



National Audit Office

The UK's independent public spending  
watchdog

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Reference FOI-1538

Date 19 August 2022

## NATIONAL AUDITOR GUIDANCE

Thank you for your request of 24 July 2022 in relation to the National Audit Office's (NAO) Auditor Guidance. Your request was considered in accordance with the terms of the Freedom of Information Act 2000 (FOIA).

We can confirm that we hold information in scope of your request and that information is available in the public domain. Your specific request is reproduced at Annex A for your reference which is where we have also provided the answers and additional information you requested.

We hope you find this response helpful. Annex B sets out the steps you may wish to take if you are not satisfied with the way we have handled your request.

Yours sincerely

**NAO FOI Team**



## Annex A

### Request for information about NAO Auditor Guidance

#### ***Freedom of Information Questions and Answers***

(Your request is in italics, NAO response in plain text)

*I would like to request the following information:*

- 1. Can you provide me with a copy of the current NAO Auditor Guidance in respect of the Final Objectors Letter. It is my understand the current guidance to external auditors is a copy of the final letter sent to the objector is sent to a public authority (parish council) for record purposes only.*
- 2. Can you also confirm The Local Government and Accountability Act 2014 covers the publication of the Annual Governance and Accountability Report (AGAR), External Auditors Decision Letter sent directly to the Public Authority and any Public Interest Report. As such these document maybe published in the public domain. The Final Objectors Letter a correspondent not addressed to the public authority does not form part of the AGAR as such it may not be published by any public authority in the public domain in full or in part without the express consent of both an objector and external auditor as specified in the above legislation.*

### The NAO Response

Firstly, it may be helpful to explain that the NAO, which is independent of government, has three main functions. The first is to certify the accounts of central government departments and a wide range of other public sector bodies, and to express an opinion on those accounts. The second is to carry out examinations into the economy, efficiency and effectiveness with which government departments and other public sector bodies have used their resources. The third is to maintain a Code of Audit Practice and issue guidance to external auditors of local public bodies including local authorities.

With regards to question 1 the statutory guidance you are referring to is publicly available on the NAO website. [Auditor Guidance Note 4](#) considers auditors' responses to objections, and the specific information you are referring to can be found on page 13 of the guidance. Point 52 explains "The auditor must record the reasons for the decision and must also inform the objector or their representative, involved parties, and the council of the reasons for the decision. Common law may require in certain circumstances that reasons for a decision are given to those affected by it."

In response to question 2, the 2014 Act does not cover the requirement to publish the AGAR; this is covered by the 2015 Accounts and Audit Regulations (as amended). In the regulations, authorities publishing an AGAR are referred to as 'category 2' authorities. With regards to the provision of reasons to an objector, the 2014 Act only states that an objector has the right to request reasons from the auditor (Section 28). Schedule 11 of the 2014 Act covers disclosure of information, but it does not specifically state how a letter from an auditor regarding an objection should be treated. The extent to which Schedule 11 would prohibit the sharing of such a letter would depend on the individual circumstances. It is not uncommon for specific legal advice to be required in such circumstances.

## **Annex B**

### **Statement of Policy**

Our policy is to respond to requests made under the Freedom of Information Act 2000 as helpfully and promptly as possible, having regard to the principles set out in the Act. I therefore hope you are happy with the way we have handled your request. If you are not, then you should take the following steps.

In the first instance, within 40 working days, write to the National Audit Office Freedom of Information (FOI) Team at [FOI.requests@nao.org.uk](mailto:FOI.requests@nao.org.uk) or by post to:

FOI Team, Green 2, National Audit Office, 157-197 Buckingham Palace Road, London, SW1W 9SP

The Head of FOI will arrange a review, which will be conducted by a senior member of staff who was not involved in decisions relating to your original request. Once the review has been completed, we will write informing you of the outcome.

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. The Information Commissioner can be contacted at:

<https://ico.org.uk/> or Information Commissioner's Office Wycliffe House Water Lane Wilmslow Cheshire SK9 5AF