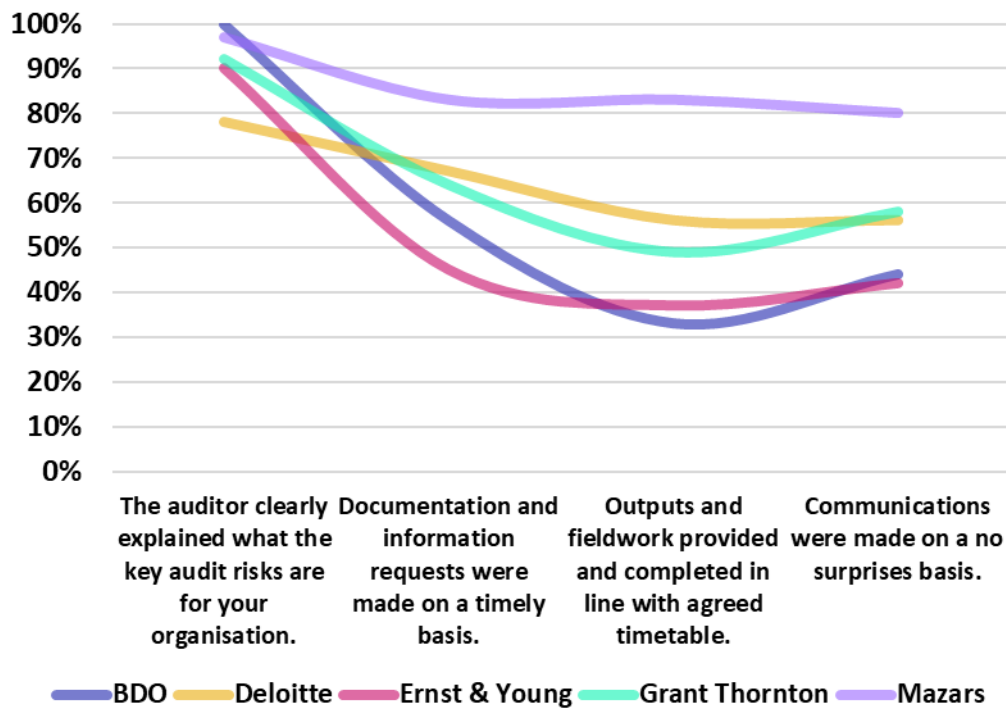


Figure 1. To what extent do you agree or disagree with the following statements in relation to efficiency and effectiveness of the audit? Percentage selecting “strongly agree” or “tend to agree” by audit firm

**Table 4: To what extent do you agree or disagree with the following statements in relation to efficiency and effectiveness of the audit?
Percentage selecting “strongly agree” or “tend to agree” by audit firm**

Statements	BDO	Deloitte	Ernst & Young	Grant Thornton	Mazars
The auditor clearly explained what the key audit risks are for your organisation.	100%	78%	90%	92%	97%
Documentation and information requests were made on a timely basis.	56%	67%	45%	64%	83%
Outputs and fieldwork provided and completed in line with agreed timetable.	33%	56%	37%	49%	83%
Communications were made on a no surprises basis.	44%	56%	42%	58%	80%

Base: all finance director respondents (193)

The comments that finance director respondents provided identify a wide variety of working practices ranging from highly positive to highly negative. According to one respondent, “Good working relationships meant audit queries were raised and resolved in a timely manner.” Another reported that “Early Audit Planning ensured the audit went well,” and another said “We appreciate the hard work of the local audit team in making sure that the audit was completed by 31st July, which is a very challenging deadline for an authority of our size.” On the other hand, one respondent reported that “the firm were clearly not prepared for the volume of work in taking on so many LA audits at the same time.” Another said of their firm that “they struggled to make the deadlines, a lot of very late requests for evidence,” and another reported that they received a late phone call one Friday to say that the audit was not taking place, where the audit was due to start on the following Monday.

Skills and tools of the audit team

Finance director respondents were asked to say the extent to which they agreed with a set of statements related to the skills and tools of the audit team. More than three fifths (61 per cent) said they strongly agreed or tended to agree that the audit team had the skills (including necessary knowledge and understanding) to deliver the audit. Almost three fifths (56 per cent) said they strongly agreed or tended to agree that the audit team made good use of information technology to streamline the audit. Nearly three quarters (74 per cent) strongly agreed or tended to agree that the auditor could be approached to act as a sounding board when required.

Table 5: To what extent do you agree or disagree with the following statements in relation to the skills and tools of the audit team?					
Statements	Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree
The audit team had the skills (including necessary knowledge and understanding) to deliver the audit.	20%	41%	13%	19%	6%
The audit team made good use of information technology to streamline the audit.	24%	32%	25%	12%	7%
The auditor can be approached to act as a sounding board when required.	41%	33%	17%	7%	2%

Base: all finance director respondents (190)

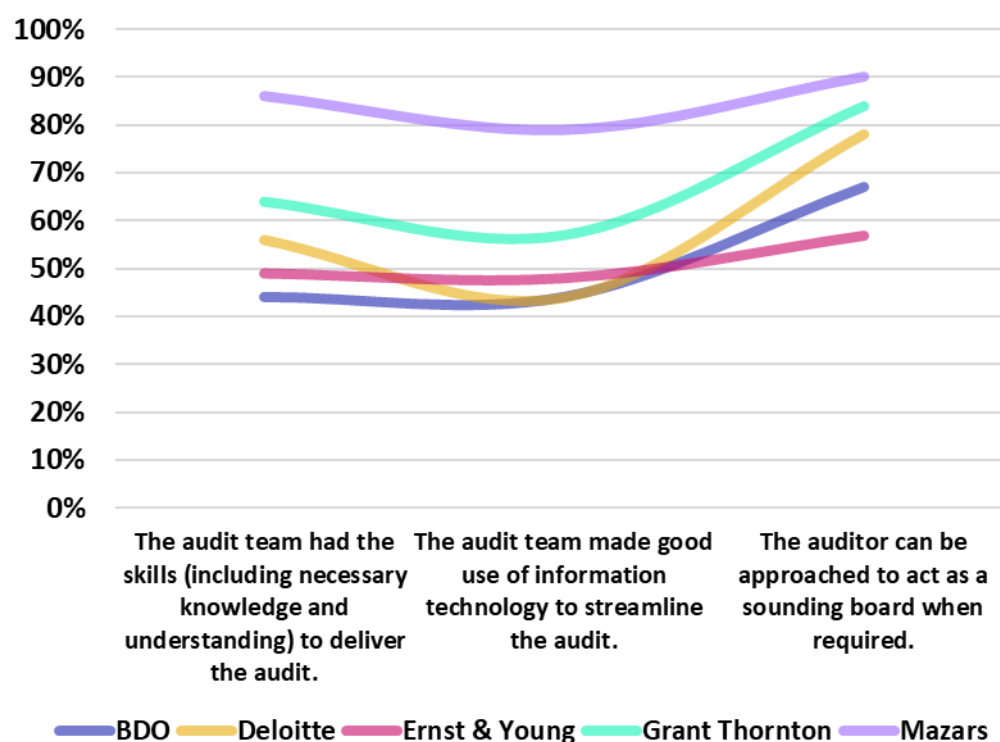


Figure 2. To what extent do you agree or disagree with the following statements in relation to the skills and tools of the audit team? Percentage selecting "strongly agree" or "tend to agree" by audit firm

Table 6: To what extent do you agree or disagree with the following statements in relation to the skills and tools of the audit team? Percentage selecting “strongly agree” or “tend to agree” by audit firm

Statements	BDO	Deloitte	Ernst & Young	Grant Thornton	Mazars
The audit team had the skills (including necessary knowledge and understanding) to deliver the audit.	44%	56%	49%	64%	86%
The audit team made good use of information technology to streamline the audit.	44%	44%	48%	57%	79%
The auditor can be approached to act as a sounding board when required.	67%	78%	57%	84%	90%

Base: all finance director respondents (190)

According to the open text comments, there were in some cases “overall very knowledgeable auditors that adopted a pragmatic approach,” but many comments reflected “a great deal of ‘train the auditor’ activity,” “issues regarding the quality of the audit staff used and lack of experience,” and “little to no knowledge of local government specifics.” In one case, “the audit took place in an organisation they had previously audited and yet I discovered basic errors from the council side which any capable auditor could have discovered with a reasonable degree of capability.”

Communications

Finance director respondents were asked to say the extent to which they agreed with a set of statements related to the audit team’s communications with their organisation. Seven out of 10 (70 per cent) said they strongly agreed or tended to agree that the auditor kept them informed of progress throughout the audit year enabling them to take prompt action when needed. More than seven out of 10 (71 per cent) said they strongly agreed or tended to agree that the auditor clearly explained what work had been completed to address the key audit risks identified. Four fifths (80 per cent) strongly agreed or tended to agree that the auditor, when presenting the audit closure report, clearly explained the work undertaken and conclusions reached. Finally, nearly two thirds (65 per cent) strongly agreed or tended to agree that the auditor’s reports and communications provided insight into the organisation’s financial reporting practices and helped with fulfilment of governance responsibilities including practical recommendations for improvement where appropriate.

Table 7: To what extent do you agree or disagree with the following statements in relation to the audit team's communications with your organisation?

Statements	Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree
The auditor kept me informed of progress throughout the audit year enabling me to take prompt action when needed.	29%	41%	8%	15%	7%
The auditor clearly explained what work had been completed to address the key audit risks identified.	24%	47%	10%	12%	7%
The auditor when presenting the audit closure report clearly explained the work undertaken and conclusions reached.	43%	37%	12%	6%	2%
The auditor's reports and communications provided insight into the organisation's financial reporting practices and helped with fulfilment of governance responsibilities including practical recommendations for improvement where appropriate.	28%	36%	23%	10%	3%

Base: all finance director respondents (193)

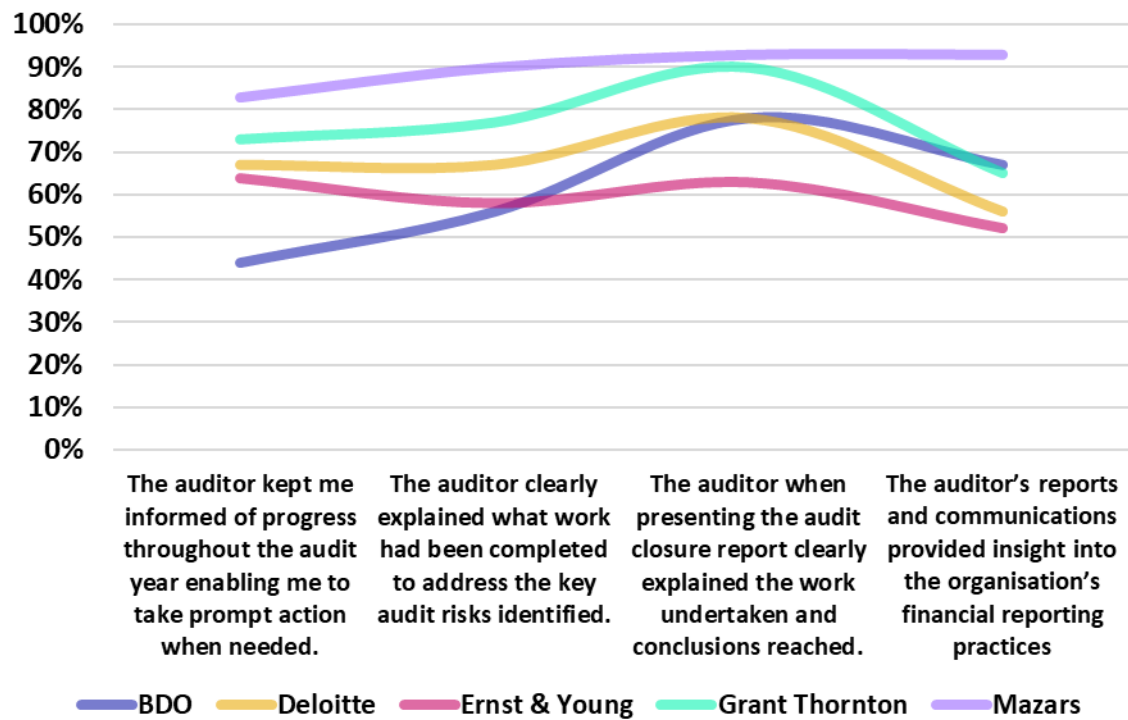


Figure 3. To what extent do you agree or disagree with the following statements in relation to the audit team's communications with your organisation? Percentage selecting "strongly agree" or "tend to agree" by audit firm

Table 8: To what extent do you agree or disagree with the following statements in relation to the audit team's communications with your organisation? Percentage selecting "strongly agree" or "tend to agree" by audit firm

Statements	BDO	Deloitte	Ernst & Young	Grant Thornton	Mazars
The auditor kept me informed of progress throughout the audit year enabling me to take prompt action when needed.	44%	67%	64%	73%	83%
The auditor clearly explained what work had been completed to address the key audit risks identified.	56%	67%	58%	77%	90%
The auditor when presenting the audit closure report clearly explained the work undertaken and conclusions reached.	78%	78%	63%	90%	93%
The auditor's reports and communications provided insight into the organisation's financial reporting practice, and helped with fulfilment of governance responsibilities including practical recommendations for improvement where appropriate.	67%	56%	52%	65%	93%

Base: all finance director respondents (193 for Rows 1 and 2, 189 for Row 3, 190 for Row 4)

Finance director respondents were asked the extent to which they agreed or disagreed that, where there were significant differences in views between management and the audit team, these were clearly explained, and information was provided on a timely basis. While just over a third (35 per cent) said they strongly agreed or tended to agree with the statement, 30 per cent said the statement was not applicable – there were no significant differences in views between management and the audit team.

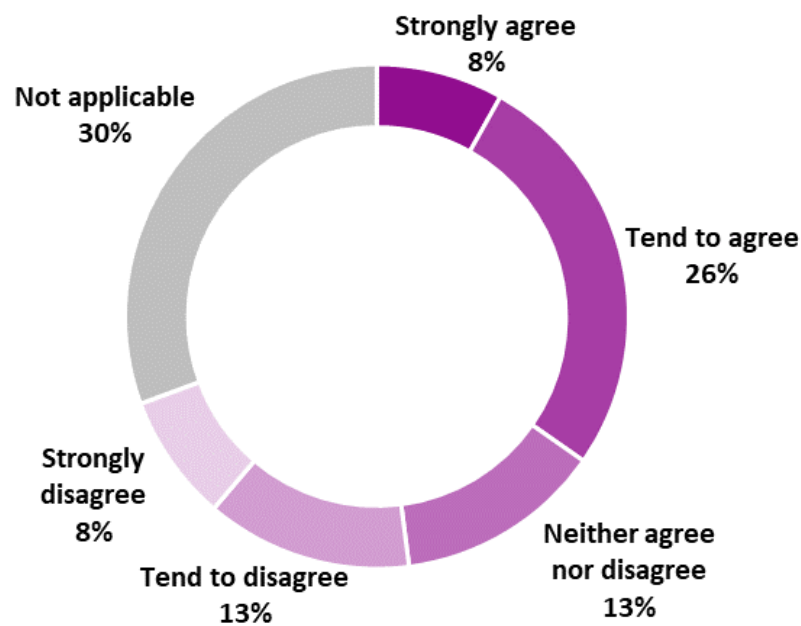


Figure 4. Where there were significant differences in views between management and the audit team, these were clearly explained, and information was provided on a timely basis.

Table 9: Where there were significant differences in views between management and the audit team, these were clearly explained, and information was provided on a timely basis.

Response	Per cent
Strongly agree	8%
Tend to agree	26%
Neither agree nor disagree	13%
Tend to disagree	13%
Strongly disagree	8%
Not applicable - there were no significant differences in views between management and the audit team	30%

Base: all finance director respondents (193)

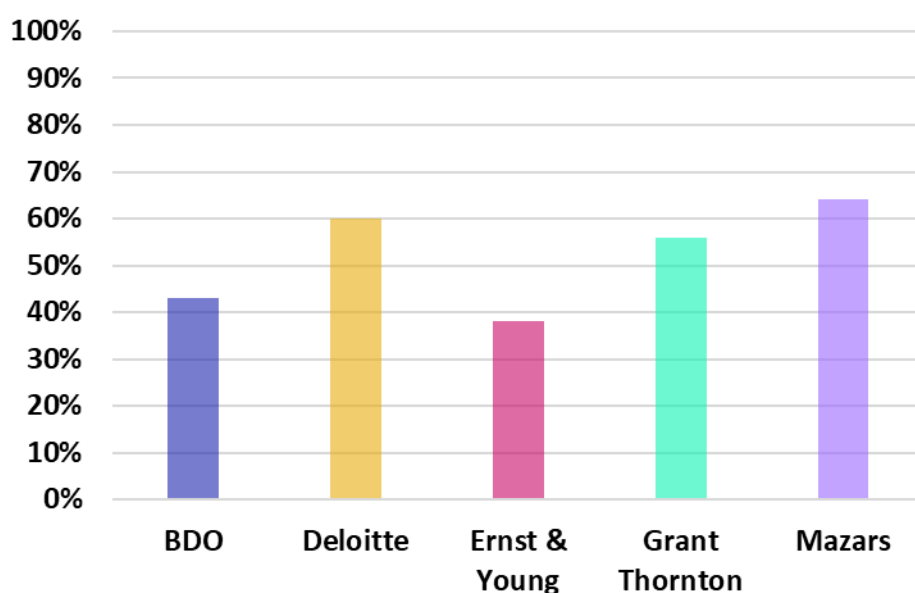


Figure 5. Where there were significant differences in views between management and the audit team, these were clearly explained, and information was provided on a timely basis. Percentage excluding not applicable selecting “strongly agree” or “tend to agree” by audit firm

Table 10: Where there were significant differences in views between management and the audit team, these were clearly explained, and information was provided on a timely basis. Percentage excluding not applicable selecting “strongly agree” or “tend to agree” by audit firm

Response	Per cent
BDO	43%
Deloitte	60%
Ernst & Young	38%
Grant Thornton	56%
Mazars	64%

Base: all finance director respondents (193)

For comparison, the responses from the Audit Committee Chairs were broadly similar, with large majorities agreeing that the auditors clearly explained the audit plan to the Audit Committee; that the auditor could be approached to act as a sounding board when required; that the auditor clearly explained the work undertaken and conclusions reached when presenting the audit closure report; that the auditor provided insight into the organisation’s processes and helped fulfil responsibilities; and that the audit team informed the Audit Committee of developments in accounting principles and auditing standards and the potential impact of these on the audit. Over half of respondents indicated that the Audit Committee had the opportunity to meet privately with the audit team, and of these a large majority agreed that this meeting was used effectively to provide assurance to the committee. Finally, while the majority reported no significant differences in views, the majority of those who did report them agreed that the auditor presented a clear point of view on

accounting issues in these situations (see Appendix A for a full summary).

The finance directors' open text comments reflect a range of issues regarding communications. One respondent reported that "in general communications were poor and we had to chase progress on many occasions," and another wrote that "in general I find the auditors less willing to engage in dialogue" than they found a few years previously under the Audit Commission. However, some respondents reported positive comments such as "the audit team were really easy to engage with and made it feel like a collaborative approach to conclude the audit."

Table 11: To what extent do you agree or disagree with the following statements in relation to the audit team's communications with your organisation? (from the survey of Audit Committee Chairs)

Statements	Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree
The auditor clearly explained the audit plan (how it addressed the Code requirements and specific areas of audit risk including fraud risk and the VFM arrangements conclusion) to the Audit Committee.	53%	36%	5%	4%	1%
The auditor can be approached to act as a sounding board when required.	47%	28%	13%	9%	3%
The auditor when presenting the audit closure report clearly explained the work undertaken and conclusions reached.	53%	28%	7%	5%	7%
The auditor's reports and communications provided insight into the organisation's financial reporting practices, and helped with fulfilment of governance responsibilities including practical recommendations for improvement where appropriate.	47%	27%	11%	11%	4%
The audit team informed the Audit Committee of current developments in accounting principles and auditing standards and the potential impact of these on the audit.	47%	30%	12%	4%	7%

Base: all Audit Committee Chair respondents (75)

Table 12: Where there were significant differences in views between management and the audit team, the auditor presented a clear point of view on accounting issues where management's perspective differed. (From the survey of Audit Committee Chairs)

Response	Per cent
Strongly agree	4%
Tend to agree	26%
Neither agree nor disagree	11%
Tend to disagree	5%
Strongly disagree	1%
Not applicable - there were no significant differences in views between management and the audit team	52%

Base: all Audit Committee Chair respondents who answered this question (73)

Fee Variations

Just over three quarters of finance director respondents (77 per cent) indicated that their auditor had proposed an additional audit fee at some point during the process. Respondents who indicated that an additional fee had been proposed were then asked the extent to which they agreed or disagreed with three statements in relation to that fee change.

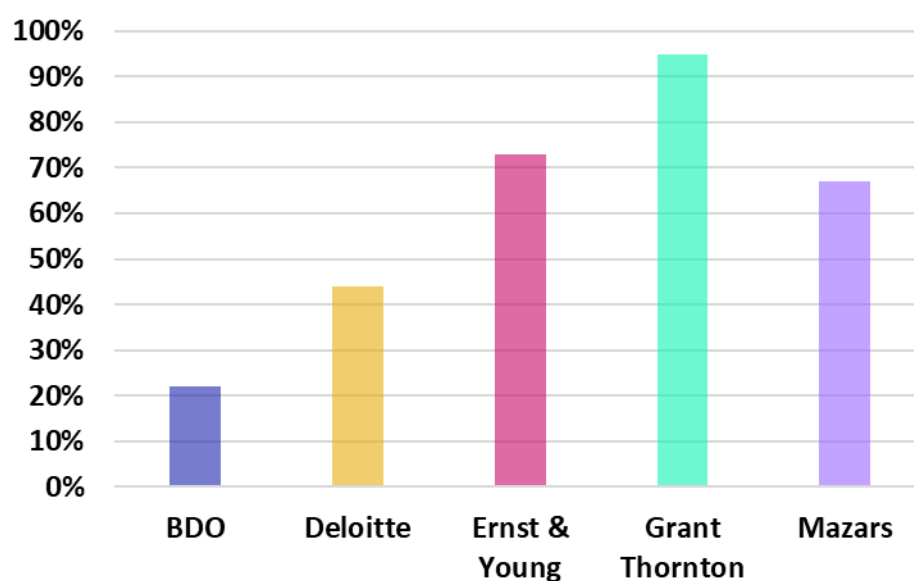


Figure 6. Has your auditor proposed an additional audit fee at any time? Percentage of respondents selecting "yes" by audit firm

**Table 13: Has your auditor proposed an additional audit fee at any time?
Percentage of respondents selecting “yes” by audit firm.**

Response	Per cent
BDO	22%
Deloitte	44%
Ernst & Young	73%
Grant Thornton	95%
Mazars	67%

Base: all finance director respondents (193)

More than four fifths (82 per cent) said they strongly agreed or tended to agree that the audit team explained the reasons for the proposed additional fee. Nearly half (48 per cent) said they tended to disagree or strongly disagreed that the audit team explained how the additional fee might be avoided in future years, where appropriate; a further 25 per cent said they neither agreed nor disagreed with that statement. Nearly two thirds (64 per cent) strongly agreed or tended to agree that this proposed additional fee was reported to the Audit Committee in a timely manner.

Table 14: To what extent do you agree or disagree with the following statements in relation to the proposed additional audit fee?

Statements	Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree
Where an additional fee is proposed the audit team explained the reasons for this.	30%	51%	9%	5%	4%
Where an additional fee is proposed the audit team explained how it might be avoided in future years, where appropriate.	11%	16%	25%	27%	21%
Where an additional audit fee is proposed, this was reported to the Audit Committee in a timely manner.	28%	36%	13%	11%	12%

Base: finance director respondents who indicated that an additional audit fee had been proposed (148)

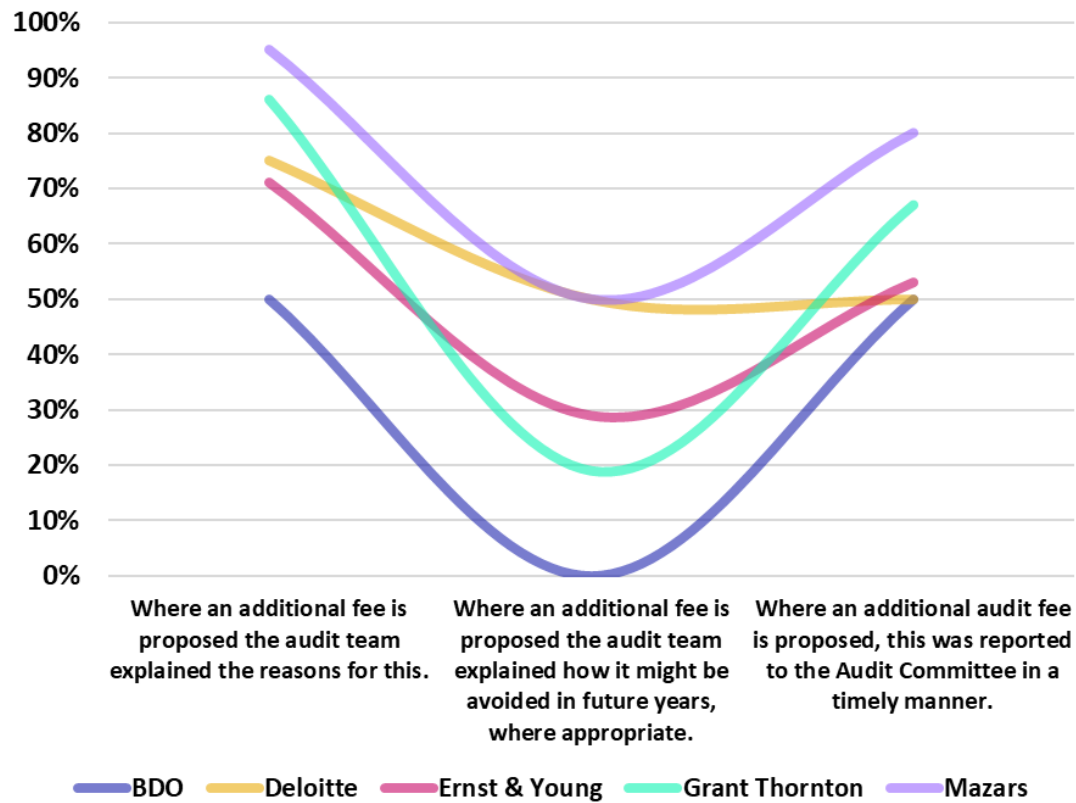


Figure 7. To what extent do you agree or disagree with the following statements in relation to the proposed additional audit fee? Percentage selecting “strongly agree” or “tend to agree” by audit firm

Table 15: To what extent do you agree or disagree with the following statements in relation to the proposed additional audit fee? Percentage selecting “strongly agree” or “tend to agree” by audit firm

Statements	BDO	Deloitte	Ernst & Young	Grant Thornton	Mazars
Where an additional fee is proposed the audit team explained the reasons for this.	50%	75%	71%	86%	95%
Where an additional fee is proposed the audit team explained how it might be avoided in future years, where appropriate.	0%	50%	29%	19%	50%
Where an additional audit fee is proposed, this was reported to the Audit Committee in a timely manner.	50%	50%	53%	67%	80%

Base: finance director respondents who indicated that an additional audit fee had been proposed (148 in Rows 1 and 3, 146 in Row 2)

For comparison, just over half of Audit Committee Chair respondents indicated that their auditor had proposed an additional audit fee at some point during the process, and of these, a large majority agreed that the audit team explained the reasons for the proposed additional fee. Opinion was divided on whether the audit team explained how the additional fee might be avoided in future years, with around a third agreeing, around a third disagreeing, and around a third neither agreeing nor disagreeing. A large majority agreed that the proposed additional fee was reported to the Audit Committee in a timely manner (see Appendix A for a full summary).

In the open text comments, one respondent noted that whilst the auditor identified a rationale for an increased fee, the council disputed it because of a lack of work delivered. Another example of a mixed situation was that “additional audit fees were not notified to us in advance, but clear explanations given once they were.” One respondent expressed dissatisfaction with this process overall, stating that “we were disappointed that we were presented with a proposed additional fee for work, after the accounts were signed off, which we felt was unnecessary.” In almost all cases the comments expressed concern about audit fees “beginning to creep up.”

Auditor changes

Just over a fifth (22 per cent) of finance director respondents had indicated that there had been a change in the appointed audit firm. These respondents were asked the extent to which they agreed or disagreed that they were satisfied with the management of the transition by the new firm. Half (50 per

cent, 21 respondents) said they strongly agreed or tended to agree.

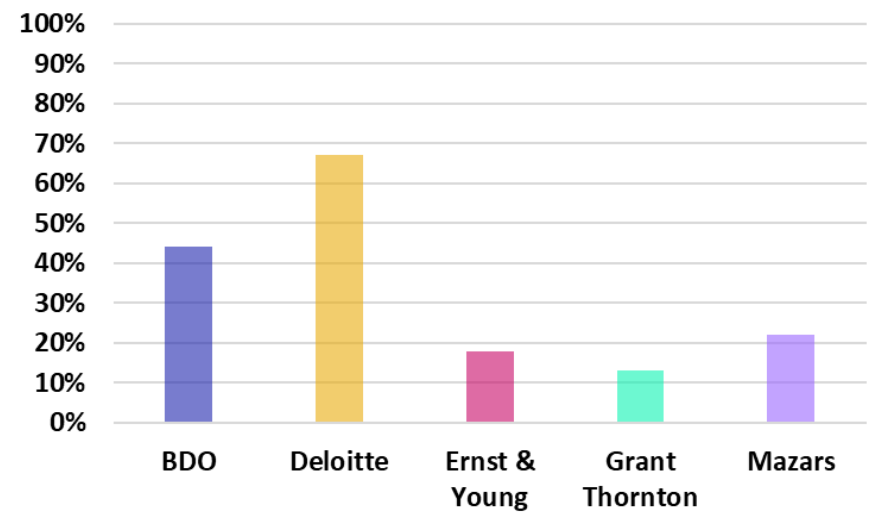


Figure 8. Has there been a change in the appointed audit firm? Percentage of respondents selecting “yes” by audit firm

Table 16: Has there been a change in the appointed audit firm? Percentage of respondents selecting “yes” by audit firm	
Response	Per cent
BDO	44%
Deloitte	67%
Ernst & Young	18%
Grant Thornton	13%
Mazars	22%

Base: all finance director respondents (193)

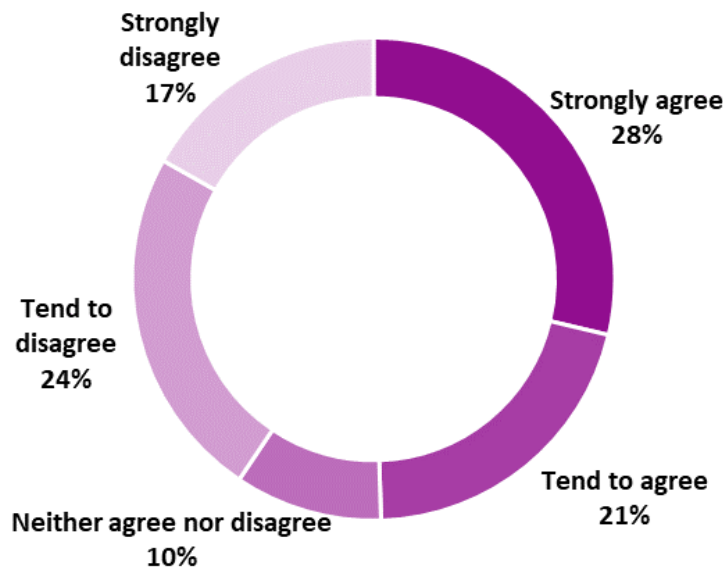


Figure 13. Where there has been a change in the appointed audit firm I was satisfied with the management of the transition by the new firm.

Table 17: Where there has been a change in the appointed audit firm I was satisfied with the management of the transition by the new firm.

Response	Per cent	Count
Strongly agree	29%	12
Tend to agree	21%	9
Neither agree nor disagree	10%	4
Tend to disagree	24%	10
Strongly disagree	17%	7

Base: finance director respondents who indicated that there had been a change in the appointed audit firm (42)

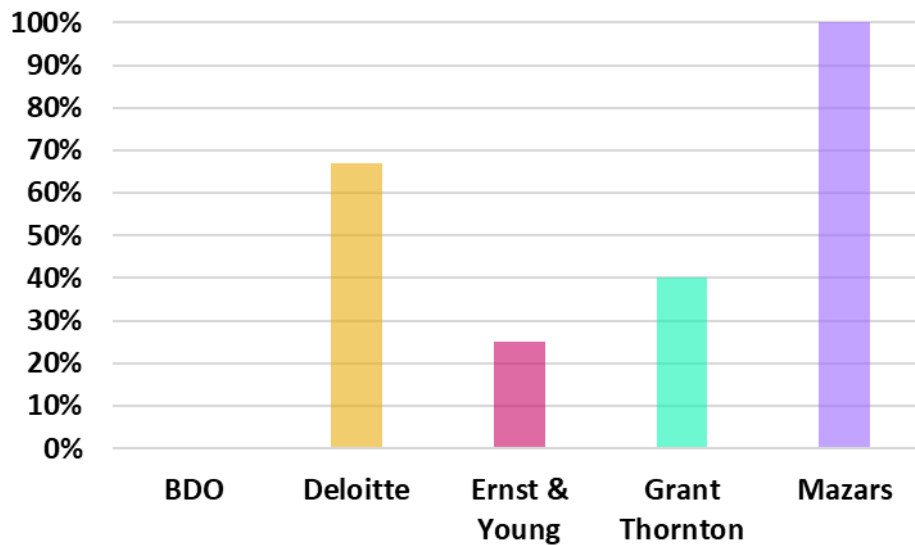


Figure 9. Where there has been a change in the appointed audit firm I was satisfied with the management of the transition by the new firm. Percentage selecting “strongly agree” or “tend to agree” by audit firm

Table 18: Where there has been a change in the appointed audit firm I was satisfied with the management of the transition by the new firm. Percentage selecting “strongly agree” or “tend to agree” by audit firm

Response	Per cent	Count
BDO	0%	0
Deloitte	67%	4
Ernst & Young	25%	3
Grant Thornton	40%	4
Mazars	100%	10

Base: finance director respondents who indicated that there had been a change in the appointed audit firm (42)

For comparison, just over two thirds of Audit Committee Chair respondents strongly agreed or tended to agree that, where there had been a change in the appointed audit firm, they were satisfied with the management of the transition by the new firm (see Appendix A for a full summary).

The open text comments regarding the transition by the new firm reflected issues such as “the audit handover process does not enable the transfer of sufficient underlying documentation,” with one respondent expressing that “in my opinion the onsite team were let down through their parent organisation. Clearly didn't understand the complexity of the council and didn't appear to have completed the handover work and interim audit work before the final audit commenced.” Nevertheless, one respondent wrote that “the first year audit from a new provider can be challenging. However, in this instance the transition was seamless.”

Just over two fifths (42 per cent) of finance director respondents indicated that there had been a change in the engagement lead. The engagement lead refers to the audit partner or director who is the individual responsible for the audit and signs the opinion. Where there had been a change in the engagement lead, these respondents were asked the extent to which they agreed or disagreed that they were satisfied with how the handover was managed. Nearly two thirds (65 per cent) said they strongly agreed or tended to agree with that statement.

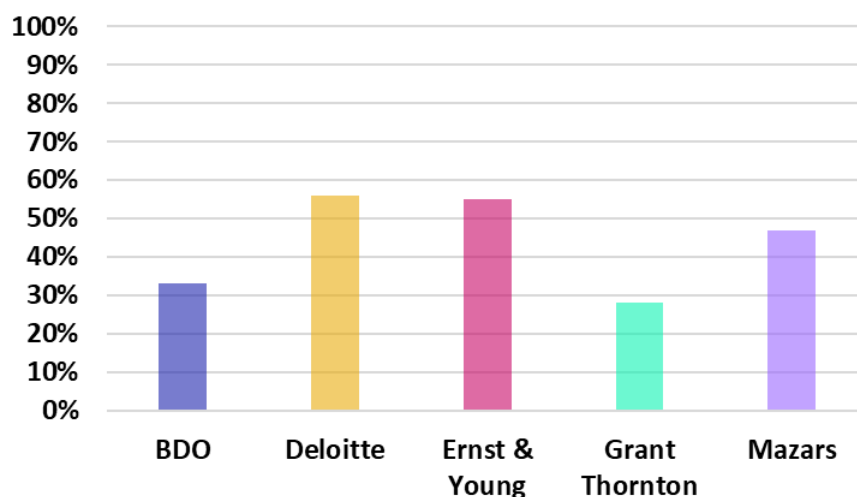


Figure 10. Has there been a change in the engagement lead? Percentage of respondents selecting “yes” by (current) audit firm

Table 19: Has there been a change in the engagement lead? Percentage of respondents selecting “yes” by (current) audit firm	
Response	Per cent
BDO	33%
Deloitte	56%
Ernst & Young	55%
Grant Thornton	28%
Mazars	47%

Base: all finance director respondents (193)

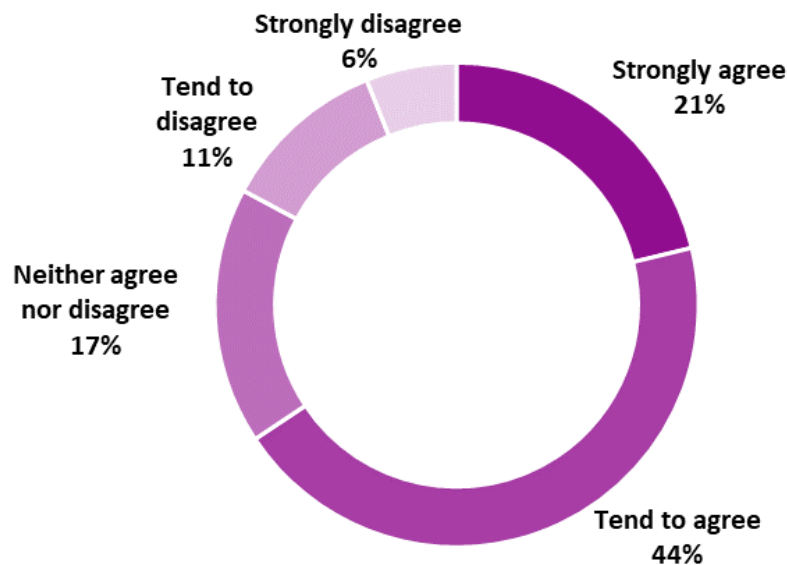


Figure 11. Where there has been a change in the engagement lead, I was satisfied with how the handover was managed.

Table 20: Where there has been a change in the engagement lead, I was satisfied with how the handover was managed.

Response	Per cent
Strongly agree	21%
Tend to agree	44%
Neither agree nor disagree	17%
Tend to disagree	11%
Strongly disagree	6%

Base: finance director respondents who indicated that there had been a change in the engagement lead (81)

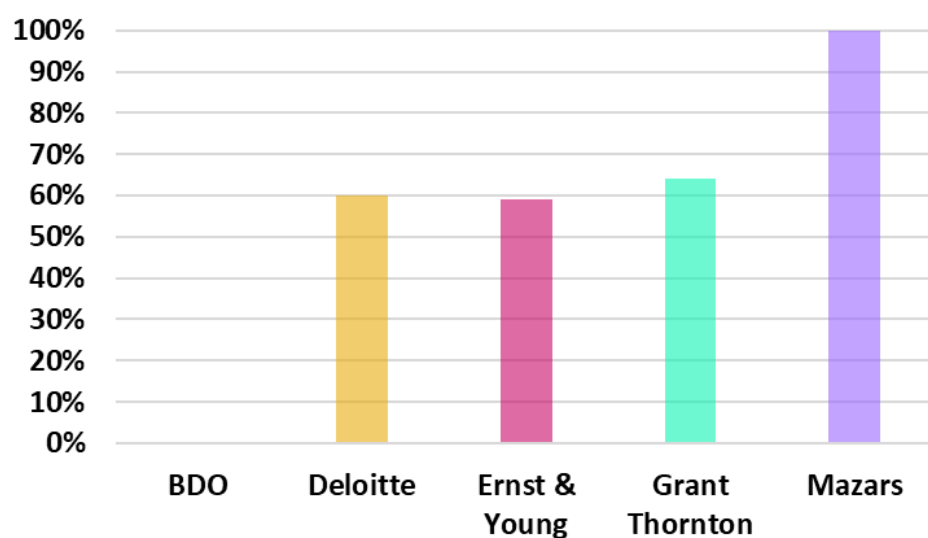


Figure 12. Where there has been a change in the engagement lead, I was satisfied with how the handover was managed. Percentage selecting “strongly agree” or “tend to agree” by audit firm

Table 21: Where there has been a change in the engagement lead I was satisfied with how the handover was managed. Percentage selecting “strongly agree” or “tend to agree” by audit firm

Response	Per cent
BDO	0%
Deloitte	60%
Ernst & Young	59%
Grant Thornton	64%
Mazars	100%

Base: finance director respondents who indicated that there had been a change in the engagement lead (81)

For comparison, just over two fifths of Audit Committee Chairs indicated that there had been a change in the engagement lead, of which over half agreed that they were satisfied with how the handover was managed (see Appendix A for a full summary).

One open text comment expressed frustration that the new engagement lead was unable to attend several key meetings, making the transition rougher than was necessary. Another wrote that “the change in audit lead was unfortunate but could have been handled better especially around expectations of the change in working practice between the two.”

Just over two fifths (43 per cent) of finance director respondents indicated that there had been a change in the audit manager. Where there had been a change in the audit manager, these respondents were asked the extent to which they agreed or disagreed that they were satisfied with how the handover was managed. Just over half (52 per cent) said they strongly agreed or tended to agree with that statement.

One respondent reported that the audit manager was not only changed from the previous financial year, but “was also changed during the audit with little communication why.” Another reported hardly seeing the audit manager, and

also receiving little digital contact from them.

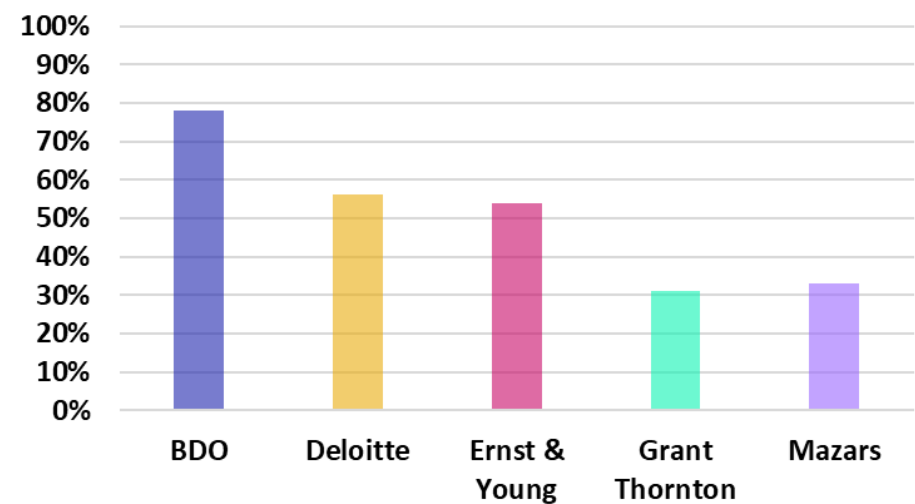


Figure 13. Has there been a change in the audit manager? Percentage of respondents selecting “yes” by (current) audit firm

Table 22: Has there been a change in the audit manager? Percentage of respondents selecting “yes” by (current) audit firm	
Response	Per cent
BDO	78%
Deloitte	56%
Ernst & Young	54%
Grant Thornton	31%
Mazars	33%

Base: all finance director respondents (193)

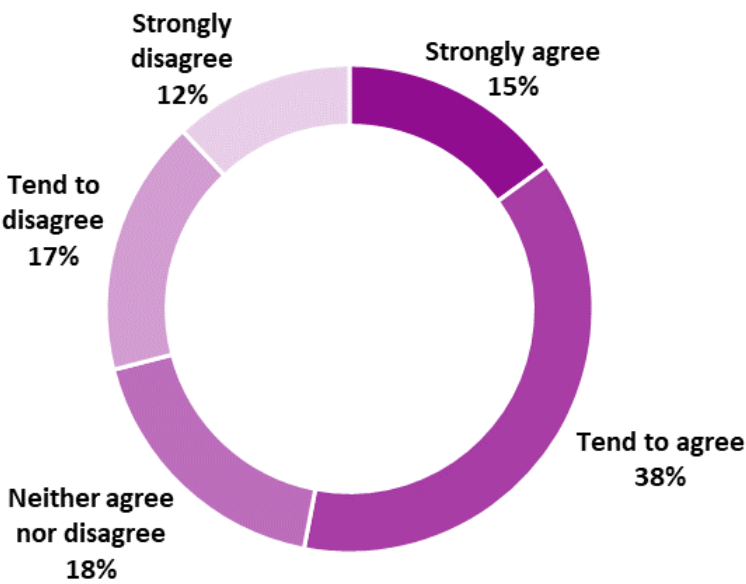


Figure 14. Where there has been a change in the audit manager, I was satisfied with how the handover was managed.

Table 23: Where there has been a change in the audit manager, I was satisfied with how the handover was managed.	
Response	Per cent
Strongly agree	15%
Tend to agree	38%
Neither agree nor disagree	18%
Tend to disagree	17%
Strongly disagree	12%

Base: finance director respondents who indicated that there had been a change in the audit manager (82)

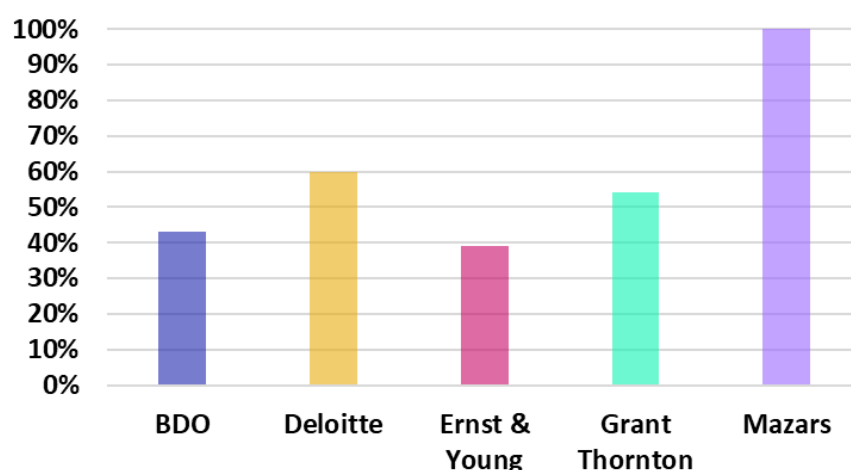


Figure 15. Where there has been a change in the audit manager, I was satisfied with how the handover was managed. Percentage selecting “strongly agree” or “tend to agree” by audit firm

Table 24: Where there has been a change in the audit manager, I was satisfied with how the handover was managed. Percentage selecting “strongly agree” or “tend to agree” by audit firm	
Response	Per cent
BDO	43%
Deloitte	60%
Ernst & Young	39%
Grant Thornton	54%
Mazars	100%

Base: finance director respondents who indicated that there had been a change in the audit manager (82)

Delays in the audit process

Just under half (46 per cent) of finance director respondents indicated that their audit opinion had been delayed beyond 31 July 2019. Where there had been a delay beyond 31 July, these respondents were asked the extent to which they agreed or disagreed that the need to do this and the underlying reason was communicated on a timely basis. Almost half (48 per cent) said they strongly disagreed or tended to disagree with that statement; just over two fifths (42 per cent) strongly agreed or tended to agree with that statement.

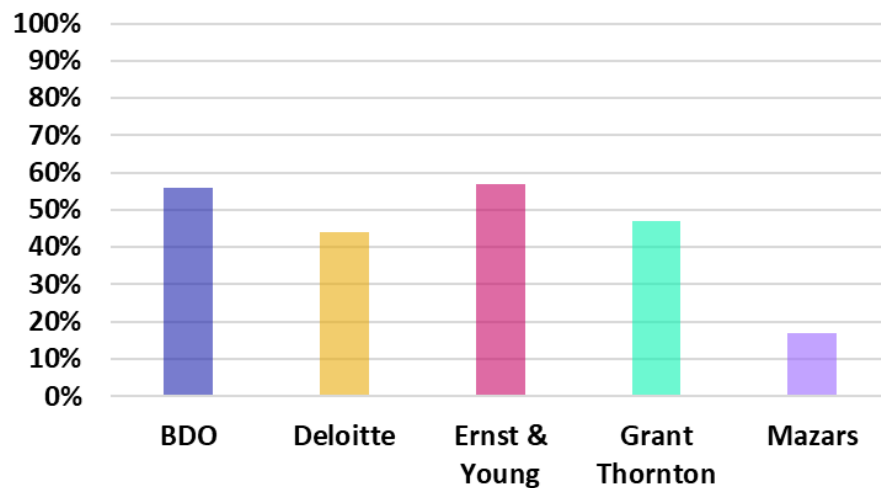


Figure 16. Was the audit opinion delayed beyond 31 July? Percentage of respondents selecting "yes" by (current) audit firm

Table 25: Was the audit opinion delayed beyond 31 July? Percentage of respondents selecting “yes” by (current) audit firm

Response	Per cent
BDO	56%
Deloitte	44%
Ernst & Young	57%
Grant Thornton	47%
Mazars	17%

Base: all finance director respondents (193)

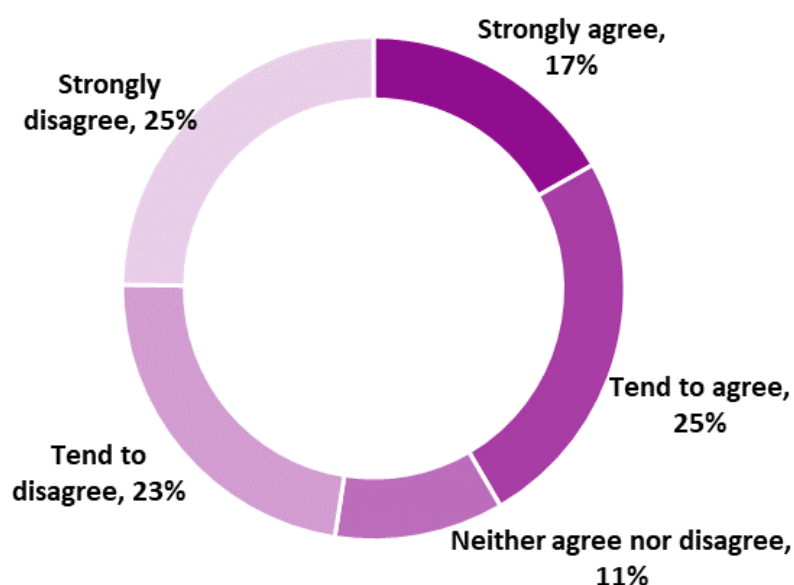


Figure 17. Where the audit opinion was delayed beyond 31 July, the need to do this and the underlying reason was communicated on a timely basis.

Table 26: Where the audit opinion was delayed beyond 31 July, the need to do this and the underlying reason was communicated on a timely basis.

Response	Per cent
Strongly agree	17%
Tend to agree	25%
Neither agree nor disagree	11%
Tend to disagree	23%
Strongly disagree	25%

Base: finance director respondents who indicated that their audit opinion was delayed beyond 31 July (84)

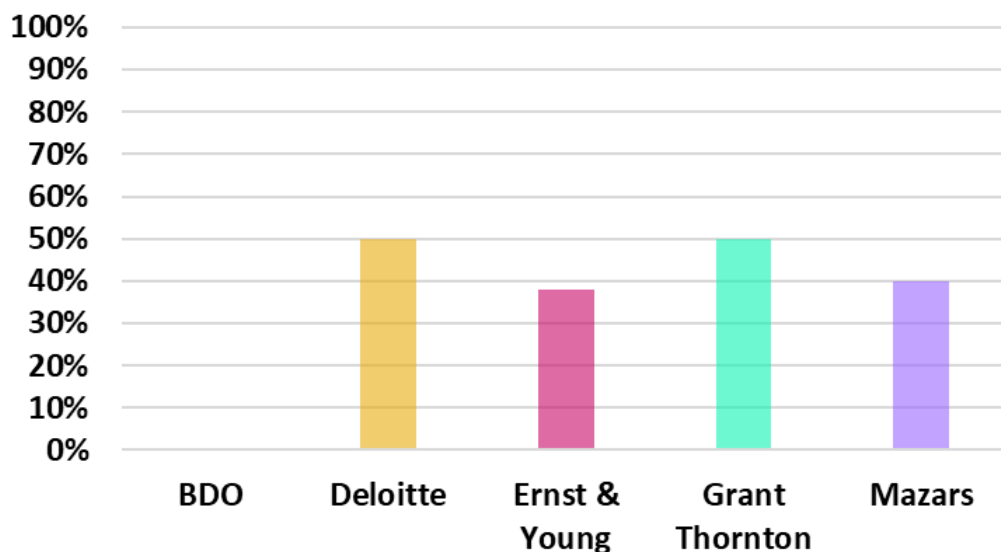


Figure 18. Where the audit opinion was delayed beyond 31 July, the need to do this and the underlying reason was communicated on a timely basis. Percentage selecting “strongly agree” or “tend to agree” by audit firm

Table 27: Where the audit opinion was delayed beyond 31 July, the need to do this and the underlying reason was communicated on a timely basis. Percentage selecting “strongly agree” or “tend to agree” by audit firm

Response	Per cent
BDO	0%
Deloitte	50%
Ernst & Young	38%
Grant Thornton	50%
Mazars	40%

Base: finance director respondents who indicated that their audit opinion was delayed beyond 31 July (84)

For comparison, just over two fifths of Audit Committee Chairs indicated that their audit opinion had been delayed beyond 31 July, of which over half disagreed that the need to do this and the underlying reason was communicated on a timely basis.

One respondent wrote that “our audit is not yet complete, and is being undertaken at the worst possible time, causing us severe difficulties in budget preparation.” Another reported that “The audit experience was positive until we were made aware on 30 July that the auditor would not be signing the accounts by 31 July.”

Finance director respondents whose audit had been delayed beyond 31 July were also asked the extent to which they agreed or disagreed that, where the delay was due to auditor resourcing issues, the auditor made arrangements to minimise disruption to the organisation. Over half (54 per cent) said they

strongly disagreed or tended to disagree with that statement.

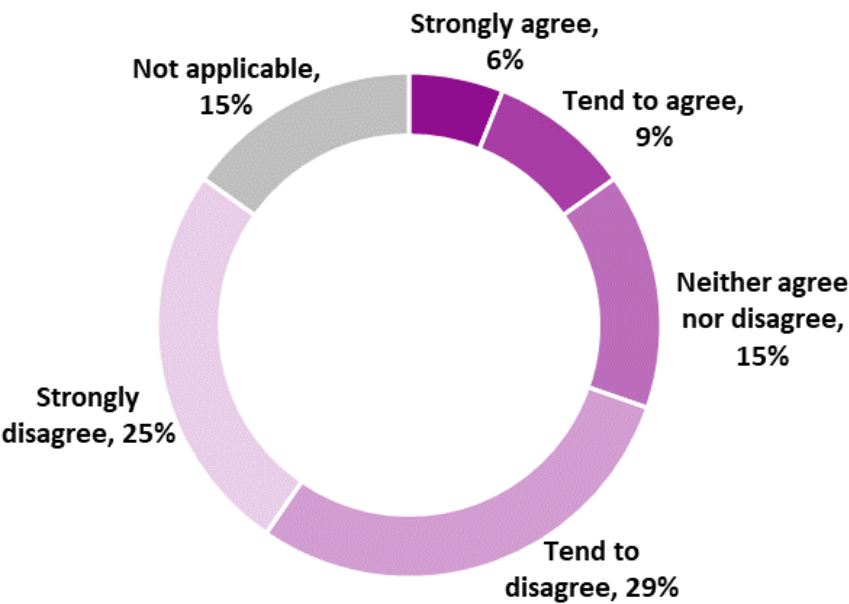


Figure 19. Where the audit needed to extend beyond 31 July due to auditor resourcing issues, the auditor made arrangements to minimise disruption to the organisation.

Table 28: Where the audit needed to extend beyond 31 July due to auditor resourcing issues, the auditor made arrangements to minimise disruption to the organisation.	
Response	Per cent
Strongly agree	6%
Tend to agree	9%
Neither agree nor disagree	15%
Tend to disagree	29%
Strongly disagree	25%
Not applicable - the delay to the audit opinion was not due to auditor resourcing issues	15%

Base: finance director respondents who indicated that their audit opinion was delayed beyond 31 July (84)

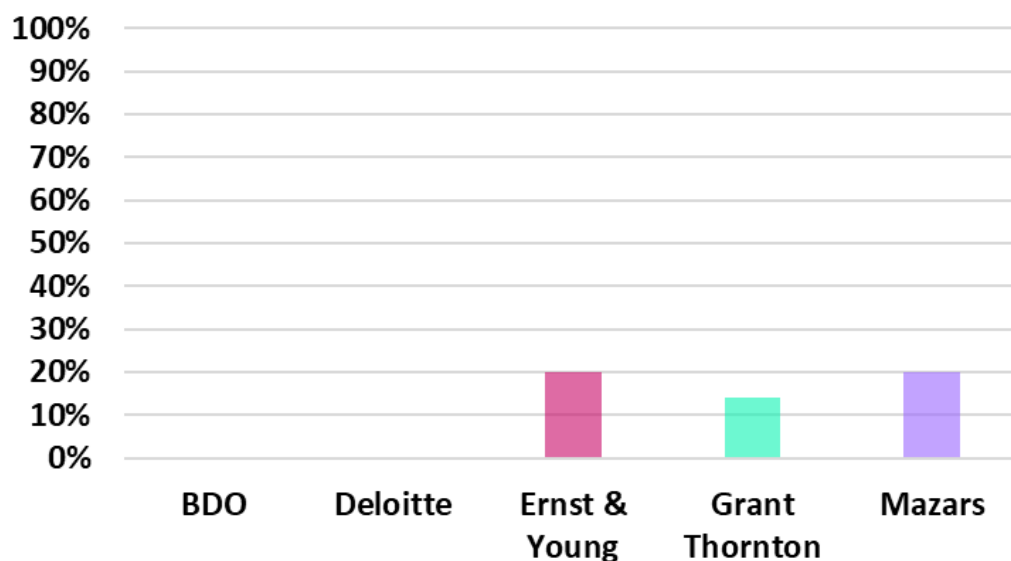


Figure 20. Where the audit needed to extend beyond 31 July due to auditor resourcing issues, the auditor made arrangements to minimise disruption to the organisation. Percentage selecting “strongly agree” or “tend to agree” by audit firm

Table 29: Where the audit needed to extend beyond 31 July due to auditor resourcing issues, the auditor made arrangements to minimise disruption to the organisation. Percentage selecting “strongly agree” or “tend to agree” by audit firm

Response	Per cent
BDO	0%
Deloitte	0%
Ernst & Young	20%
Grant Thornton	14%
Mazars	20%

Base: finance director respondents who indicated that their audit opinion was delayed beyond 31 July (84)

For comparison, half of the Audit Committee Chair respondents disagreed that, where the delay was due to auditor resourcing issues, the auditor made arrangements to minimise disruption to the organisation.

One respondent wrote that “overall the issues this year were managed well, I feel that the team was under resourced and they were not able to close off audit issues effectively.” Another reported that “we still have not finalised our audit, which is disruptive of other priority work, such as budget setting.”

Meeting expectations

Finance director respondents were asked the extent to which they agreed or disagreed that the audit service provided met expectations for provision of the audit as set out in the audit firm’s method statement. Just over three fifths (61 per cent) said they strongly agreed or tended to agree with the statement.

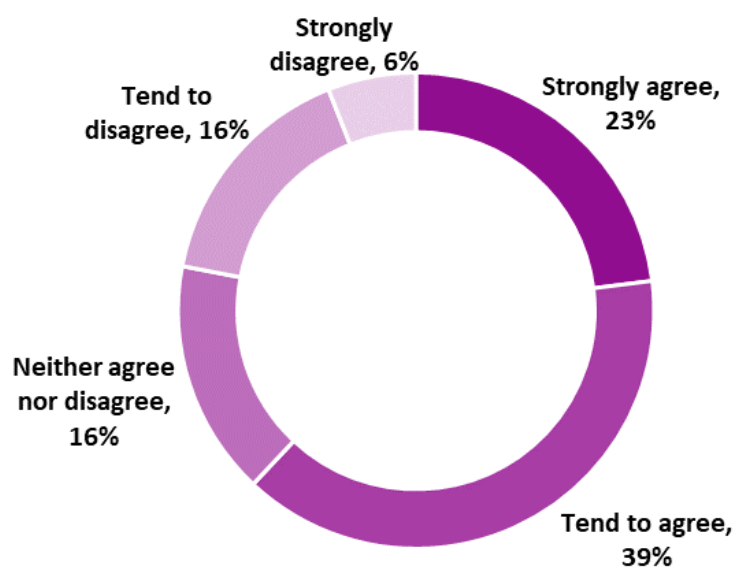


Figure 21. The audit service provided met expectations for provision of the audit as set out in the audit firm's method statement

Table 30: The audit service provided met expectations for provision of the audit as set out in the audit firm's method statement

Response	Per cent
Strongly agree	23%
Tend to agree	39%
Neither agree nor disagree	16%
Tend to disagree	16%
Strongly disagree	6%

Base: all finance director respondents (189)

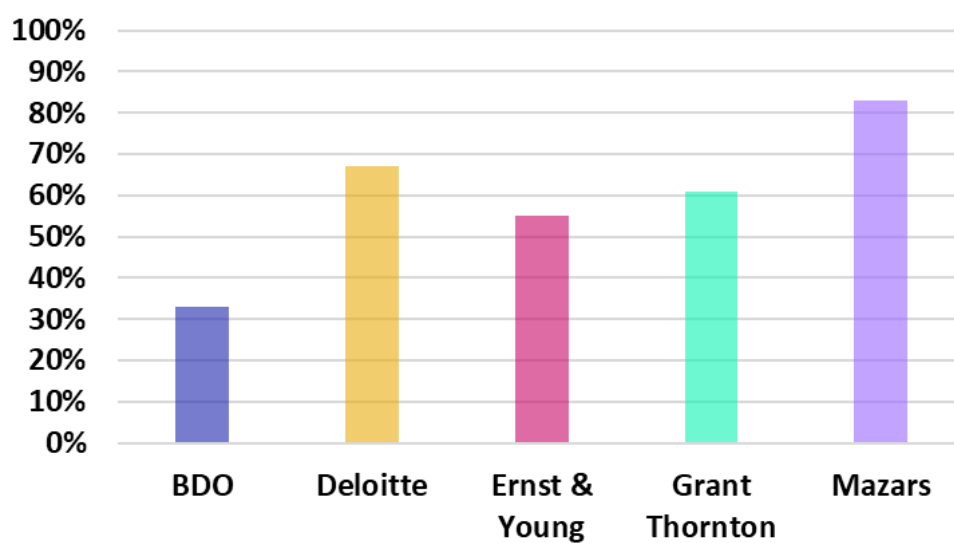


Figure 22. The audit service provided met expectations for provision of the audit as set out in the audit firm's method statement. Percentage selecting "strongly agree" or "tend to agree" by audit firm

Table 31: The audit service provided met expectations for provision of the audit as set out in the audit firm's method statement. Percentage selecting "strongly agree" or "tend to agree" by audit firm

Response	Per cent
BDO	33%
Deloitte	67%
Ernst & Young	55%
Grant Thornton	61%
Mazars	83%

Base: all finance director respondents (189)

For comparison, almost seven out of 10 Audit Committee Chairs agreed that the audit service provided met expectations for provision of the audit as set out in the audit firm's method statement.

Whilst some finance director respondents reported comments such as "a good audit, with the auditor working effectively under considerable pressure caused," and described their auditor as "professional and pragmatic, engaged well with both officers and members," others provided comments such as "The service that I have receive is appalling. It is now November with no sign of the audit even commencing," and another described an instance of whistleblowing that does not appear to have been acted on.

Table 32: The audit service provided met expectations for provision of the audit as set out in the audit firm's method statement. (From the survey of Audit Committee Chairs)

Response	Per cent
Strongly agree	44%
Tend to agree	25%
Neither agree nor disagree	12%
Tend to disagree	4%
Strongly disagree	15%

Base: all Audit Committee Chair respondents (75)

In general, the comments provided by finance director respondents can be grouped into the following themes, with representative quotations:

- Councils not notified of additional fees: "we are extremely concerned that the additional fees were first proposed over a month after the audit completion."
- Dissatisfaction with the reasoning behind additional fees: "There is a propensity for the auditor to fall back on additional fees at every opportunity."
- Concern over delays to the completion of the audit: "The audit was conducted before the end of May, but the opinion was not issued until

the day of the committee meeting as work had not been signed off.”

- Perception of auditor issues leading to delays: “audit still not completed due to sickness and resourcing issues.”
- Lack of notification in advance: “the auditor only made me aware of resourcing issues on the day of the Audit Committee meeting.”
- Concern over poor communication: “Updates on if and when auditors were going to be onsite have only come as a result of us chasing.”
- Concern over poorly managed team changes: “the audit team has changed both annually and between interim and final audit for the past few years. The lack of consistency has caused issues regarding the retention of background knowledge and skills.”
- Reports of a good working relationship with the audit team: “we have been impressed by the very experienced audit manager’s accessibility and helpfulness and the audit team.”
- Reports of a poor working relationship with the audit team: “staff failed to turn up for audit on time or commit to use previous working papers and experience.”
- Resourcing issues: “The local audit team I have no issues with. The hours worked and pressure they were put under was unreasonable.”
- Lack of experience: “I appreciate it was the first year they had been our auditors but the team carrying out the audit work had little to no understanding of our basic statements. The collection fund was a mystery and they expected our accounts to be the same as the private sector.”
- Dissatisfaction with the audit approach: “a frustrating year due to change in audit approach, especially around asset valuations and due to a new team.”
- McCloud issues: “We had to make last minute changes to the accounts due to the McCloud pension judgement. However, this felt unfair since much larger councils did not have to. The way that materiality thresholds are calculated needs to be amended.”
- Accounting issues: “a particular focus by the external auditor on challenging subjective judgements in the preparation of the accounts (e.g, asset valuations) in order to justify additional fees.”
- Issues with PSAA and/or MHCLG: “Generally, I am very disappointed with the apparent inability of MHCLG, the PSAA and the audit firms to work together effectively to address the issues highlighted by 18/19 audits: no-one seems to be taking ownership of the problem.”
- Issues with the auditing process: “there is a fundamental problem with accounting requirements and audit expectation in local government accounting. Until such time as CIPFA address this the accounts and the audit will continue to require a huge amount of time and effort for negligible benefit.”

Appendix A: Summary of the Audit Committee Chairs results

Table 33: To what extent do you agree or disagree with the following statements in relation to the audit team's communications with your organisation? (Copy of Table 11)

Statements	Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree
The auditor clearly explained the audit plan (how it addressed the Code requirements and specific areas of audit risk including fraud risk and the VFM arrangements conclusion) to the Audit Committee.	53%	36%	5%	4%	1%
The auditor can be approached to act as a sounding board when required.	47%	28%	13%	9%	3%
The auditor when presenting the audit closure report clearly explained the work undertaken and conclusions reached.	53%	28%	7%	5%	7%
The auditor's reports and communications provided insight into the organisation's financial reporting practices, and helped with fulfilment of governance responsibilities including practical recommendations for improvement where appropriate.	47%	27%	11%	11%	4%
The audit team informed the Audit Committee of current developments in accounting principles and auditing standards and the potential impact of these on the audit.	47%	30%	12%	4%	7%

Base: all Audit Committee Chair respondents (75)

Table 34: This meeting was used effectively to provide information and assurance to committee members.

Response	Per cent	Count
Strongly agree	28%	11
Tend to agree	43%	17
Neither agree nor disagree	13%	5
Tend to disagree	13%	5
Strongly disagree	5%	2

Base: Audit Committee Chair respondents who indicated that the Audit Committee had the opportunity to meet privately with the audit team (40)

Table 35: Where there were significant differences in views between management and the audit team, the auditor presented a clear point of view on accounting issues where management's perspective differed. (Copy of Table 12)

Response	Per cent
Strongly agree	4%
Tend to agree	26%
Neither agree nor disagree	11%
Tend to disagree	5%
Strongly disagree	1%
Not applicable - there were no significant differences in views between management and the audit team	52%

Base: all Audit Committee Chair respondents (73)

Table 36: To what extent do you agree or disagree with the following statements in relation to the proposed additional audit fee?

Statements	Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree
Where an additional fee is proposed the audit team explained the reasons for this.	54%	29%	5%	7%	5%
Where an additional fee is proposed the audit team explained how it might be avoided in future years, where appropriate.	15%	18%	33%	30%	5%
Where an additional audit fee is proposed, this was reported to the Audit Committee in a timely manner.	33%	40%	8%	8%	13%

Base: Audit Committee Chair respondents who indicated that an additional audit fee had been proposed (40)

Table 37: Where there has been a change in the appointed audit firm I was satisfied with the management of the transition by the new firm.

Response	Per cent	Count
Strongly agree	37%	7
Tend to agree	32%	6
Neither agree nor disagree	5%	1
Tend to disagree	5%	1
Strongly disagree	21%	4

Base: Audit Committee Chair respondents who indicated that there had been a change in the appointed audit firm (19)

Table 38: Where there has been a change in the engagement lead I was satisfied with how the handover was managed.

Response	Per cent	Count
Strongly agree	35%	11
Tend to agree	19%	6
Neither agree nor disagree	16%	5
Tend to disagree	19%	6
Strongly disagree	10%	3

Base: Audit Committee Chair respondents who indicated that there had been a change in the engagement lead (31)

Table 39: Where the audit opinion was delayed beyond 31 July, the need to do this and the underlying reason was communicated on a timely basis.

Response	Per cent	Count
Strongly agree	22%	7
Tend to agree	19%	6
Neither agree nor disagree	3%	1
Tend to disagree	31%	10
Strongly disagree	25%	8

Base: Audit Committee Chair respondents who indicated that their audit opinion was delayed beyond 31 July (32)

Table 40: Where the audit needed to extend beyond 31 July due to auditor resourcing issues, the auditor made arrangements to minimise disruption to the organisation.

Response	Per cent	Count
Strongly agree	3%	1
Tend to agree	16%	5
Neither agree nor disagree	16%	5
Tend to disagree	19%	6
Strongly disagree	31%	10
Not applicable - the delay to the audit opinion was not due to auditor resourcing issues	16%	5

Base: Audit Committee Chair respondents who indicated that their audit opinion was delayed beyond 31 July (32)

Table 41: The audit service provided met expectations for provision of the audit as set out in the audit firm's method statement. (Copy of Table 32)

Response	Per cent
Strongly agree	44%
Tend to agree	25%
Neither agree nor disagree	12%
Tend to disagree	4%
Strongly disagree	15%

Base: all Audit Committee Chair respondents (75)

Appendix B: Survey questionnaire

PSAA Quality of Audit Service feedback survey

Start of Block: Introductory and privacy text

Public Sector Audit Appointments (PSAA) monitors the performance of the audit firms it has appointed to undertake audits under the Local Audit and Accountability Act 2014. The results of our monitoring provide audited bodies and other stakeholders with assurance that quality audits are being delivered.

In order to inform this monitoring process, it is vital that PSAA understand the views of the bodies it appoints the auditors for, establishing how useful the audit process and outputs are and considering how auditors can improve in this regard.

Audit work is carried out in accordance with the Code of Audit Practice <https://www.nao.org.uk/code-audit-practice>. The Code requires auditors to consider more than the financial statements as part of their work – in particular, auditors consider and report on the organisation's value for money arrangements.

With all that in mind, we are inviting you to take part in a short survey, taking no longer than 10 minutes to complete about your organisation's view and experiences of this year's audit.

In order to provide you with the opportunity to be as open and frank as possible, PSAA has asked the LGA administer the survey. This will enable your responses to be made anonymous. We do however ask you to provide the name of your external audit firm and type of authority so that we can identify sector and audit supplier trends.

The International Auditing & Assurance Board (IAASB) framework for audit quality can be found here:

<https://www.ifac.org/publications-resources/framework-audit-quality-key-elements-create-environment-audit-quality>

In the survey the word 'auditor' covers the firm and the audit partner. Audit Committee is used to refer to the committee that the auditor reports to.

End of Block: Introductory and privacy text

Start of Block: Block 4

Thank you for taking the time to complete this survey. You can navigate through the questions using the buttons at the bottom of each page. Use the 'previous' button at the bottom of the page if you wish to amend your response to an earlier question.

If you stop before completing the return, you can come back to this page using the link supplied in the email and you will be able to continue where you left off. To ensure your answers have been saved, click on the 'next' button at the bottom of the page that you were working on before exiting.

All responses will be treated confidentially. Information will be aggregated, and no individual or authority will be identified in any publications without your consent. Identifiable information may be used internally within the LGA but will only be held and processed in accordance with our privacy statement. We are undertaking this survey to aid the legitimate interests of the LGA in supporting and representing authorities.

If you would like to see an overview of the questions before completing the survey online, you can access a PDF here: [\[insert link\]](#)

If you have any queries please contact Matt Vincent on matthew.vincent@local.gov.uk or 020 7664 3123.

Please complete the survey at your earliest convenience and no later than **[instert date]**.

End of Block: Block 4

Start of Block: Demographics question



Please amend the details we have on record if necessary.

○ Name (1) _____

○ Organisation (2) _____

○ Job title (3) _____

○ Email address (4) _____

Please select the firm that conducted your most recent external audit

- ☐ Ernst & Young (1)
- ☐ Grant Thornton (2)
- ☐ BDO (3)
- ☐ Mazars (4)
- ☐ Deloitte (5)

End of Block: Demographics question

Start of Block: Block 4

To what extent do you agree or disagree with the following statements?

	Strongly agree (1)	Tend to agree (2)	Neither agree nor disagree (3)	Tend to disagree (4)	Strongly disagree (5)
The auditor clearly explained what the key audit risks are for your organisation. (1)	☐	☐	☐	☐	☐
The auditor clearly explained the audit plan (how it addressed the Code requirements and specific areas of audit risk including fraud risk and the VFM arrangements conclusion) to the Audit Committee. (2)	☐	☐	☐	☐	☐

To what extent do you agree or disagree with the following statements in relations to efficiency and effectiveness of the audit?

	Strongly agree (1)	Tend to agree (2)	Neither agree nor disagree (3)	Tend to disagree (4)	Strongly disagree (5)
Documentation and information requests were made on a timely basis. (1)	☐	☐	☐	☐	☐
Outputs and fieldwork provided and completed in line with agreed timetable. (2)	☐	☐	☐	☐	☐
Communications were made on a no surprises basis. (3)	☐	☐	☐	☐	☐

To what extent do you agree or disagree with the following statements in relation to the skills and tools of the audit team?

	Strongly agree (1)	Tend to agree (2)	Neither agree nor disagree (3)	Tend to disagree (4)	Strongly disagree (5)
The audit team had the skills (including necessary knowledge and understanding) to deliver the audit. (1)	☐	☐	☐	☐	☐
The audit team made good use of information technology to streamline the audit. (2)	☐	☐	☐	☐	☐
The auditor can be approached to act as a sounding board when required. (3)	☐	☐	☐	☐	☐

To what extent do you agree or disagree to the following statements in relation to the audit teams communications with your organisation?



	Strongly agree (1)	Tend to agree (2)	Neither agree nor disagree (3)	Tend to disagree (4)	Strongly disagree (5)
The auditor kept me informed of progress throughout the audit year enabling me to take prompt action when needed. (1)	☐	☐	☐	☐	☐
The auditor clearly explained what work had been completed to address the key audit risks identified. (2)	☐	☐	☐	☐	☐
The auditor in presenting the audit closure report clearly explained the work undertaken and conclusions reached. (3)	☐	☐	☐	☐	☐
The auditor's reports and communications provided insight into the organisation's financial reporting practices, and helped with fulfilment of governance responsibilities including practical recommendations for improvement where appropriate. (4)	☐	☐	☐	☐	☐

The Audit Committee had the opportunity to meet privately with the audit team and this meeting was used effectively to provide information and assurance to committee members. (5)

The audit team informed the Audit Committee of current developments in accounting principles and auditing standards and the potential impact of these on the audit. (6)

☐ ☐ ☐ ☐ ☐

☐ ☐ ☐ ☐ ☐

Where the audit team challenged management judgement and assumptions this was clearly explained and provided on a timely basis.

- ☐ Strongly agree (1)
 - ☐ Tend to agree (2)
 - ☐ Neither agree nor disagree (3)
 - ☐ Tend to disagree (4)
 - ☐ Strongly disagree (5)
 - ☐ Not applicable - the audit team did not find it necessary to challenge management judgement and assumptions (6)
-

Where there were significant differences in views between management and the audit team, the auditor presented a clear point of view on accounting issues where management's perspective differed.

- ☐ Strongly agree (1)
 - ☐ Tend to agree (2)
 - ☐ Neither agree nor disagree (3)
 - ☐ Tend to disagree (4)
 - ☐ Strongly disagree (5)
 - ☐ Not applicable - there were no significant differences in views between management and the audit team (6)
-

Has your auditor proposed an additional audit fee at any time?

- ☐ Yes (1)
 - ☐ No (2)
-

Display This Question:

If Has your auditor proposed an additional audit fee at any time? = Yes

	Strongly agree (1)	Tend to agree (2)	Neither agree nor disagree (3)	Tend to disagree (4)	Strongly disagree (5)
Where an additional fee is proposed the audit team explained the reasons for this, and how it might be avoided in future years, where appropriate. (1)	☐	☐	☐	☐	☐
Where an additional audit fee is proposed, this was reported to the Audit Committee in a timely manner. (2)	☐	☐	☐	☐	☐

Has there been a change in the appointed audit firm?

- ☐ Yes (1)
☐ No (2)

Display This Question:

If Has there been a change in the appointed audit firm? = Yes

Where there has been a change in the appointed audit firm I was satisfied with the management of the transition.

- ☐ Strongly agree (1)
- ☐ Tend to agree (2)
- ☐ Neither agree nor disagree (3)
- ☐ Tend to disagree (4)
- ☐ Strongly disagree (5)

Display This Question:

If Has there been a change in the appointed audit firm? = Yes

Where there has been a change in the engagement lead (from continuing firm) I was satisfied with how the handover was managed.

- ☐ Strongly agree (1)
- ☐ Tend to agree (2)
- ☐ Neither agree nor disagree (3)
- ☐ Tend to disagree (4)
- ☐ Strongly disagree (5)
- ☐ Not applicable - there has not been a change in the engagement lead (6)

Display This Question:

If Has there been a change in the appointed audit firm? = Yes

Where there has been a change in the audit manager (from continuing firm) I was satisfied with how the handover was managed.

- ☐ Strongly agree (1)
- ☐ Tend to agree (2)
- ☐ Neither agree nor disagree (3)
- ☐ Tend to disagree (4)
- ☐ Strongly disagree (5)
- ☐ Not applicable - there has not been a change in the audit manager (6)

Was the audit opinion delayed beyond 31 July?

- ☐ Yes (1)
- ☐ No (2)

Display This Question:

If Was the audit opinion delayed beyond 31 July? = Yes

Where the audit opinion was delayed beyond 31 July, the need to do and the underlying reason was communicated on a timely basis.

- ☐ Strongly agree (1)
- ☐ Tend to agree (2)
- ☐ Neither agree nor disagree (3)
- ☐ Tend to disagree (4)
- ☐ Strongly disagree (5)
- ☐ Not applicable - there has not been a change in the audit manager (6)

Display This Question:

If Was the audit opinion delayed beyond 31 July? = Yes

Where the audit needed to extend beyond 31 July due to auditor resourcing issues, the arrangements were made to minimise disruption to the organisation.

- ☐ Strongly agree (1)
- ☐ Tend to agree (2)
- ☐ Neither agree nor disagree (3)
- ☐ Tend to disagree (4)
- ☐ Strongly disagree (5)
- ☐ Not applicable - the delay to the audit opinion was not due to auditor resourcing issues (6)

The audit service provided met expectations for provision of the audit as set out in the audit firm's method statement [include link]

- ☐ Strongly agree (1)
- ☐ Tend to agree (2)
- ☐ Neither agree nor disagree (3)
- ☐ Tend to disagree (4)
- ☐ Strongly disagree (5)
- ☐ Not applicable - the delay to the audit opinion was not due to auditor resourcing issues (6)

Are there any other comments you would like to make?

End of Block: Block 4

Start of Block: Survey end and privacy statement text

Once you press the 'Submit' button below, you will have completed the survey.

Many thanks for taking the time to complete this survey. You are in control of any personal data that you have provided to us in your response. You can contact us at all times to have your information changed or deleted. You can find our full privacy policy here: [click here to see our privacy policy](#)

End of Block: Survey end and privacy statement text



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