

Audit Committee Meeting	
Meeting Date	24 January 2024
Report Title	Auditors Annual Report 2022/23
EMT Lead	Lisa Fillery, Director of Resources
Head of Service	Claire Stanbury, Head of Finance and Procurement
Lead Officer	Claire Stanbury, Head of Finance and Procurement
Classification	Open
Recommendations	Members are asked to: <ol style="list-style-type: none"> 1. Note the external auditor's annual report (Appendix I) 2. Consider the recommendations set out within the auditor's annual report and note the management responses.

1 Purpose of Report and Executive Summary

- 1.1 At the Audit Committee held on 23 October 2023, Grant Thornton provided their Audit Findings Report on the key matters from the audit of the Council's Annual Financial Report for the year ended 31 March 2023.
- 1.2 The Auditors Annual Report considers whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in the use of its resources. An update on the recommendations made last year is also included within the report.

2 Background

- 2.1 The purpose of the Auditor's Annual Report has changed from previous years. On 1 April 2020, the National Audit Office (NAO) introduced a new Code of Audit Practice which came into effect in 2020/21, which introduced a revised approach to the audit of Value For Money (VFM). There are three main changes arising from the NAO's new approach:
 - A new set of key criteria covering:
 - Financial sustainability;
 - Governance; and
 - Improvements in economy, efficiency and effectiveness.
 - More extensive reporting by the auditors on arrangements across all the key criteria.
 - Auditors undertaking analysis on the Council's VFM arrangements to arrive at a more sophisticated judgement on performance as well as key recommendations identified during the audit.

2.2 The Auditor's Annual Report provides the Audit Committee with the results of this approach to reviewing the Council's VFM arrangements covering the three criteria listed above.

2.3 The report is included in Appendix I and Grant Thornton will present their report to Committee.

3 Proposals

3.1 The Auditors Annual Report for the year ended 31 March 2023 is attached as Appendix I.

3.2 It includes three recommendations which are detailed in the report and management comment has been provided for each one.

3.3 The Audit Committee is asked to consider these recommendations.

4 Alternative Options Considered and Rejected

4.1 The Audit Committee could choose to accept, reject or consider further each of the recommendations.

5 Consultation Undertaken or Proposed

5.1 The Director of Resources was invited to comment on the recommendations.

6 Implications

Issue	Implications
Corporate Plan	Good financial management and delivering Value For Money is key to supporting the Corporate Plan objectives.
Financial, Resource and Property	The External Auditor's opinion is that the Council's accounting statements give a true and fair view of the financial position of the Council as at 31 March 2023 and its income and expenditure for the year then ended.
Legal, Statutory and Procurement	The production of the financial statements is a legal requirement under the 2015 Accounts and Audit regulations.
Crime and Disorder	No direct issues
Environment and Climate/Ecological Emergency	No direct issues
Health and Wellbeing	No direct issues

Safeguarding of Children, Young People and Vulnerable Adults	No direct issues
Risk Management and Health and Safety	No direct issues
Equality and Diversity	No direct issues
Privacy and Data Protection	No direct issues

7 Appendices

7.1 The following documents are to be published with this report and form part of the report.

- Appendix I: Auditors Annual Report 2022/23

8 Background Papers

8.1 Detailed working papers are held in the Finance Department.