

MINUTE EXTRACT

AUDIT AND RISK MANAGEMENT COMMITTEE

Tuesday 28 January 2025

32 2023/24 EXTERNAL ANNUAL AUDIT REPORT

Representatives from the Council's external auditors Grant Thornton, introduced the report which identified key issues and findings relating to their audit of the Council's 2023/24 Value for Money arrangements for consideration by a wider audience across the Council, Pension Fund, and its key stakeholders. The Annual Audit Report made one statutory recommendation, two key recommendations and 12 improvement recommendations for the Council to implement. The Council's Management's response to those recommendations was also included in the report. The report related to the 2023/24 financial year, and as much time had passed, progress had already been made in addressing several of those recommendations.

Committee discussed the recommendations made within the report and management's responses. Members sought assurance that:

- The direct and indirect costs faced by the Council resulting from the increase in employer National Insurance contributions had been assessed.
- Notwithstanding the national issue facing local authorities relating to the time limit on the statutory override for the Dedicated Schools Grant (DSG) deficit, that challenges and risks in the management and mitigation of the Council's DSG deficit were taking place.
- The actions taking place to mitigate increased placement costs for looked after children.
- Members would be provided with timely reporting of financial monitoring reports alongside oversight of the Council's change programme.
- Committee would receive oversight of HR performance processes.
- Management of financial risks associated with decreased commercial property valuations were in place.

Members noted the importance of ensuring that processes were implemented for the Committee to receive oversight of work to address the recommendations going forward.

Resolved – That the Annual Audit Report be approved for onward referral for approval to the Policy and Resources Committee and Full Council, and publication on the Council website.