



Report to Audit and Governance Committee

Date: 5th July 2023

Reference number: N/A

Title: External Auditors Interim Annual Report 2021/22

Relevant councillor(s): N/A

Author and/or contact officer: David Skinner (S151)

Ward(s) affected: Not applicable

Recommendations:

The Committee are requested to note the findings in the report by the external auditor attached at Appendix A on the Council arrangement for securing Value for Money (VfM) in its use of resources, the recommendations made and management's response.

Reason for decision: Not applicable

Executive summary

1.1 Under National Audit Office (NAO) Code of Practice regulations, external auditors are also required to make a Value for Money assessment to consider that local authorities have put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

1.2 The report provides detail on Council's overall arrangements, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

Background

1.3 Under the annual reporting on VfM arrangements, auditors are required to undertake work to provide a commentary against three criteria set by the NAO.

- i. **Financial sustainability:** how the Council plans and manages its resources to ensure it can continue to deliver its services;

- ii. **Governance:** how the Council ensures that it makes informed decisions and properly manages its risks; and
- iii. **Improving economy, efficiency and effectiveness:** how the Council uses information about its costs and performance to improve the way it manages and delivers its services

1.4 Grant Thornton's conclusion of the Council's Value for Money detailed assessment is provided in Appendix A and is summarised below.

- i. **Financial Sustainability** - There are no significant weaknesses identified and the one improvement recommendation around providing an update report against the specific unitary savings (Better Buckinghamshire Savings) target of £18m has been raised. This is already being reported to cabinet as part of council-wide savings focusing on in-year delivery. During financial year 2023/24 we will add specific Better Buckinghamshire savings section in the quarterly budget monitoring report.
- ii. **Governance** – There is one significant weakness in arrangements identified relating to financial statements preparation and three improvement recommendations of which two have already been implemented. The third recommendation in respect of internal audit on associated companies has been added to the Q1 2023/24 audit work plan.
- iii. **Improving economy, efficiency and effectiveness** - The one improvement recommendation on Children's Special Education Needs and Disability (SEND) payment process is already work in progress. The number of Education, Health and Care Coordinators employed by the SEND service has increased from 14 in 2020 to 28 in 2023. In addition, the Integrated Care Board (ICB) has made a commitment to invest £4.6m SEND transformation funding in 2023/24 to increase the workforce capacity in order to stabilise waiting lists so that children and young people in Buckinghamshire receive a more timely service.
- iv. **Financial Statements** – The officers have already addressed the capacity issues within the closing team and work is in progress to ensure 2020/21 financial statement audit is completed by December 2023 and quality control checks are in place to ensure 2021/22 financial statements are free from material errors and supported by good quality working papers.

Other options considered

1.5 Not applicable

Legal and financial implications

1.6 Not directly related to this report.

Corporate implications

1.7 Not applicable

Consultation and communication

1.8 The report has been agreed with the Corporate Management Team

Next steps and review

1.9 Not applicable

Background papers

1.10 Not applicable

