

## **Appendix 1 – Consultation Findings (Headlines)**

<b>Question</b>	<b>% Yes</b>	<b>% Maybe</b>	<b>% No</b>
Is PSAA right to prioritise the awarding of new longer term contracts with firms, based on realistic market bid prices, mitigating the risks of a less than fully successful procurement by holding in reserve the option to extend one or more of the existing audit services contracts for up to two years if required?	83%	14%	2%
Is five years an appropriate term for bodies to sign up to scheme membership?	88%	-	8%
Is five years with the option to extend for up to two years subject to the supplier's agreement an appropriate term for the next audit services contracts?	83%	-	13%
Is PSAA right to evaluate tender submissions on the basis of 80% quality and 20% price to align with market expectations and other recent public sector audit procurements?	57%	-	36%
Is PSAA right to seek to encourage market sustainability within the local audit market by accepting bids from firms that are currently proceeding through the local audit registration process; by accepting consortia bids which may involve an unregistered firm gaining experience by working alongside a registered firm; and by considering the inclusion of one or two lots specifically aimed at seeking to encourage additional capacity into the market?	56%	37%	5%
Is PSAA's proposed approach to social value appropriate given the services to be procured will be delivered across the whole of England? Are there any alternative approaches that should be considered?	81%	-	13%
Is PSAA right to carry out research and to consider setting a minimum audit fee in the next appointing period, recognising the increasing level of audit work now required and the risk that smaller scale fees may not be sufficient to cover the actual cost of the audit? What would be the key issues for PSAA to consider in the event that it opts to set a minimum fee for a Code-compliant audit?	67%	-	25%
In the context of the recent NAO report, should PSAA and other market participants strive to prioritise the timeliness of audit opinions in the next appointing period? What actions should PSAA or other market participants take in order to avoid delayed opinions blighting the next period?	95%	-	4%
Which specific benefits of the national scheme are most valuable to you? Are there other benefits we should strive to develop?	-	-	-
What are the key issues which will influence your decision about scheme membership for the second appointing period?	-	-	-
To inform the further development of our procurement approach, please indicate whether or not you anticipate that your organisation is likely to opt into our scheme?	57%	34%	5%

From the market, the responses to the questions about our proposals are reflected using a coloured scale indicating the degree of support amongst respondents to our proposals, given the small size of the cohort and that the qualitative nature of the response format.

N/A	0-20%	21-40%	41-60%	61-80%	81-100%

Question	% support
What are your views on the draft aim and objectives for the procurement proposed by PSAA?	
What are your views on the procurement route proposed by PSAA?	
What are your views on the proposal to establish a DPS, in parallel to the main procurement, with a very simple and straightforward entry process?	
What are your views on the contract duration proposed by PSAA, in particular the proposal to make the option to extend the contract subject to mutual agreement?	
What are your views on PSAA's preference to enter into new long-term contracts with suppliers rather than extending the existing contracts?	
What are your views on our current thinking about the circumstances in which, and the basis on which, PSAA might, if necessary, make a decision to extend one or more of the current contracts?	
What are your views on our initial thinking about lot structure and the suggestion that bidders identify the maximum annual portfolio value of work they could undertake?	
We are considering the inclusion of one or more lots targeted at attracting additional capacity into the market, most likely involving some form of joint working/consortia arrangements between more experienced suppliers and new entrants or less experienced suppliers. What are your views on this proposal which would be a new feature of the procurement strategy compared to the current contracts?	
What could PSAA or other players in the local audit system do to support potential suppliers to enter the market?	
What are your views on the proposed lot composition and potential way in which bidders might reflect geographical preferences within their bids which has been developed in response to previous market feedback? Your views on other potential ways to address this would also be welcomed.	
Please use the box below to add any further commentary to support your responses, or to comment more broadly on matters related to Lot structure, composition, and size that PSAA should consider.	
What are your views on the proposed basis for pricing and the potential options outlined as ways through which to seek to reduce bidder uncertainty which have been developed in response to previous market feedback? Your views on other potential ways in which to seek to reduce bidder uncertainty would be welcomed.	
What are your views on this indicative timetable for the procurement?	
Our initial thinking is to attach a weighting of 80% for the quality aspects of tender responses, including social value. This reflects the views and expectations of the market as expressed to PSAA over the past 15 months. It is in line with the approach taken in recent similar public audit procurements. What are your views on this proposal which has been developed in response to previous market feedback?	
We are considering the inclusion of one or more lots targeted at attracting additional capacity into the market. We are mindful that such lots may require the application of different evaluation criteria to recognise the specific circumstances and deliver the desired outcome. What are your views on the desirability of creating lots with this particular focus and the need for a different evaluation approach to such lots? Are there specific factors that we should consider when developing the evaluation criteria?	
What action would you recommend PSAA and/or other market participants take in order to avoid delayed opinions becoming a feature of the next appointing period?	
Please use the box below to share with PSAA those key factors that are most likely to influence your firm's decision on whether to participate in a procurement for audit services for opted-in bodies undertaken in the early part of 2022.	
Finally, please use the box below to identify any other issues that you wish to bring to our attention as we progress the development of our procurement strategy. We are also happy to receive comments on other aspects of the local audit system, including any barriers to entry or other constraining factors, which you feel have the potential to inhibit the development of a more stable and sustainable system.	