



Ministry of Housing,  
Communities &  
Local Government

**Rishi Sunak MP**

Minister for Local Government

**Ministry of Housing, Communities & Local  
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Dear Cllr Watts,

Thank you for your letter of 17 June raising concerns about the decision by Ernst and Young (EY) to delay the audit of accounts for local authorities covered by them in the East of England and East Midlands, due to a shortage of suitably qualified senior auditors in the area.

We are aware of this issue, and my officials have been liaising with Public Sector Audit Appointments Ltd and with EY both to understand the current position and its impact on the bodies concerned.

I expect the situation to be resolved as quickly as possible and will be continuing to actively monitor the situation to that end.

You may be interested to know that the forthcoming review of the local audit regime mentioned in recent Public Accounts Committee hearings will consider the implications of our audit policy, including the timeliness of audit completion and the impact of the new July deadline for accounts closure.

Finally, I would like to reassure you that these bodies' accounts not being completed on time due to EY's delay would not be used in any performance metrics here, and I am sure that any report into the work of auditors by PSAA will also include a note to that effect. I have also been assured by PSAA that the affected councils will not incur additional audit costs as a result.

**RISHI SUNAK MP**