

Audit Contract Monitoring Report Data Pack

PSAA Board

Quarter 2 – September 2021

Quarter Highlights

The publishing date for 2020/21 local authority financial statements was 30 September 2021. By this date:

- Financial Statement Opinions had been given at 41 (9%) authorities

At 30 September 2021 opinions from earlier years were outstanding as follows:

- **2018/19 at 15 authorities (3%)**
- **2019/20 at 70 authorities (19%)**

Quarter Highlights

Auditors have used their additional powers as follows:

Statutory Recommendations have been made at one authority:

»» Thanet District Council (12 October 2021)

Audit Opinions Data 2020/21

Firm	Total audits	Opinion given	Outstanding at 30 Sep 2021	
BDO	25	0	25	100%
DL	26	2	24	92%
EY	157	9	148	94%
GT	179	22	157	88%
Mazars	87	8	79	91%
Total	474	41	433	91%

Publishing date of 30 September 2021

Audit Opinions Data 2019/20

Firm	Total audits	Outstanding at 30 Nov 2020		Outstanding at 30 June 2021		Outstanding at 30 Sep 2021	
		Count	Percentage	Count	Percentage	Count	Percentage
BDO	25	14	56%	9	36%	9	36%
DL	26	16	62%	11	42%	10	38%
EY	161	103	64%	37	23%	26	16%
GT	179	82	46%	25	14%	19	11%
Mazars	88	49	56%	9	10%	6	7%
Total	478	264	56%	91	19%	70	15%

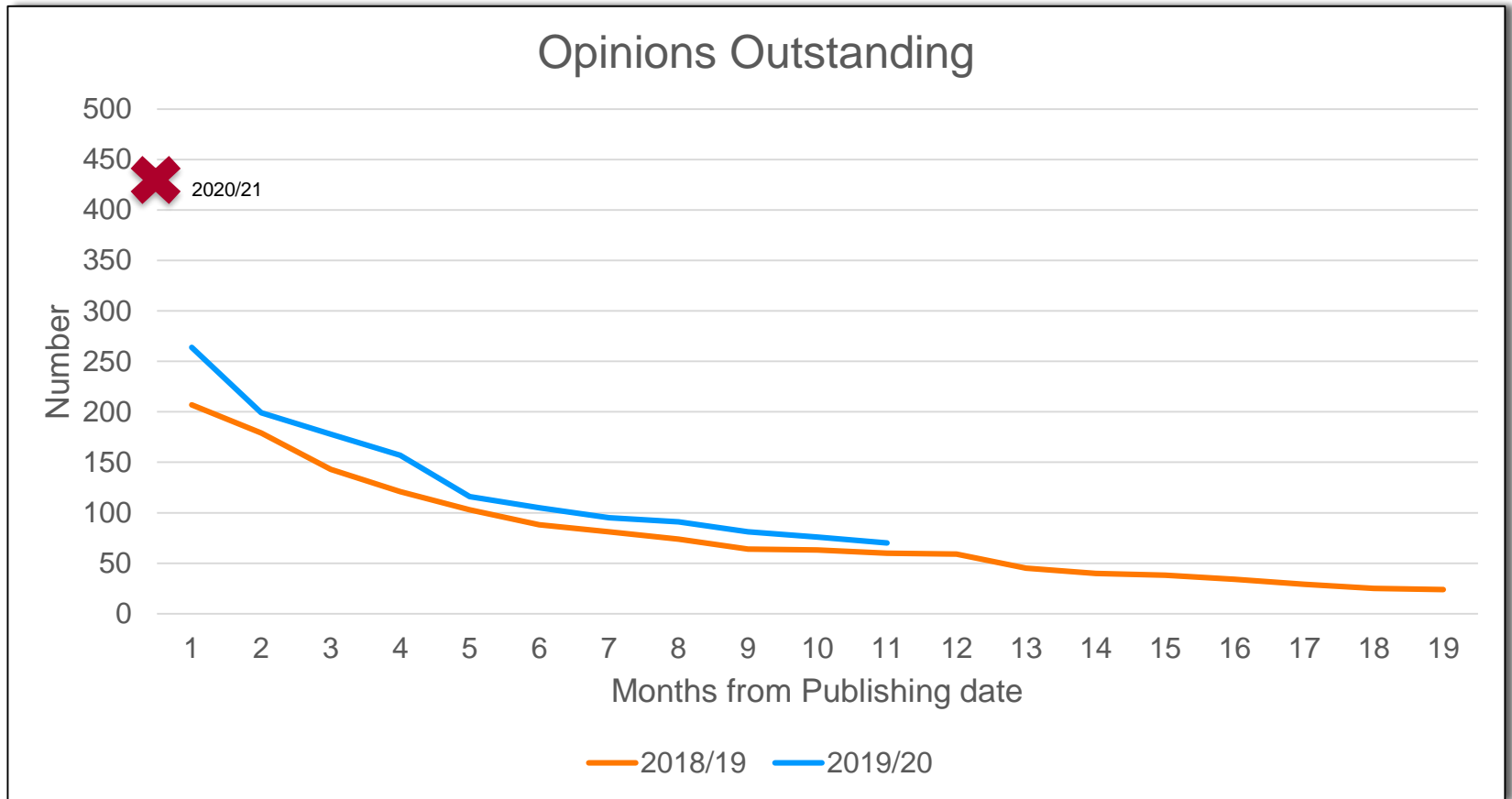
Publishing date of 30 November 2020

Audit Opinions data 2018/19

Firm	Total audits	Opinions not delivered				
		31 July 2019	30 Sept 2019	30 Sept 2020	31 Mar 2021	30 Sep 2021
BDO	27	13	9	4	2	2
DL	30	18	15	4	3	3
EY	163	90	70	20	8	4
GT	181	70	35	7	4	4
Mazars	85	17	13	2	2	2
Total	486	208	142	37	19	15
Total 2018		65	25	8	4	4

Publishing date of 31 July 2019

Profile of Audit completions



Objections under Investigation As at 30 September 2021

Firm	2016/17 & prior	2017/18	2018/19	2019/20	Total
BDO	6	2	-	3	11
DL	n/a	n/a	-	5	5
EY	2	-	3	-	5
GT	1	2	4	5	12
KPMG	3	-	n/a	n/a	3
Mazars	2	1	5	1	9
Total	14	5	14	15	47

Ten objections have been closed in the last quarter

Approved variations to Scale Fee As at 30 September 2021

Year	Audit scale fee £m	Total net value of fee variation requests approved (£m)	Total cost of audit £m	% of total variations against total scale fee approved
2017/18	42.4*	3.7	46.1	8.6%
2018/19	28.3	4.8	33.1	17.0%
2019/20	28.4	5.6**	34.0	19.7%

*2017/18 includes Housing Benefit grant certification work. There is a 23% price decrease in audit years 2018/19 onwards.

**Not all variation requests for 2019/20 have been submitted or processed. The current average rate of variations approved for individual bodies is 39%. This reflects the additional audit costs including those arising from the pandemic.

Non-audit services requests

There have been three non-audit service requests in the last quarter:

These covered:

- Provision of assurance in respect of shared services under ISAE 3402;
- Annual Accountants Reports in respect of BEIS Regional Grant Funding; and
- Project management support for group of councils preparing joint core strategy review.

Our role is to consider whether providing the service could potentially compromise the independence of the auditor. In each request we considered it would not.

The work to be undertaken and the level of the fee is a matter for the audited body and the audit firm.

Other Performance Indicators



As part of our audit quality monitoring arrangements we consider a range of other performance indicators.

We have no matters to report