



## Regulatory space in local government audit: An international comparative study of 20 countries

Laurence Ferry, Henry Midgley & Pasquale Ruggiero

**To cite this article:** Laurence Ferry, Henry Midgley & Pasquale Ruggiero (2023) Regulatory space in local government audit: An international comparative study of 20 countries, *Public Money & Management*, 43:3, 233-241, DOI: [10.1080/09540962.2022.2129559](https://doi.org/10.1080/09540962.2022.2129559)

**To link to this article:** <https://doi.org/10.1080/09540962.2022.2129559>



© 2022 The Author(s). Published by Informa UK Limited, trading as Taylor & Francis Group



Published online: 07 Oct 2022.



Submit your article to this journal [↗](#)



Article views: 682



View related articles [↗](#)



View Crossmark data [↗](#)



Citing articles: 4 View citing articles [↗](#)

## Regulatory space in local government audit: An international comparative study of 20 countries

Laurence Ferry <sup>a</sup>, Henry Midgley <sup>b</sup> and Pasquale Ruggiero <sup>c</sup>

<sup>a</sup>Durham University, UK, and Rutgers University, USA; <sup>b</sup>Durham University, UK; <sup>c</sup>Siena University, Italy, and Brighton University, UK

### IMPACT

Auditing fulfils a public interest role for public spending, which is important to underpin the state and democracy. However, public sector auditing is under increasing public scrutiny and political pressure, especially following crises that challenge public finances including at state and local level. This article provides a comparative analysis of the development of auditing practices in governments internationally at both local and state level. To do so it analyses themes of ‘organization and fragmentation’, ‘independence and competition’, ‘audit scope’, and ‘inspection/performance assessment’. This will help inform academics, policy-makers and practitioners of contemporary practice to improve their own regulatory space.

### ABSTRACT

This article compares audit regulatory space in local government for 20 countries. Building upon prior research, it shows four themes of new audit space, namely ‘organization and fragmentation’, ‘independence and competition’, ‘audit scope’, and ‘inspection’ are relevant internationally, although suggests inspection is better categorized as performance assessment. Audit construction through these themes is shaped by a country’s constitutional framework, but also modern state theories consensus around audit as an assessment of government quality that meant performance audit is increasingly popular.

### KEYWORDS

Accountability; audit; international comparative study; local government; new audit spaces; public audit; public sector; regulatory space

### Introduction

Internationally the regulatory space of audit has come in for increased attention and criticism in both the private and public sectors (Brydon, 2019; Berglund, 2019; Cowle & Rowe, 2022). In this context, a regulatory space is a socially-constructed abstract space subject to the decisions of state agencies through regulations (Hancher & Moran, 1989).

More specifically, the resilience of public sector audit arrangements at the international level and national central, state, regional and local levels have been challenged (Ferry et al., 2022b). The last decade has seen repeated crises across the world—beginning with the financial crisis of 2007/08 and continuing through to the Covid 19 pandemic and the invasion of Ukraine (Tooze, 2019, 2021; Ferry et al., 2022b). Within these crises, the public sector has often acted as the residual bearer of responsibility, mitigating the effects either of manmade or natural shocks through a variety of policy responses (Steccolini, 2019). Audit arrangements, both in central and local government, have had to evolve to cope with these pressures and, in some countries, this has led to an evolution in the role of audit itself (Cordery & Hay, 2021a). However, as Cordery and Hay (2021a) note, while there is ‘some evidence of isomorphism’ in public sector audit, there are differences in the ways that public sector audit is developing.

Studies have been undertaken of Supreme Audit Institutions (SAIs) (Hay & Cordery, 2017; 2021; Cordery & Hay, 2019), but there is a recognized gap in comparative work for the regulatory space of public audit at the local government level (Ferry & Ahrens, 2021; Ferry et al., 2022c).

To address this gap and build understanding of the development of local public sector audit, this article develops a comparison of audit regulatory space in local government for 20 countries. In doing so, the article employs the notion of ‘regulatory space’ (Hancher & Moran, 1989) as extended through new audit spaces that include public audit (Andon et al., 2015; Radcliffe, 1998). The article also considers the ways that the constitutional set up shapes the regulatory space of each different country’s audit, as well as reflects on any isomorphic developments.

To do this, the article employs Ferry and Ahrens (2021) nuanced themes of new audit space from their comparative study of local government audit in the UK, which includes ‘organization and fragmentation’, ‘independence and competition’, ‘audit scope’, and ‘inspection’. Organization and fragmentation refers to the way in which audit is structured within a country. Independence and competition refer to the relationship between the audited body and the auditor. Audit scope focuses upon the content of the audit and what is and is not included. Inspection is a category derived from the UK experience, which examines the inspection of the outcomes of the public services that local authorities’ commission: however, elements of this type of activity can be found in other mechanisms for measuring outcomes such as performance auditing and performance assessment. By doing this analysis, we show that these categories are relevant internationally.

The article shows how these different dimensions of regulatory space are shaped by the constitutional role that

audit in local government is called upon to perform, which brings the scholarship of local government audit closer to the scholarship on SAIs that has long explained their regulatory space through their constitutional function (Funnell, 2004, 2006, 2008, 2011; Dewar & Funnell, 2017; Ferry & Midgley, 2021; Cordery & Hay, 2021b).

Following the theorization of audit space in local government (Ferry & Midgley, 2021), a recent examination in a book by 35 academics and practitioners surveyed local government audit across 14 countries (Ferry et al., 2022): this article builds on the summarized analysis of that work (Ferry et al., 2022d) and incorporates documentation from a further six countries. In doing so, this article provides a high-level summary of the issues, with the book providing additional details.

In the next section of our article, we introduce in more detail the notion of regulatory space and show that new audit spaces relating to public audit has implications for regulating local government audit space internationally. After presenting a brief outline of our methodology including the 20 countries covered, we present our findings. We end the article with a discussion concerning our theoretical contribution to regulatory space and new audit spaces, specifically focused upon public audit through comparative local government arrangements. We also highlight the implications of our research for policy, practice, and research in terms of the future of public audit.

## Literature review

The article will now consider the regulatory space, new audit space and public audit as a means to determine the regulatory space for local government audit. First, the article considers the concept of regulatory space and why it is applicable to the public sector. Second, it considers the factors, which may drive the regulatory space in the public sector, particularly constitutional issues and the isomorphism of public sector audit. Lastly, it explains the dimensions of the regulatory space in which these driving factors manifest themselves.

### Regulatory space and public sector audit

A regulatory space is ‘an abstract conceptual space constructed by people, organizations and events acting together upon a set of specific regulatory issues subject to public decisions’ (Canning & O’Dwyer, 2013, p. 173). Hancher and Moran (1989) argued that regulatory space has four key features:

- The fact it was a space signified that the space might be occupied.
- Actors might occupy uneven portions of the space.
- The conceptualization of the space would need nuancing to the particular sector under discussion.
- The image of space could be subject to contestation.

As Young (1994) argued, this complication of the notion of regulatory space particularly assisted accountants in describing regulatory systems that were contested by multiple actors—all with different agendas for the regulation of those systems. Scholars have been able to show the complexity of strategies within the spaces relating

to accountancy. Much of this literature has analysed the interaction between the regulators of accountants and the accounting profession—whether in Canada, Ireland or France (MacDonald & Richardson, 2004; Canning & O’Dwyer, 2013; Malsch & Gendron, 2011; Hazgui & Gendron, 2015). The theory has been extended to look at charity regulation and the regulation of political parties (Artiach et al., 2016; Gatti & Poli, 2018). It provides us with a useful tool to show how non-accounting legitimacy arguments can play an important role in how the regulatory space of audit is constructed (Gatti & Poli, 2018).

Auditors have sought to expand the regulatory space of audit into other domains using various strategies to legitimate their work (Andon et al., 2014). Andon et al. (2015) argued that one of the new regulatory spaces was the public sector. The concept of regulatory space has been used to account for the ways in which new accounting practices are introduced into the public sector. Kent (2003), for example, used the idea of a regulatory space to understand the development of accrual accounting in Australia during the 1980s and 1990s. Ferry and Ahrens (2021) have used the theory to understand the evolution of local government audit within the UK after the devolution of competencies to the governments of Northern Ireland, Scotland and Wales and changes in arrangements for England. This article extends that comparison out from the UK to 20 countries around the world, providing a new assessment of the regulatory space within those different jurisdictions. In doing this, it follows a long line of studies that has sought to embrace an international and comparative perspective on the study of audit regulation (Humphrey et al., 2009; Malsch & Gendron, 2011; Ramassa & Leoni, 2021).

### Shaping the regulatory space of public sector audit

In this article, we suggest that the audit arrangements in local government are shaped by the constitutional framework that they are placed within and the ideological trends around audit itself. This insight has been applied to public sector audit before, finding a wide variety of different approaches to public sector audit (Rana et al., 2021). Studies have suggested that different historical contexts can, even within similar audit landscapes, lead to a very different type of audit market and hence regulatory space (De Widt et al., 2021). We agree with their conclusion but extend it to the 20 countries in our study. In doing this, we extend the work of Ferry and Ahrens (2021) who looked at a comparison of four different countries within the same broad democratic tradition.

Contemporary research about public sector audit has emphasized the connections between public sector audit and the political context in which it is embedded. Dewar and Funnell (2017) provided a long history of this within the context of the UK—showing how audit was embedded within successive regimes of different political complexions through the centuries. Funnell (1994, 2004, & 2006) has documented the ways in which arguments about the control of expenditure and military power allowed the development of 19<sup>th</sup> and 20<sup>th</sup> century accounting and audit. Ferry and Midgley (2021), building on earlier work by Pallott (2003) and Funnell (2007, 2008), suggested that values such as democracy and liberty lay behind the extension of audit in the UK in the late 20<sup>th</sup> century. The

behaviour of auditors within these systems is itself partly constitutionally determined. For example with regard to their role in keeping ‘secrets’ from the legislature (Radcliffe, 2008, 2011), assisting legislatures in their scrutiny (Ferry & Midgley, 2021; Funnell, 2011; Midgley, 2019), or attempting to establish a ‘place’ in local government which can be the subject of accountability (Ferry et al., 2022a; Ferry & Sandford, 2022). This link between democratic theory and the architecture of audit means that in non-democratic countries, where the auditor is part of the government, audit-enabled accountability can become ‘more of a myth than a reality’ (Gong, 2009; Mir et al., 2017).

However, democratic audit can be organized in fundamentally different ways. There are alternative models for SAIs. Pollitt (2003) identified four separate roles for a central government auditor—as public accountants, management consultants, scientists or researchers, and judges or magistrates. The most recent analysis suggests that there are three main models globally: a court model, a Westminster model and a board or collegiate model (although other models are possible) (Cordery & Hay, 2021b, pp. 38–39). Westminster models often involve an independent auditor general who works for parliament (Ferry & Midgley, 2021), whereas a court model guarantees the auditor’s independence through the separation of powers between the executive and the judiciary. These divisions can create a distinction in what the auditor does—with most SAIs conducting performance, compliance and financial audit—but some, mostly Westminster-based, institutions only conducting performance and financial audit and other institutions only conducting financial and compliance audit (Cordery & Hay, 2021b, p. 44).

Cordery and Hay (2021a) have argued that public sector audit has also been shaped by isomorphic pressures. Public sector audit has recently become the way in which new rationalities of administration have been introduced into government (Parker et al., 2019). An extensive body of scholarship sees these rationalities as co-existing with previous constitutional ideas about audit in mature democracies, in which performance audit in particular has been identified as having two faces—accountability and performance improvement (Rana et al., 2021). In addition, such rationalities about the improvement of efficiency through the techniques of economizing are particularly relevant to institutions in a non-democratic political system (Mir et al., 2017).

In this article therefore, we analyse the ways that the constitutional set up shapes the regulatory space of each different country’s audit, while paying attention to any isomorphic developments demonstrated by the development of that space.

### *Dimensions of the regulatory space in local government audit*

In order to do this, we seek to understand the different ways in which these constitutional realities about the roles of auditors are reflected in the regulatory space of local public audit. Recent research addresses issues relating to organizational space by looking at professional accreditation, institutionalized capital, independence, reporting and reorientations in the nature of the audit role (Andon et al., 2015; Ferry et al., 2015; Radcliffe, 1998). Ferry and Ahrens (2021) found the new audit

space to be characterized by organization and fragmentation, independence and competition, audit scope, and inspection (which in this article is redefined as performance assessment—for reasons discussed below).

In the case of organization and fragmentation, there are different approaches across the world. There are two issues in question when it comes to the organizational fragmentation of local government audit. The first is whether the audit of local government bodies is conducted at a central point: there are some countries in which the SAI or federal audit institutions conduct local government audit (Cordery & Hay, 2021b, p. 40). In other countries, local government audit is conducted by a local auditor (Ferry, 2019). The second question arises from the first: when audit is conducted by local bodies, does each body conduct the same kind of audit in each local area. Scholars have described the ways in which local government audit is regulated with different regulatory bodies, professional accounting organizations and others involved in determining the shape of public sector audit (De Widt et al., 2022; Ferry, 2019; Ferry & Murphy, 2015; Murphy et al., 2019). There is a live debate, though, in some countries as to how far this regulatory infrastructure should homogenize audit across each local authority.

The independence of the auditor has been seen as a cardinal value within democratic jurisdictions since the invention of modern public audit (Funnell, 1994; Dewar & Funnell, 2017; Ferry & Midgley, 2021). Funnell (2011) highlighted the importance of independence within modern public administration. Within a local government context, scholars have followed Funnell by suggesting it is important that auditors are able to give an independent assurance that public interests are protected (De Widt et al., 2022), uphold democratic accountability (Ferry, 2019) and enable the economizing function of audit within local government (Ferry et al., 2022a). Independence is seen as intrinsic to the auditor’s role—with leaders within audit institutions called upon to perform a ‘complex balancing act... within contested policy space [to] ensure its independence’ (Heald, 2018). However, there has been some disagreement about how extensive that independence should be, of whom the auditor should be independent and how much information should be disclosed to the public (Ferry et al., 2015; Ferry & Midgley, 2021; Funnell, 2011; Murphy et al., 2019; Radcliffe, 2008, 2011).

Questions about the scope of public sector audit have been more and more current since the 1980s (Power, 1999). The argument that everything could, in principle, be evaluated and audited may be seen as part of an agenda of economizing within the public sector and translating all questions into issues about business rather than politics (Radcliffe, 2011). Value-for-money or performance audit comprises economy, efficiency and effectiveness (Hopwood, 1984). Economy is about the cost of a project. Efficiency compares the forecast outcomes with the actual outcomes obtained. There have been numerous calls though to expand the scope of public sector audit—to embrace a fourth ‘E’. Different commentators have suggested different values to take this role: Johnsen (2005), Ferry (2019) and Walker and Tizard (2019) suggested equity, Bringselius (2018) suggested ethics and Cordery and Hay (2021)

highlighted that auditors are increasingly concerned with their role in the light of developing challenges for the environment such as climate change. However, this is not uncontroversial: for example Heald (2018) warns against extending audit scope in ways that ‘compromise its [the auditor’s] reputation and independence’.

Lastly, reorientations in the audit role within local government can particularly embrace the absorption by audit of the assessment of performance. Ferry and Ahrens (2021) discussed this aspect of auditing in their article under the heading of ‘inspection’, by which they meant the absorption into an audit of reports by professional inspectors. They said that inspection was ‘frequently regarded as an extension of audit into the area of performance’ (Ferry & Ahrens, 2021, p. 5). Inspection was controversial when implemented in English local government during the 1990s and 2000s by the Audit Commission with both supporters and critics (Campbell-Smith, 2008), and it greatly affected auditee perceptions of the auditor (Abu Hasan et al., 2013; Ellwood & Garcia-Lacalle, 2015). Inspection may be the most intrusive way of measuring performance but it is not the only way. As Skærbæk (2009) argued, performance auditors can measure performance by being both modernizer and appraiser. Even audits which are initially framed as simple encouragement to improvement can become devices for illustrating performance failure (Rika & Jacobs, 2019). There are risks involved in the extension of audit and quantification—through inspection—into other fields. For example, as Frost (2021) argues proxy measures can end up having a negative effect on service delivery themselves and audit reports may not be used in the limited ways their authors intended (Rika & Jacobs, 2019).

## Methodology

Our comparative analysis of audit regulatory space in local government for 20 countries built on a recent book, *Auditing practices in local governments*, involving 35 academics and practitioners surveying local government audit across the world incorporating detailed research on 14 countries (Ferry & Ruggiero, 2022). These countries included Australia (Hoque & Thiagarajah, 2022, pp. 13–26), Austria (Polzer et al., 2022, pp. 27–38), Brazil (Lino et al., 2022, pp. 39–46), China (Zaozao, 2022, pp. 47–56), England (Ferry et al., 2022, pp. 57–64), France (Guenon & Degron, 2022, pp. 65–72), Germany (Geissler, 2022, pp. 73–82), Italy (Ruggiero et al., 2022, pp. 83–92), The Netherlands (Budding et al., 2022, pp. 93–102), New Zealand (Cordery et al., 2022, pp. 103–110), Portugal (Jorge et al., 2022, pp. 111–120), Spain (Torres & Cabeza, 2022, pp. 121–130), Sweden (Tagesson & Brunström, 2022, pp. 131–138), and Switzerland (Horni & Köhli, 2022, pp. 139–148). An analysis chapter was also drafted (Ferry et al., 2022d, pp. 149–160). For each country, the specialist contributors applied the concept of regulatory space to ‘their’ jurisdiction—principally through documentary analysis and interviews with key informants.

In addition, this article builds on the summarized analysis of that existing work (Ferry et al., 2022d) but adds to that analysis by incorporating documentation from a further six countries: Israel, the USA, Canada, Malaysia, India and South Africa. For each of these additional countries, the authors of

this article applied the concept of regulatory space to the jurisdictions principally through documentary analysis.

The purpose of this article is to provide a high-level summary of the issues for the 20 countries. For more detail, it will be necessary to refer to the aforementioned chapters and cited documents. What this article offers additionally to the book chapters is further refinement of the theme of regulatory space, additional countries in the review and a more explicit discussion of how this ties back to the overarching democratic purpose of local government audit.

## Findings

The findings will now be analysed across the themes, established by Ferry and Ahrens (2021) and described above, of organization and fragmentation, independence and competition, audit scope, and inspection that we have ascertained as performance assessment.

### Organization and fragmentation

The shape of local government audit has been a controversial subject in many countries. As discussed above, there are two key questions about the way that audit in local government is structured across states: these relate, first, to where the audit remit is set (Table 1) and, second, the system for whether the audit is commissioned at the local or national level (Table 2). Table 1 shows where the audit remit is set.

Where the audit remit is set relates largely to the constitutional shape of each country. In countries such as France or England, which have long histories of centralized power and weaker local government, the audit remit is set nationally—either by the government as in England or by the Cour des Comptes (court of audit) in France. This is also true in the only non-democratic country in our sample (China), where the audit remit is set by central government which then monitors compliance. In other countries, such as Germany or Austria, the constitutional tradition is federal so the audit remit is set by each state which decides what should be audited and what should not be. Each local government still has to comply with its state’s arrangements but, in large part, it is the state, not the central government, that decides what audit should mean in these countries. A third group of countries allows local governments themselves to decide their audit remits:

**Table 1.** Where audit remit is set.

Audit Remit	Countries
Decided locally	Sweden, Switzerland
Decided at regional or state level	Australia, Austria, Canada, Germany, USA
Decided nationally	Brazil, China, England, France, India, Israel, Italy, Malaysia, Netherlands, New Zealand, Portugal, South Africa, Spain

**Table 2.** System for the audit to be commissioned.

System	Countries
Court-based system—local or national	Brazil, France, Italy, Portugal, Spain, Switzerland (some cantons)
Private sector auditor based system	England, Netherlands, Sweden
Local or regional public sector audit system	Austria, Australia, Canada, Germany, Sweden, Switzerland, USA
Central government auditor conducting local government audit	Austria, China, Malaysia, New Zealand, India, Israel, South Africa

Switzerland and Sweden do this. From a perspective of control, this mechanism looks weakest—however, what it allows for is regional variation in the way that citizenship is viewed. It is important to note that despite the clean nature of our table—many countries fit into many of these categories. For example, whereas England has a centralized auditing system, the UK has devolved audit responsibilities to the devolved nations: so Scotland, Wales and Northern Ireland have their own systems. In Brazil, there is a national audit remit but audit is not standardized nationally and in The Netherlands, despite national regulation, the audit mandate is interpreted locally. The audit mandate though always reflects the way in which political power in each country is constituted.

Whereas the audit mandate reflects the ways in which political power in each country is constituted, the organization of audit within that does not reflect that same dynamic. Table 2 shows the system for commissioning the audit.

As shown in Table 2, within the 20 countries that we analysed, there were four different types of system. These were a court-based system (often involving a subsidiary local court); private sector based system (involving competition); local public sector audit system (which itself has a large amount of variety within it); and a system which has the SAI conducting local government audits.

There is vast variety in the different institutional set ups that each country has evolved in this category and in some countries (England most notably) these institutional set ups are still evolving. There are important determinants that decide which system a country may opt for. The first is the country's view of audit as an activity—whether it is truly a court-based activity or a financial activity. In the former case, almost all court-based audit systems share a common system of regional and national audit courts, which feed up into a central court. Their integration can vary (Brazil stands at one extreme in our sample and France at the other) but the basic structure is the same. A system based on a financial or performance audit is much more likely to be subjected to various forms of dis-integration. The Netherlands and England have opted for a fully private sector solution in which private companies bid to take on audit work. However, it can also tend towards a system such as in New Zealand where the SAI is employed to do the work. Ideological or scale issues may lie behind the different choices that countries have made in this regard, but they seem unrelated to the constitutional issue we discussed when it came to the ways in which the audit mandate is set.

### *Auditor independence and competition*

Audit independence is frequently described as one of the most desirable attributes of a public sector auditor (Ferry & Midgley, 2021) and all the countries in our sample seek to protect the independence of the auditor from the institutions that they audit. Again, however, the protections created for the auditor vary depending on the constitutional set up within which the auditor is found. We identified separate types of protection created for the auditor, ranging from their status as a constitutional officer through to protections devised for them as part of a legislature down to administrative or supervisory

**Table 3.** Protections of independence.

Protection	Country
Codified constitutional provision	India, Israel, Malaysia, Portugal, South Africa, Spain, Switzerland (partial)
Status as an officer of the legislature or judge	Australia, France, New Zealand
Legal protection through statute	Austria, Canada (depending on the province or territory), China, Germany, New Zealand
Rotation or appointment protections	Brazil, Canada (depending on the province or territory), China, Italy, Netherlands, Switzerland (depending on cantons)
Regulation protections	England, USA
Popular, parliamentary or councillor involvement in audit	Austria, Germany, Netherlands, Portugal, Spain, USA (depending on the state), Sweden
Locally-determined protections	Switzerland

protections of independence. The variety in mechanisms to protect audit independence is evident from Table 3—often countries employ several mechanisms to protect the independence of their auditor.

The variety of protections used matches both the importance of the issue and the constitutional framework within which the auditor operates. In countries with no written constitution, such as England, Australia or New Zealand, constitutional protections cannot be employed. In the case of both Australia and New Zealand, the auditor's independence is protected by their status as an officer of either the state or national parliament. In England, due to the way that audit is organized, such a protection is not possible and, instead, the English system relies upon the fact that auditors are a regulated profession with accountancy regulators ensuring that the auditor behaves according to certain standards. Similarly, in the USA, independence is set out as an expectation of the Government Auditing Standards for auditors functioning in the public sector (Comptroller General of the United States, 2021, p. 6). There is another way of viewing the way that audit independence can be assured: some countries assure audit independence through protections on the appointment of auditors. For example, in China the auditor can only be replaced if the replacement is authorized by a higher auditor in the hierarchy. In many countries, as audit constitutionally belongs to local government itself, the local government has a role in choosing or assessing its auditor. This is true in Sweden and Spain where local parties share in the nomination of auditors, or Germany where the council can replace the local auditor, or The Netherlands where the council selects the auditor from a competitive process. In England, this should also obtain. However, almost all local councils in England have generally delegated their ability to commission audit services to a body called Public Sector Audit Appointments Ltd and, consequently, are less involved in the choice of auditor than originally envisaged under the legislation setting up the current system.

The variety of protections for independence indicates that this is an area where audit is seen to be vulnerable. There are two sources of this vulnerability in our study. The first lies in the relationship between local politicians and auditors. In Brazil, despite the rules on appointment, there are concerns that politicians are too often appointed to serve as auditors, potentially undermining the independence of the scrutiny of the local government in question. In Germany, there are

also concerns that local politicians can influence local audits. Second, in systems which rely on competition to produce an independent auditor, there are real concerns about the depth of the local audit market and hence the ability of competition to really function. In The Netherlands, there has been a trend of large auditors exiting the local audit market: Deloitte and PwC are now the only two of the big four who remain involved. In England, the Redmond Review in 2020 identified substantial issues with the level of competition within the audit market (Redmond, 2020). Furthermore, competition can only work as a mechanism to protect audit independence if it aligns the interests of the auditor with the interests of the user of the information. Ferry (2019, p. 21) pointed out that, following English reforms which allowed local government to appoint their own auditors from a competitive market, ‘serious concerns around auditor independence have been raised’ as auditors must be able to ‘operate and report independently to the public without fear that management or elected politicians could take away their audit contract in such circumstances’.

### Audit scope

Audit scope is again largely constitutionally determined by the function of audit within the society that the auditor inhabits. There are broadly, within our study, three approaches to audit scope. These are to regard audit as a compliance function, in which the key question is whether the authority who is audited has complied with the law or instruction of a higher authority. A second way to regard audit is to see it as a check on the use of resources or statements (such as financial accounts) about the use of resources within a particular community. Lastly, audit can be a mechanism which checks upon the economy, efficiency and effectiveness with which resources have been used—a practice commonly known as performance or value-for-money audit. Table 4 sets this out in detail.

These categories are obviously partial—financial audits will look very different across each country but they reflect the broader constitutional issues in play. Compliance audits are more common in countries where audit was established initially as part of a courts system. Financial audit on the other hand is more common where, as in England, audit was initially established as a mechanism of parliamentary accountability. Almost no jurisdictions in our study have moved towards doing compliance audit where before they were not. This may be because the compliance function that in court-based systems sits within audit sits within other parts of the state—for example, in England with the government.

New developments, however, are arising less for constitutional reasons, than for the development of theories of the modern state. It has been argued recently that the

development of the neo-liberal state shaped a consensus that saw government audit as a certificate of government quality (Free et al., 2020). This insight has become influential in the way that states have looked at local audit, leading to an increased focus on both financial and performance audit. In China, for example, the development of performance and financial audit in particular is seen as part of the wider movement to modernize the Chinese state and economy since the 1980s. There is also a question as to whether local public audit in terms of regulatory space should address the connectivity between local public audit and the delivery of national long-term policy objectives, such as is now found in both Wales and Scotland that are part of the UK. In England, however as an example, the Audit Commission (1983–2015) to some degree fulfilled this function concerning local government audit and through value-for-money and performance assessment frameworks, especially during the 1990s and 2000s. Currently, post Audit Commission, it could be argued that local public audit can somewhat indirectly address long-term policy objectives in England because one could assume that locally-set priorities will align with national priorities but, of course, they may not. In reality, local public audit as it is now organized and focused in England does not address long-term policy objectives, and in many ways can’t, given the statutory foundation to the system and the code of audit practice. The value-for-money conclusion is focused on whether the local authority is organized to produce value-for-money decisions, but does not consider whether objectives have been met regarding effectiveness and does not directly address efficiency and economy other than to assume they will be satisfied if the local authority is set up to make good decisions. As a result, this is an assumption only. As a result, in the UK there are different local public audit practices in this regard.

### Performance assessment/inspection

The tie between auditing and the development of the modern state is interesting in the context of performance assessment as well. Inspection developed as a different set of practices to audit originally and monitored the performance of organizations such as prisons and schools. As discussed above, Ferry and Ahrens (2021) drew on the experience of England in creating a framework to understand the performance assessment measurement part of audit. In the early 2000s, it was incorporated into the audit regime of local government in England where inspection reports became part of the Audit Commission’s approach to assessing performance. However, in the 2010s, this was abolished in England. In most countries in our sample, performance measurement, if it was dealt with at all by the audit framework was done by other means. These include performance audits that may pick up on public service performance, the production of statistics that enable performance to be critiqued or other independent evaluations of the performance of public services. Table 5 sets out the different ways in which these countries measure performance through the audit of local government.

Table 5 illustrates that most countries rely upon performance audit to enable checks on the performance of local authorities. Performance audit as a practice masks large variation in the degree to which the auditor actually checks the performance of the audited body. For example,

**Table 4.** Types of audit.

Types of audit used	Countries
Compliance only	Brazil
Financial only	New Zealand, Portugal, Sweden
Compliance and financial	Germany, Italy
Compliance and performance	None
Financial and performance	Australia, Austria, Canada, England, South Africa, USA
Financial, performance and compliance	China, France, India, Israel, Malaysia, Netherlands, Spain, Switzerland

**Table 5.** Performance assessment.

Type of assessment of performance	Country
None	Germany, Portugal, Sweden
Limited performance audit	China, England
Performance audit	Australia, Austria, Canada, France, India, Israel, Malaysia, Netherlands, South Africa, Spain, Switzerland, USA
Production of statistics as part of the process of the audit	Brazil, Germany (but limited usage), New Zealand, Spain
Independent evaluation office	Italy
Inspection	England (pre 2010)

in Switzerland, performance audits consist of administrative checks on the appropriateness, using ‘walkthroughs of the main management and policy implementation processes’ (Horni & Köhli, 2022, p. 144). Performance audit may be more expansive: in Victoria, in Australia, the auditors are required to examine diversity and accessibility as part of their work (Hoque & Thiagarajah, 2022). In South Africa, performance audit included the audit of municipalities’ response to Covid 19—an audit that took place in ‘real-time’ (Auditor General of South Africa, 2021). In Israel, the Israeli Audit Office additionally looks at the ‘degree to which the audited bodies comply with binding constitutional and legal norms relating to the protection and realization of individual rights as set out in the basic laws, the statutory arrangements and judicial rulings’ (State Comptroller & Ombudsman of Israel, n.d.).

Assessment of performance is not limited to performance audit alone. In Italy, for example, the Brunetta Reform (2009) led to the creation of independent evaluation bodies that monitored the performance of, and performance systems in, Italian local government. More countries publish data related to performance in their reporting. Several countries publish performance data about their public services, including Spain, Brazil and New Zealand. If the data is audited, it might only be constructed, as in Brazil, out of the reported data from auditees. Some countries envisage that this performance data should be published, but this has not been realized in practice. For example, in Germany, most states dictate that performance information should be published but few actually fulfil this duty and audit offices generally do not follow up on this failure to publish. However, in the past, in England, league tables and rankings were published. There are further risks to a purely data-driven approach to monitoring performance. As Etzioni (2014) argued, citizens both lack the time and resources to analyse information in the way that advocates of transparency suggest they would. Consequently, transparent reporting may not adequately meet the requirement that accountability should regarding assessing performance as well as finance. However, while Ferry and Eckersley (2015) highlighted the importance of audit in accountability especially in developed countries they also illustrated that in some jurisdictions transparency can be more beneficial than accountability.

## Discussion and conclusion

This article has built upon the work around regulatory space (Hancher & Moran, 1989), new audit space (Andon et al., 2014) and general underlying aspects of audit (Andon et al., 2015). In so doing, theoretically, this article confirmed the four major nuanced themes of new audit space for local government, namely organization and fragmentation,

independence and competition, audit scope, and inspection, that were outlined by Ferry and Ahrens (2021) on a national UK-wide basis are also relevant internationally. However, while we have examined inspection, we found no examples of inspection being used within the audit cycle in the way that it was in England between 1997 and 2010. We have found that countries have employed different mechanisms to assess performance, including performance audit and the publication of statistics. In some countries, they have adopted more inclusive ways of measuring performance—looking at the realization of diversity and equality goals (Australia) or at the realization of individual rights (Israel). This study therefore shows that the framework first described by Ferry and Ahrens (2021) is relevant to the examination of local public audit and enables us to compare and contrast different approaches to this activity. However, this larger study has determined that inspection is better categorized as performance assessment.

In performing this compare and contrast between countries, what we find is that the approach of each country to all these categories is informed by the constitutional framework in which local government audit exists and in so doing, the article adds a broader theoretical context to the nuanced themes of the new audit space and indeed the regulatory space. For example, court-based systems tend to adopt regional or local courts which feed up into a central national court. Westminster-style systems use different arrangements where the central parliamentary auditor performs local government audit (as in New Zealand) or the parliamentary model is duplicated at state or local level (as in Australia) or a private sector model is applied (as in England). These different treatments of organizational fragmentation in local government audit are refracted through the constitutional set up of the individual country—and this analysis can, as we have shown, be performed for any of our four themes. In terms of the type of audit performed, the same features can be observed with Westminster style systems preferring financial audit and Court-based systems preferring compliance audit. This conclusion is in line with recent work on central government accountability, which stresses the importance of the constitutional roots of audit (Funnell, 2011; Ferry & Midgley, 2021; Cordery & Hay, 2021a; Cordery & Hay, 2021b). The one exception to this is the increasing role of performance audit which we find to be a constant across all sorts of audit regime, begging the question for more nuanced insights in how that compares across different constitutional settings in local government. An analysis of how this has happened may help scholars understand the isomorphic pressures operating on local government audit in a similar way to Cordery and Hay’s (2021a) work on central government audit.

Regarding policy, consideration should be given to the four aspects of the regulatory space separately and together for how the audit arrangements may work, but importantly how they relate to the constitutional status and context of the jurisdiction concerned. This is because the way knowledge and technologies may work to make things visible and the identity of those undertaking the work may be different between jurisdictions and importantly be aiming to accomplish different constitutional imperatives forged through a particular social, economic and political history. In other words, simple translations of audit practices between jurisdictions may not have the same effect. The constitutional imperative needs to be recognized and taken into account.



In terms of practice, this article confirms the growing stature of performance audit as a fundamental part of local government audit practice alongside the more traditional financial audit. Practitioners must therefore have the capacity to undertake both effectively—again to the requirements of the constitutional status they find themselves.

Future research could embrace detailed qualitative studies of the audit regulatory space for local government in the countries covered by this study, but also other countries internationally. This would strengthen the depth and breadth of coverage. In particular, further consideration could be given to the constitutional issues, emergence of performance audit and an understanding around that development, and the scope of performance assessment to deepen the analysis provided here. Quantitative work could also be undertaken that may afford a broader comparative picture of many jurisdictions. In addition, the theorization of public audit regulatory space could be applied to audit in other levels of government such as at a state, regional, national and/or international level. Importantly, the theorization could be applied to other public bodies.

## ORCID

Laurence Ferry  <http://orcid.org/0000-0002-6686-4528>  
Pasquale Ruggiero  <http://orcid.org/0000-0002-9707-9346>

## References

- Abu Hasan, H., Frecknall Hughes, J., Heald, D., & Hodges, R. (2013). Auditee perceptions of external evaluations of the use of resources by local authorities. *Financial Accountability & Management*, 29(3), 291–326.
- Andon, P., Free, C., & Sivabalan, P. (2014). The legitimacy of new assurance providers: making the cap fit. *Accounting, Organizations and Society*, 39(2), 75–96.
- Andon, P., Free, C., & O'Dwyer, B. (2015). Annexing new audit spaces: challenges and adaptations. *Accounting, Auditing and Accountability Journal*, 28(8), 1400–1430.
- Artiach, T., Irvine, H., Mack, J., & Ryan, C. (2016). The legitimising processes of a new regulator: the case of the Australian Charities and Not-for-profits Commission. *Accounting, Auditing and Accountability Journal*, 29(5), 802–827.
- Auditor General of South Africa. (2021). *Citizen's report: on the financial management of government's covid-19 initiatives*, Auditor General of South Africa [http://www.agsa.co.za/Portals/0/Reports/Special%20Reports/SR3/Citizen-Special%20report%20covid-19\\_with%20links.pdf](http://www.agsa.co.za/Portals/0/Reports/Special%20Reports/SR3/Citizen-Special%20report%20covid-19_with%20links.pdf).
- Berglund, N. (2019). Do client bankruptcies preceded by clean audit opinions damage auditor reputation. *Contemporary Accounting Research*, 37(3), 1914–51.
- Bringselius, L. (2018). Efficiency, economy and effectiveness- But what about ethics? Supreme Audit Institutions at a critical juncture. *Public Money & Management*, 38(2), 105–110.
- Brunetta Reform. (2009). *Legislative Decree 150/2009*.
- Brydon, D. (2019). *Report of the independent review into the quality and effectiveness of audit*. [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/852960/brydon-review-final-report.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/852960/brydon-review-final-report.pdf).
- Budding, T., van Brenk, H., Renes, R., & van Vugt, R. A. (2022). Local government auditing in The Netherlands. In L. Ferry, & P. Ruggiero (Eds.), *Auditing practices in local governments: an international comparison* (pp. 93–102). Emerald.
- Campbell-Smith, D. (2008). *Follow the money: A history of the Audit Commission*. Penguin.
- Canning, M., & O'Dwyer, B. (2013). The dynamics of regulatory space realignment: strategic responses in a local context. *Accounting, Organizations & Society*, 38(3), 169–194.
- Comptroller General of the United States. (2021). *Government Auditing Standards 2018 Revision, Technical Update April 2021*. Government Accountability Office.
- Cordery, C., & Hay, D. (2019). Supreme Audit Institutions and public value: demonstrating relevance. *Financial Accountability & Management*, 35(2), 128–142.
- Cordery, C., & Hay, D. (2021). Supreme audit institutions and public value: demonstrating relevance. *Financial Accountability & Management*, 35(2), 128–142.
- Cordery, C., & Hay, D. (2021a). Public sector audit in uncertain times. *Financial Accountability & Management*. DOI: <https://doi.org/10.1111/faam.12299>
- Cordery, C., & Hay, D. (2021b). *Public sector audit*. Routledge.
- Cordery, C., Hay, D., & Cox, R. (2022). Local government auditing in New Zealand. In L. Ferry, & P. Ruggiero (Eds.), *Auditing practices in local governments: an international comparison* (pp. 103–110). Emerald.
- Cowle, E. N., & Rowe, S. P. (2022). Don't make me look bad: how the audit market penalizes auditors for doing their job. *The Accounting Review*, 97(3), 205–26.
- Dewar, D., & Funnell, W. (2017). *A history of British national audit: the pursuit of accountability*. Oxford University Press.
- De Widt, D., Llewelyn, I., & Thorogood, T. (2021). Liberalising audit markets for local government: the five forces at work in England and The Netherlands. *Financial Accountability & Management*. DOI: <https://doi.org/10.1111/faam.12302>
- De Widt, D., Llewelyn, I., & Thorogood, T. (2022). Stakeholder attitudes towards audit credibility in English local government: a post-Audit Commission analysis. *Financial Accountability & Management*, 38(1), 29–55.
- Ellwood, S., & Garcia-Lacalle, J. (2015). The removal of a specialist oversight body for local public audit: insights from the Health Service in England. *Accounting, Auditing and Accountability*, 25(8), 1317–1339.
- Etzioni, A. (2014). The limits of transparency. *Public Administration Review*, 74(6), 687–688.
- Ferry, L., & Eckersley, P. (2015). Accountability and transparency: A nuanced response to Etzioni. *Public Administration Review*, 75(1), 11–12.
- Ferry, L., Eckersley, P., & Zakaria, Z. (2015). Accountability and transparency in English local government: moving from matching parts to awkward couple? *Financial Accountability & Management*, 31(3), 345–361.
- Ferry, L., & Murphy, P. (2015). *Financial sustainability, accountability and transparency across local public service bodies in England under austerity*. Report to the National Audit Office (NAO).
- Ferry, L. (2019). *Audit and inspection of local authorities in England: five years after the Local Audit and Accountability Act 2014*. House of Commons.
- Ferry, L., & Ahrens, T. (2021). The future of the regulatory space in local government audit: a comparative study of the four countries of the United Kingdom. *Financial Accountability & Management*. DOI: <https://doi.org/10.1111/faam.12291>
- Ferry, L., & Midgley, H. (2021). Democracy, accountability and audit: the creation of the UK NAO as a defence of liberty. *Accounting, Auditing & Accountability Journal*, 35(2), 413–38.
- Ferry, L., Midgley, H., & Murphie, A. (2022). Local government auditing in England. In L. Ferry, & P. Ruggiero (Eds.), *Auditing practices in local governments: an international comparison* (pp. 57–64). Emerald.
- Ferry, L., Midgley, H., Murphie, A., & Sandford, M. (2022a). Auditing governable space: a study of place-based accountability in England. *Financial Accountability & Management*, DOI: <https://doi.org/10.1111/faam.12321>.
- Ferry, L., Radcliffe, V., & Steccolini, I. (2022b). The future of public audit. *Financial Accountability & Management*, 38(3), 325–336.
- Ferry, L., & Ruggiero, P. (2022). *Auditing practices in local governments: an international comparison*. Emerald.
- Ferry, L., Ruggiero, P., & Midgley, H. (2022c). The why, who and what of public sector auditing. In L. Ferry, & P. Ruggiero (Eds.), *Auditing practices in local governments: an international comparison* (pp. 1–12). Emerald.
- Ferry, L., Ruggiero, P., & Midgley, H. (2022d). Where is public sector auditing: a comparative analysis. In L. Ferry, & P. Ruggiero (Eds.), *Auditing practices in local governments: an international comparison* (pp. 149–160). Emerald.
- Ferry, L., & Sandford, M. (2022). Developing 'place leadership' when hierarchical accountability is omnipresent: the case of English sub-national government. *Journal of Public Budgeting, Accounting &*

- Financial Management*, DOI: <https://doi.org/10.1108/JPBAFM-06-2021-0094>
- Free, C., Radcliffe, V., Spence, C., & Stein, M. J. (2020). Auditing and the development of the modern state. *Contemporary Accounting Research*, 37(1), 485–513.
- Frost, N. (2021). *The myth of measurement: inspection, audit, targets and the public sector*. Sage.
- Funnell, W. (1994). Independence and the state auditor in Britain: a constitutional keystone or a case of reified imagery. *Abacus*, 30(2), 175–195.
- Funnell, W. (2004). Victorian parsimony and the early champions of modern public sector audit. *Accounting History*, 9(1), 25–60.
- Funnell, W. (2006). National efficiency, military accounting and the business of war. *Critical Perspectives on Accounting*, 17(6), 719–751.
- Funnell, W. (2007). The reason why: the English Constitution and the latent promise of liberty in accounting. *Accounting Business and Financial History*, 17(2), 265–283.
- Funnell, W. (2008). The proper trust of liberty: economic reform, the English constitution and the protections of accounting during the American War of Independence. *Accounting History*, 13(2), 7–32.
- Funnell, W. (2011). Keeping secrets? Or what government performance auditors might not need to know. *Critical Perspectives on Accounting*, 22(7), 714–721.
- Gatti, M., & Poli, S. (2018). Accounting and political parties: explaining the ‘why’ of an Italian light touch regulation (1974). *Accounting, Auditing and Accountability Journal*, 31(6), 1618–1643.
- Geissler, R. (2022). Local government auditing in Germany. In L. Ferry, & P. Ruggiero (Eds.), *Auditing practices in local governments: an international comparison* (pp. 73–82). Emerald.
- Gong, T. (2009). Audit for accountability in China: an incomplete mission. *Australian Journal of Public Administration*, 68(1), 5–16.
- Guenon, M., & Degron, R. (2022). Local government auditing in France. In L. Ferry, & P. Ruggiero (Eds.), *Auditing practices in local governments: an international comparison* (pp. 65–72). Emerald.
- Hancher, L., & Moran, M. (1989). Organizing regulatory space. In L. Hancher, & M. Moran (Eds.), *Capitalism, culture and regulation* (pp. 271–299). Clarendon Press.
- Hay, D., & Cordery, C. (2017). The value of public sector audit: literature and history. *Journal of Accounting Literature*, 40(1), 1–15.
- Hay, D., & Cordery, C. (2021). Evidence about the value of financial statement audit in the public sector. *Public Money & Management*, 41(4), 304–314.
- Hazgui, M., & Gendron, Y. (2015). Blurred roles and elusive boundaries: on contemporary forms of oversight surrounding professional work. *Accounting, Auditing & Accountability Journal*, 28(8), 1234–1262.
- Heald, D. (2018). Transparency generated trust: the problematic theorization of public sector audit. *Financial Accountability & Management*, 34(4), 317–335.
- Hopwood, A. (1984). Accounting and the pursuit of efficiency. In A. G. Hopwood, & C. Tomkins (Eds.), *Issues in public sector accounting* (pp. 145–159). Philip Allan Publishers.
- Hoque, Z., & Thiagarajah, T. (2022). Local government auditing in Australia. In L. Ferry, & P. Ruggiero (Eds.), *Auditing practices in local governments: an international comparison* (pp. 13–26). Emerald.
- Horn, P., & Köhli, M. (2022). Local government auditing in Switzerland. In L. Ferry, & P. Ruggiero (Eds.), *Auditing practices in local governments: an international comparison* (pp. 139–148). Emerald.
- Humphrey, C., Loft, A., & Woods, M. (2009). The global audit profession and the international financial architecture: understanding regulatory relationships at a time of financial crisis. *Accounting, Organizations and Society*, 34(6-7), 810–825.
- Johnsen, A. (2005). What does 25 years of experience tell us about the state of performance measurement in public policy and management. *Public Money & Management*, 25(1), 9–17.
- Jorge, S., Nogueira, S., & Pinto, A. C. (2022). Local government auditing in Portugal. In L. Ferry, & P. Ruggiero (Eds.), *Auditing practices in local governments: an international comparison* (pp. 111–120). Emerald.
- Kent, J. (2003). The PSAAB: The accounting profession in regulatory space. *Australian Accounting Review*, 13(2), 10–15.
- Lino, A. F., Azevedo, R. R. d., Viana, I., & Aquino, A. C. B. d. (2022). Local government auditing in Brazil. In L. Ferry, & P. Ruggiero (Eds.), *Auditing practices in local governments: an international comparison* (pp. 39–46). Emerald.
- MacDonald, L. D., & Richardson, A. J. (2004). Identity, appropriateness and the construction of regulatory space: the formation of the public accountant’s council of Ontario. *Accounting, Organizations and Society*, 29(5-6), 489–524.
- Malsch, B., & Gendron, Y. (2011). Reining in auditors: on the dynamics of power surrounding ‘innovation’ in the regulatory space. *Accounting, Organizations and Society*, 36(7), 456–476.
- Midgley, H. (2019). The National Audit Office and the select committee system 1979–2019. *Parliamentary Affairs*, 72(4), 779–798.
- Mir, M., Fan, H., & Maclean, I. (2017). Public sector audit in the absence of political competition. *Managerial Auditing Journal*, 32(9), 899–923.
- Murphy, P., Ferry, L., Glennon, R., & Greenhalgh, K. (2019). *Public service accountability: rekindling a debate*. Palgrave Macmillan.
- Pallott, J. (2003). A wider accountability? The Audit Office and New Zealand’s bureaucratic revolution. *Critical Perspectives on Accounting*, 14, 133–155.
- Parker, L. D., Jacobs, K., & Schmitz, J. (2019). New public management and the rise of public sector performance audit. *Accounting, Auditing & Accountability Journal*, 32(1), 280–306.
- Pollitt, C. (2003). Performance audit in Western Europe: trends and choices. *Critical Perspectives on Accounting*, 14(1-2), 157–170.
- Polzer, T., Vith, S., & Bauer, G. (2022). Local government auditing in Austria. In L. Ferry, & P. Ruggiero (Eds.), *Auditing practices in local governments: an international comparison* (pp. 27–38). Emerald.
- Power, M. (1999). *The audit society: rituals of verification*. Oxford University Press.
- Radcliffe, V. S. (1998). Efficiency audit: an assembly of rationalities and programmes. *Accounting, Organizations and Society*, 23(4), 377–410.
- Radcliffe, V. S. (2008). Public secrecy in auditing: what government auditors cannot know. *Critical Perspectives on Accounting*, 19, 99–126.
- Radcliffe, V. S. (2011). Public secrecy in government auditing revisited. *Critical Perspectives on Accounting*, 22(7), 722–732.
- Ramassa, P., & Leoni, G. (2021). Standard setting in times of technological change: accounting for cryptocurrency holdings. *Accounting, Auditing and Accountability Journal*. DOI: <https://doi.org/10.1108/AAAJ-10-2020-4968>
- Rana, T., Steccolini, I., Bracci, E., & Mihret, D. G. (2021). Performance auditing in the public sector: a systematic literature review and future research avenues. *Financial Accountability and Management*. DOI: <https://doi.org/10.1111/faam.12312>
- Redmond, T. (2020). *Independent review into the oversight of local audit and the transparency of local authority financial reporting*. MHCLG.
- Rika, N., & Jacobs, K. (2019). Reputational risk and environmental performance auditing: a study in the Australian Commonwealth sector. *Financial Accountability & Management*, 35(2), 182–198.
- Ruggiero, P., Mazzillo, A., & Monfardini, P. (2022). Local government auditing in Italy. In L. Ferry, & P. Ruggiero (Eds.), *Auditing practices in local governments: an international comparison* (pp. 83–92). Emerald.
- Skærbaek, P. (2009). Public sector auditor identities in making efficiency auditable: The National Audit Office of Denmark as independent auditor and modernizer. *Accounting, Organizations and Society*, 34(8), 971–987.
- State Comptroller and Ombudsman of Israel. (n.d.). *The functions and powers of the state comptroller*. [https://www.mevaker.gov.il/\(X\(1\)S\(gnncwbyl1m4knunhpdluhlp\)/En/About/Pages/MevakerTafkid.aspx?AspxAutoDetectCookieSupport=1](https://www.mevaker.gov.il/(X(1)S(gnncwbyl1m4knunhpdluhlp)/En/About/Pages/MevakerTafkid.aspx?AspxAutoDetectCookieSupport=1)
- Steccolini, I. (2019). Accounting and the post-new public management: reconsidering publicness in accounting research. *Accounting, Auditing & Accountability Journal*, 32(1), 255–279.
- Tagesson, T., & Brunström, P. A. (2022). Local government auditing in Sweden. In L. Ferry, & P. Ruggiero (Eds.), *Auditing practices in local governments: an international comparison* (pp. 131–138). Emerald.
- Tooze, A. (2019). *Crashed: how a decade of financial crisis changed the world*. Penguin.
- Tooze, A. (2021). *Shutdown: how Covid shook the world’s economy*. Allen Lane.
- Torres, L., & Cabeza, I. (2022). Local government auditing in Spain. In L. Ferry, & P. Ruggiero (Eds.), *Auditing practices in local governments: an international comparison* (pp. 121–130). Emerald.
- Walker, D., & Tizard, J. (2019). *Spending fairly, Spending well: time for a radical overhaul of value for money and public audit*. The Smith Institute. Available at: <http://www.smith-institute.org.uk/wp-content/uploads/2019/02/Spending-wisely-spending-well.pdf>
- Young, J. (1994). Outlining regulatory space: Agenda issues and the FASB. *Accounting, Organizations & Society*, 19(1), 83–109.
- Zaozao, Z. (2022). Local government auditing in the People’s Republic of China. In L. Ferry, & P. Ruggiero (Eds.), *Auditing practices in local governments: an international comparison* (pp. 47–56). Emerald.