

Audit Contract Monitoring Report Data Pack

PSAA Board

Quarter 3 – December 2021

Quarter Highlights

The publishing data for local authority financial statements was 30 September 2021. By 31 December 2021:

- Financial Statement Opinions had been given at 191 (40%) authorities

At 31 December 2021 opinions from earlier years were outstanding as follows:

- **2018/19 at 15 authorities (3%)**
- **2019/20 at 57 authorities (12%)**

Quarter Highlights

Auditors have used their additional powers as follows:

Statutory Recommendations have been made at four authorities:

- »»» Thanet District Council (12 October 2021)
- »»» Scarborough Borough Council (28 October 2021)
- »»» Mersey Waste Disposal (10 November 2021)
- »»» Sandwell Metropolitan Borough Council (6 December 2021)

Audit Opinions Data 2020/21

Firm	Total audits	Opinion given	Outstanding at 30 Sep 2021		Outstanding at 31 Dec 2021	
BDO	25	0	25	100%	25	100%
DL	26	2	24	92%	22	85%
EY	157	9	148	94%	112	71%
GT	179	22	157	88%	84	47%
Mazars	87	8	79	91%	41	48%
Total	474	41	433	91%	284	60%

Publishing date of 30 September 2021

Audit Opinions Data 2019/20

Firm	Total audits	Outstanding at 30 Nov 2020		Outstanding at 30 Sep 2021		Outstanding at 30 Dec 2021	
		Count	Percentage	Count	Percentage	Count	Percentage
BDO	25	14	56%	9	36%	9	36%
DL	26	16	62%	10	38%	8	31%
EY	161	103	64%	26	16%	20	12%
GT	179	82	46%	19	11%	14	8%
Mazars	88	49	56%	6	7%	6	7%
Total	478	264	56%	70	15%	57	12%

Publishing date of 30 November 2020

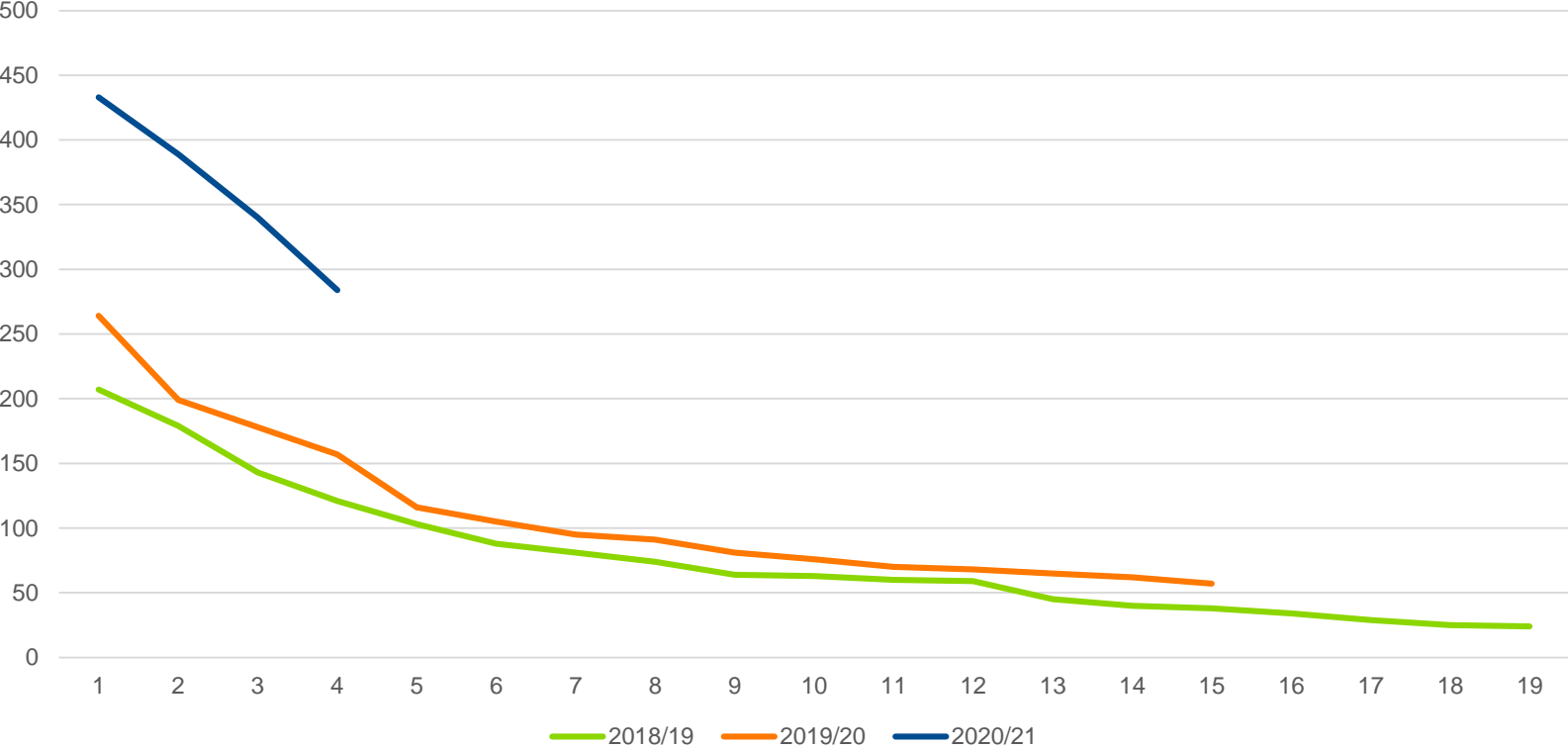
Audit Opinions data 2018/19

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

Publishing date of 31 July 2019

Profile of Audit completions

Opinions Outstanding



Summary of Objections under Investigation As at 31 December 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	-	2	-	4
GT	1	2	4	5	12
KPMG	1	-	n/a	n/a	1
Mazars	2	1	5	2	10
Total	12	5	11	15	43

Five objections have been closed in the last quarter.

We have been notified of 14 objections raised for 2020-2021.

Approved variations to Scale Fee As at 31 December 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	16.8%
2019/20	28.4	8.3**	36.7	29.8%

*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 43%. This reflects the additional audit costs including those arising from the pandemic.

Other Performance Indicators



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

Non-compliance with Terms of Appointment:

In one case EY did not provide a copy of statutory report in advance of issue as required.