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The Annual Audit Letter for Kent County Council

Year ended 31 March 2019

31 August 2019



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Executive Summary

Purpose

Our Annual Audit Letter (Letter) summarises the key findings arising from the work that we have carried out at Kent County Council (the Council) for the year ended 31 March 2019.

This Letter is intended to provide a commentary on the results of our work to the Council and external stakeholders, and to highlight issues that we wish to draw to the attention of the public. In preparing this Letter, we have followed the National Audit Office (NAO)'s Code of Audit Practice and Auditor Guidance Note (AGN) 07 – 'Auditor Reporting'. We reported the detailed findings from our audit work to the Council's Governance and Audit Committee as those charged with governance in our Audit Findings Report²⁴ July 2019.

Our work

Respective responsibilities

We have carried out our audit in accordance with the NAO's Code of Audit Practice, which reflects the requirements of the Local Audit and Accountability Act 2014 (the Act). Our key responsibilities are to:

- give an opinion on the Council's financial statements (section two)
- assess the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources (the value for money conclusion) (section three).

In our audit of the Council's financial statements, we comply with International Standards on Auditing (UK) (ISAs) and other guidance issued by the NAO.

Materiality	We determined materiality for the audit of the Council's financial statements to be £43,000,000, which is 1.95% of the Council's gross expenditure.
Financial Statements opinion	We gave an unqualified opinion on the Council's financial statements on 25 July 2019.
Whole of Government Accounts (WGA)	We expect to complete work on the Council's consolidation return following guidance issued by the NAO by the deadline of 13 September 2019.
Use of statutory powers	We are required under the Act to give electors the opportunity to raise questions about the Council financial statements and we consider and decide upon objections received in relation to the financial statements. We received no questions or objections from electors in relation to the 2018/19. We are completing our work around an objection from an elector to the 2016/17 financial statements

Executive Summary

Value for Money arrangements	We were satisfied that the Council put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources. We reflected this in our audit report to the Council on 25 July 2019.
Certification of Grants	We also carry out work to certify the Council's Teachers Pension Grant claim. Our work on this claim is not yet complete and will be finalised by 29 November 2019. We will report the results of this work to the Governance and Audit Committee separately.
Certificate	We are currently unable to certify the completion of the 2016/17 due to an outstanding elector objection which is still being considered, and will therefore also be unable to certify completion of the 2017/18 and 2018/19 audit when we give our audit opinion.

Working with the Council

During the year we have delivered a number of successful outcomes with you:

- An efficient audit – we delivered an efficient audit with you in July, delivering the financial statements 6 days before the deadline, releasing your finance team for other work.
- Understanding your operational health – through the value for money conclusion we provided you with assurance on your operational effectiveness.

- Sharing our insight – we provided regular audit committee updates covering best practice.

We would like to record our appreciation for the assistance and co-operation provided to us during our audit by the Council's staff.

Grant Thornton UK LLP
August 2019

Audit of the Financial Statements

Our audit approach

Materiality

In our audit of the Council's financial statements, we use the concept of materiality to determine the nature, timing and extent of our work, and in evaluating the results of our work. We define materiality as the size of the misstatement in the financial statements that would lead a reasonably knowledgeable person to change or influence their economic decisions.

We determined materiality for the audit of the Council's financial statements to be £43,000,000, which is 1.95% of the Council's gross expenditure. We used this benchmark as, in our view, users of the Council's financial statements are most interested in where the Council has spent its revenue in the year.

We set a lower threshold of £2,150,000, above which we reported errors to the Governance and Audit Committee in our Audit Findings Report.

Superannuation Fund Materiality

For the audit of the Kent County Council Superannuation Fund accounts, we determined materiality to be £58,000,000, which is 1% of the Fund's net assets. We used this benchmark, as in our view, users of the Superannuation Fund accounts are most interested in the value of assets available to fund pension benefits.

We set a threshold of £2,900,000 above which we reported errors to the Governance and Audit Committee.

The scope of our audit

Our audit involves obtaining sufficient evidence about the amounts and disclosures in the financial statements to give reasonable assurance that they are free from material misstatement, whether caused by fraud or error. This includes assessing whether:

- the accounting policies are appropriate, have been consistently applied and adequately disclosed;
- the significant accounting estimates made by management are reasonable; and
- the overall presentation of the financial statements gives a true and fair view.

We also read the remainder of the financial statements and the narrative report, annual governance statement to check they are consistent with our understanding of the Council and with the financial statements included in the Annual Report on which we gave our opinion.

We carry out our audit in accordance with ISAs (UK) and the NAO Code of Audit Practice. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach was based on a thorough understanding of the Council's business and is risk based.

We identified key risks and set out overleaf the work we performed in response to these risks and the results of this work.

Audit of the Financial Statements

Significant Audit Risks

These are the significant risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p>Valuation of land and buildings</p> <p>The Council revalues its land and buildings on an quinquennial basis to ensure that carrying value is not materially different from fair value. This represents a significant estimate by management in the financial statements.</p> <p>We identified the valuation of land and buildings revaluations and impairments as a risk requiring special audit consideration.</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> • Reviewed management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work • Evaluated the competence, expertise and objectivity of any management experts used. • Discussed with the valuer the basis on which the valuation is carried out and challenge the key assumptions. • Reviewed and challenged the information used by the valuer to ensure it is robust and consistent with our understanding. • Tested revaluations made during the year to ensure they are input correctly into the Authority's asset register • Evaluated the assumptions made by management for those assets not revalued during the year and how management has satisfied themselves that these are not materially different to current value • Utilised the work of an auditor's expert to consider the valuation movements against the expected levels across similar properties. 	<p>Our audit work has not identified any issues in respect of the valuation of property, plant and equipment</p>

Audit of the Financial Statements

Significant Audit Risks

These are the significant risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p>Valuation of net pension liability</p> <p>We identified the valuation of the pension fund net liability as a risk requiring special audit consideration.</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> Identified the controls put in place by management to ensure that the pension fund liability is not materially misstated. We also assessed whether these controls were implemented as expected and whether they are sufficient to mitigate the risk of material misstatement Evaluated the competence, expertise and objectivity of the actuary who carried out your pension fund valuation. We gained an understanding of the basis on which the valuation is carried out assessed the accuracy and completeness of the information provided by the Authority to the actuary to estimate the liability; Undertook procedures to confirm the reasonableness of the actuarial assumptions made. We utilised an auditor's expert in order to gain this assurance; PWC as a consulting actuary; Checked the consistency of the pension fund asset and liability and disclosures in notes to the financial statements with the actuarial report from your actuary Additional work was required due to the impact of the McCloud judgement. During the year The Court of Appeal has ruled that there was age discrimination in the judges and firefighters pension schemes where transitional protections were given to scheme members. The Government applied to the Supreme Court for permission to appeal this ruling, but this permission to appeal was unsuccessful. The case will now be remitted back to employment tribunal for remedy. 	<p>Our audit work did not identify any issues in respect of the valuation of the pension fund net liability.</p>
<p>Management override of internal controls</p> <p>Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management override of controls is present in all entities. The Council faces external scrutiny of its spending and this could potentially place management under undue pressure in terms of how they report performance.</p> <p>We therefore consider management over-ride of controls, in particular journals, management estimates and transactions outside the normal course of business as a significant risk requiring special audit consideration.</p>	<p>As part of our audit work we completed;</p> <ul style="list-style-type: none"> gained an understanding of the accounting estimates, judgements applied and decisions made by management and consider their reasonableness obtained a full listing of journal entries, identified and tested unusual journal entries for appropriateness evaluated the rationale for any changes in accounting policies or significant unusual transactions 	<p>Our audit work has not identified any issues in respect of management override of controls.</p>

Audit of the Financial Statements

Significant Audit Risks - continued

These are the risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p>Valuation, classification and ownership of investments</p> <p>Under ISA 315 significant risks often relate to significant non-routine transactions and judgemental matters. Investments held by the Authority are often complex and require judgment. Level 3 investments by their very nature require a particularly high degree of judgement, but there is risk to reach an appropriate valuation at year end for all the investments, There is also the risk of investments being classified incorrectly due to the accounting requirements changing under the new IFRS 9.</p>	<p>As part of our audit work we completed;</p> <ul style="list-style-type: none"> • gained an understanding of the Authority's process for valuing investments and evaluate the design of the associated controls • reviewed the nature and basis of estimated values and consider what assurance management has over the year end valuations provided for these types of investments. • considered of the competence, expertise and objectivity of any management experts used. • reviewed the qualifications of the Fund Managers to value investments at year end and gain an understanding of how the valuation of these investments has been reached. • assessed the Authority's policy undertaken in regard to the new accounting standard and ensure all investments are subsequently categorised correctly. <p>As part of our audit work we reviewed management's assessment of the classification of investments under the new standard (IFRS 9 Financial instruments). Prior to the audit the Council were in discussion with us on the treatment of these investments and they indicated that they were going to classify them as fair value through other comprehensive income (FVOCI) as advised by their treasury advisors. They also sought QC advice, which determined that the Council had treated the investments correctly. However, our internal assessment, based on our understanding of IFRS 9 and our understanding of the CIPFA Accounting Code, which has been adopted by local authorities in 2018/19, determined that this designation was not open to the Council for these types of investments and they should instead be classified as Fair Value through Profit and Loss (FVPL).</p> <p>Following further discussions between ourselves and the Council, the Council agreed to amend to FVPL and the required adjustments were made to the accounts.</p>	<p>Our audit work identified an adjustment required in the classification of the investments initially held as FVOCI. These were amended to FVPL following discussions with the client. We did not identify any other issues.</p>

Audit of the Financial Statements

Pension Fund Significant Audit Risks

These are the risks which had the greatest impact on our overall strategy and where we focused more of our work on the pension fund.

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p>Valuation, classification and ownership of Investments</p> <p>Under ISA 315 significant risks often relate to significant non-routine transactions and judgemental matters.</p> <p>Investments held by the Pension Fund are often complex and require judgment. Level 3 investments by their very nature require a particularly high degree of judgement, but there is risk to reach an appropriate valuation at year end for all the investments. With the Pension Fund having moved a portion of its investments into the new ACCESS pool, this creates additional risk.</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> gained an understanding of the Fund's process for valuing investments and evaluated the design of the associated controls reviewed the nature and basis of estimated values and considered what assurance management has over the year end valuations provided for these types of investments consideration of the competence, expertise and objectivity of any management experts used reviewed the qualifications of the Fund Managers to value investments at year end and gained an understanding of how the valuation of these investments has been reached for a sample of Level 3 investments, tested the valuation by obtaining and reviewing the audited accounts, (where available) at the latest date for individual investments and agreeing these to the fund manager reports at that date. We also reconciled those values to the values at 31 March 2019 with reference to known movements in the intervening period 	<p>Our audit work has not identified any issues in respect of this risk.</p>
<p>Management override of controls</p> <p>Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities. The Authority faces external scrutiny of its spending and this could potentially place management under undue pressure in terms of how they report performance.</p> <p>We therefore consider management over-ride of controls, in particular journals, management estimates and transactions outside the normal course of business as a significant risk requiring special audit consideration.</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> gained an understanding of the accounting estimates, judgements applied and decisions made by management and consider their reasonableness obtained a full listing of journal entries, identified and tested unusual journal entries for appropriateness evaluated the rationale for any changes in accounting policies or significant unusual transactions. 	<p>Our audit work has not identified any issues in respect of management override of controls.</p>

Audit of the Financial Statements

Audit opinion

We gave an unqualified opinion on the Council's financial statements on 25 July 2019.

Preparation of the financial statements

The Council presented us with draft financial statements in accordance with the national deadline, and provided a good set of working papers to support them. The finance team responded promptly and efficiently to our queries during the course of the audit.

Issues arising from the audit of the financial statements

We reported the key issues from our audit to the Council's Governance and Audit Committee on 25 July 2019.

Annual Governance Statement and Narrative Report

We are required to review the Council's Annual Governance Statement and Narrative Report. It published them on its website in line with the national deadlines.

Both documents were prepared in line with the CIPFA Code and relevant supporting guidance. We confirmed that both documents were consistent with the financial statements prepared by the Council and with our knowledge of the Council.

Pension fund accounts

We gave an unqualified opinion on the pension fund accounts of Kent Superannuation Fund on 25 July 2019. We also reported the key issues from our audit of the pension fund accounts to the Council's Governance and Audit Committee on 24 July 2019.

Whole of Government Accounts (WGA)

We carried out work on the Council's Data Collection Tool in line with instructions provided by the NAO . Our work is not yet complete and we expect to issue an assurance statement by the deadline of 13 September.

Other statutory powers

We also have additional powers and duties under the Act, including powers to issue a public interest report, make written recommendations, apply to the Court for a declaration that an item of account is contrary to law, and to give electors the opportunity to raise questions about the Council's accounts and to raise objections received in relation to the accounts.

To date we have received no questions or objections from electors in relation to the 2018/19 financial statements. We are completing our work around an objection from an elector to the 2016/17 financial statements.

Certificate of closure of the audit

We are unable to certify that we have completed the 2016/17, 2017/18 and 2018/19 audit of the accounts of Kent County Council until we resolve all elector objections.

Value for Money conclusion

Background

We carried out our review in accordance with the NAO Code of Audit Practice, following the guidance issued by the NAO in November 2017 which specified the criterion for auditors to evaluate:

In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people.

Key findings

Our first step in carrying out our work was to perform a risk assessment and identify the risks where we concentrated our work.

The risks we identified and the work we performed are set out overleaf.

As part of our Audit Findings report agreed with the Council in July 2019, we agreed recommendations to address our findings.

Overall Value for Money conclusion

We are satisfied that in all significant respects the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2019.

Value for Money conclusion

Value for Money Risks

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p>Overall Financial Position – Medium Term Financial Plan</p> <p>You have a strong track record of delivering to your budgeted spend at the year end. However as reported at Month 8 you were anticipating a outturn deficit pressure of £1.9m for the year. There is a requirement for a considerable level of savings of the life of the Medium Term Financial Plan (MTFP).</p>	<p>As part of our work we have:</p> <ul style="list-style-type: none"> • Reviewed the assumptions behind the latest MTFP • Reviewed savings plans and revenue generating schemes. • Discussed your plans and outcomes with management, as well as reviewing how finances are reported to Councillors. 	<p>The Council has set balanced budget for 2019/20, which includes the need to identify circa £45m of income generation and savings in the year. In the 2019/20 year you faced the following immediate challenges:</p> <ul style="list-style-type: none"> - A net reduction in government grants primarily due to the continued phased reduction in the Revenue Support Grant - Increased spending demands of £72m driven by changes in demography/increasing demand, inflation of pay and prices, replacement of one-off items in 2018-19 and other budget realignments. <p>We have analysed your detailed breakdown of the reductions in income and increased expenditure budgeted for 2019/20. We discussed the key items with management and looked at the assumptions behind these and concluded that they were realistically and prudently estimated but remain challenging.</p> <p>We have discussed with management the assumptions and estimates which underlie their estimates of the additional revenue which you plan to generate and the savings plans. We challenged the key assumptions and we found the estimates were reasonable. The Council has a very good track record in setting budgets which are accurate and very close to the reality shown in the outturn position.</p> <p>We discussed and reviewed key savings plans with management and they were able to demonstrate to us that there are advanced and well developed plans underlying the transformational savings totals 2019/20.</p> <p>We are satisfied that management have demonstrated that sound financial planning processes and robust financial controls are in place.</p> <p>On the basis of this work, we concluded that the risk was sufficiently mitigated and the Council has proper arrangements in place for securing value for money.</p>

Value for Money conclusion

Value for Money Risks

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p>Brexit</p> <p>With the UK due to leave the European Union on 29 March 2019, there will be national and local implications resulting from Brexit that will impact on the Authority and which it will need to plan for.</p>	<p>As part of our work we have:</p> <ul style="list-style-type: none"> Reviewed your arrangements and plans to mitigate any risks on Brexit. Our review will focus on areas such as workforce planning, supply chain analysis, regulatory impact and impacts on finances including investments. 	<p>At the time of writing our audit plan, the UK was due to exit from the EU on 29 March 2019. this was delayed and Brexit is now expected to happen on a revised date of 31 October 2019. Therefore the expected risk related to the impact of Brexit has not materialised within the period covered by this report. However we have considered the level of preparedness and planning undertaken by the Council.</p> <p>The Council is part of the Kent Resilience Forum and work undertaken to assess the risk and prepare for Brexit have included work undertaken with in the Council as part of a multi agency approach. The overall approach has involved considering the risk from a no-deal scenario and the areas which it would impact;</p> <ul style="list-style-type: none"> The internal resilience groups within Directorates meeting regularly to consider Brexit risks and responses Co-ordination of the approach and risk assessment across the county through the Kent Resilience Forum. Through this body the Council has participated in exercises to test plans related to identified risks such as transport Brexit briefings have been provided to the Council in order keep members informed of progress Through this body the Council The business continuity plans across the Council have been reviewed and updated to ensure they consider the potential impact of Brexit The regulatory impact has been considered by the Council's legal team The Council's website also provides helpful links to where residents and businesses can get the most up to date advice including government's official source for a wide-range of information for residents and businesses about the UK leaving the EU. <p>On the basis of this work, we have concluded that the risk was sufficiently mitigated based on the information the Council has had in order to prepare for the impact of Brexit at this time.</p>

A. Reports issued and fees

We confirm below our final reports issued and fees charged for the audit and provision of non-audit services.

Reports issued

Report	Date issued
Audit Plan	24 April 2019
Audit Findings Report	24 July 2019
Annual Audit Letter	31 August 2019

Fees

	Planned £	Actual fees £	2017/18 fees £
Audit and Audit related fees			
Statutory audit	120,062	128,862	155,925
Audit of Pension Fund	23,537	35,337	30,568
Teachers Pension Grant Certification 2017-18	4,250	4,750	4,250
RGF grant certification	2,500	2,500	n/a
Non-audit fees			
CFO Insights membership 2019-19	10,000	10,000	10,000
Total fees	160,349	181,449	200,743

Audit fee variation – Kent County Council audit

As outlined in our audit plan, the 2018-19 scale fee published by PSAA of £120,062 assumes that the scope of the audit does not significantly change. There are a number of areas where the scope of the audit has changed, which has led to additional work. These are set out in the following table.

Area	Reason	Fee proposed
Assessing the impact of the McCloud ruling	The Government's transitional arrangements for pensions were ruled discriminatory by the Court of Appeal last December. The Supreme Court refused the Government's application for permission to appeal this ruling. As part of our audit we have reviewed the revised actuarial assessment of the impact on the financial statements along with any audit reporting requirements.	2,400
Pensions – IAS 19	The Financial Reporting Council has highlighted that the quality of work by audit firms in respect of IAS 19 needs to improve across local government audits. Accordingly, we have increased the level of scope and coverage in respect of IAS 19 this year to reflect this.	1,200
PPE Valuation – work of experts	As above, the Financial Reporting Council has highlighted that auditors need to improve the quality of work on PPE valuations across the sector. We have increased the volume and scope of our audit work at all clients to reflect this.	2,400
Financial instruments – IFRS 9 classification	As a result of the implementation of IFRS 9 and the discussions with the Council on the classification of the pooled investment vehicles, additional work was required including the involvement of technical specialist.	2,800
Total		8,800

Fee variations are subject to PSAA approval.

A. Reports issued and fees

We confirm below our final reports issued and fees charged for the audit and provision of non-audit services.

Audit fee variation – Kent Superannuation Fund

As outlined in our audit plan, the 2018-19 scale fee published by PSAA of £23,537 assumes that the scope of the audit does not significantly change. There are a number of areas where the scope of the audit has changed, which has led to additional work. These are set out in the following table.

Area	Reason	Fee proposed
Assessing the impact of the McCloud ruling	The Government's transitional arrangements for pensions were ruled discriminatory by the Court of Appeal last December. The Supreme Court refused the Government's application for permission to appeal this ruling. As part of our audit we have reviewed the revised actuarial assessment of the impact on the financial statements along with any audit reporting requirements.	800
Pensions – IAS 19	As auditor of the pension fund we are required to provide assurance to the auditors of admitted bodies. This is an additional requirement this year in addition to the work required to provide assurance for the pension fund financial statements. As this additional work is to support the IAS 19 for admitted bodies, the Pension Fund will need to determine whether to recharge the cost to these bodies.	11,000
Total		11,800

Fee variations are subject to PSAA approval.

Our commitment to our local government clients

- Senior level investment
- Local presence enhancing our responsiveness, agility and flexibility.
- High quality audit delivery
- Collaborative working across the public sector
- Wider connections across the public sector economy, including with health and other local government bodies
- Investment in Health and Wellbeing, Social Value and the Vibrant Economy
- Sharing of best practice and our thought leadership.
- Invitations to training events locally and regionally – bespoke training for emerging issues
- Further investment in data analytics and informatics to keep our knowledge of the areas up to date and to assist in designing a fully tailored audit approach

Our relationship with our clients – why are we best placed?

- We work closely with our clients to ensure that we understand their financial challenges, performance and future strategy.
- We deliver robust, pragmatic and timely financial statements and Value for Money audits
- We have an open, two way dialogue with clients that support improvements in arrangements and the audit process
- Feedback meetings tell us that our clients are pleased with the service we deliver. We are not complacent and will continue to improve further
- Our locally based, experienced teams have a commitment to both our clients and the wider public sector
- We are a Firm that specialises in Local Government, Health and Social Care, and Cross Sector working, with over 25 Key Audit Partners, the most public sector specialist Engagement Leads of any firm
- We have strong relationships with CIPFA, SOLCAE, the Society of Treasurers, the Association of Directors of Adult Social Care and others.

New opportunities and challenges for your community

The Local Government economy

Local authorities face unprecedented challenges including:

- Financial Sustainability – addressing funding gaps and balancing needs against resources
- Service Sustainability – Adult Social Care funding gaps and pressure on Education, Housing, Transport
- Transformation – new models of delivery, greater emphasis on partnerships, more focus on economic development
- Technology – cyber security and risk management

At a wider level, the political environment remains complex:

- The government continues its negotiation with the EU over Brexit, and future arrangements remain uncertain.
- We will consider your arrangements for managing and reporting your financial resources as part of our work in reaching our Value for Money conclusion.
- We will keep you informed of changes to the financial reporting requirements for 2018/19 through on-going discussions and invitations to our technical update workshops.

Delivering real value through:

- Early advice on technical accounting issues, providing certainty of accounting treatments, future financial planning implications and resulting in draft statements that are 'right first time'
- Knowledge and expertise in all matters local government, including local objections and challenge, where we have an unrivalled depth of expertise.
- Early engagement on issues, especially on ADMs, housing delivery changes, Children services and Adult Social Care restructuring, partnership working with the NHS, inter authority agreements, governance and financial reporting
- Implementation of our recommendations have resulted in demonstrable improvements in your underlying arrangements, for example accounting for unique assets, financial management, reporting and governance, and tax implications for the Cornwall Council companies
- Robust but pragmatic challenge – seeking early liaison on issues, and having the difficult conversations early to ensure a 'no surprises' approach – always doing the right thing
- Providing regional training and networking opportunities for your teams on technical accounting issues and developments and changes to Annual Reporting requirements
- An efficient audit approach, providing tangible benefits, such as releasing finance staff earlier and prompt resolution of issues.

Grant Thornton in Local Government

Our client base and delivery



- We are the largest supplier of external audit services to local government
- We audit over 150 local government clients
- We signed 95% of our local government opinions in 2017/18 by 31 July
- In our latest independent client service review, we consistently score 9/10 or above. Clients value our strong interaction, our local knowledge and wealth of expertise.

Our connections



- We are well connected to MHCLG, the NAO and key local government networks
- We work with CIPFA, Think Tanks and legal firms to develop workshops and good practice
- We have a strong presence across all parts of local government including blue light services
- We provide thought leadership, seminars and training to support our clients and to provide solutions

Our people



- We have over 25 engagement leads accredited by ICAEW, and over 250 public sector specialists
- We provide technical and personal development training
- We employ over 80 Public Sector trainee accountants

Our quality



- Our audit approach complies with the NAO's Code of Audit Practice, and International Standards on Auditing
- We are fully compliant with ethical standards
- Your audit team has passed all quality inspections including QAD and AQRT

Our technical support



- We have specialist leads for Public Sector Audit quality and technical
- We provide national technical guidance on emerging auditing, financial reporting and ethical areas
- Specialist audit software is used to deliver maximum efficiencies



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