

# Interim Auditor's Annual Report on West Devon Borough Council

2021/22 and 2022/23

December 2023



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We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the National Audit Office (NAO) requires us to report to you our commentary relating to proper arrangements.

We report if significant matters have come to our attention. We are not required to consider, nor have we considered, whether all aspects of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.



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The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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# Executive summary



## Value for money arrangements and key recommendation(s)

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Auditors are required to report their commentary on the Council's arrangements under specified criteria. 2020/21 was the first year that we reported our findings in this way. The NAO have issued guidance to auditors which states that a commentary covering more than one financial year can be issued where it is more efficient and effective to do so. We have decided to report a combined commentary on the Council's arrangements for 2021/22 and 2022/23 because a separate 2021/22 report had not yet been issued. As part of our work, we considered whether there were any risks of significant weakness in the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources. Our conclusions are summarised in the table below.

Criteria	Risk assessment	2021/22 Auditor Judgment	2022/23 Auditor Judgment	Direction of travel
Financial sustainability	No risks of significant weakness identified	No significant weaknesses in arrangements identified, but one improvement recommendation was made.	No significant weaknesses in arrangements identified, but one improvement recommendation has been made.	↔
Governance	No risks of significant weakness identified	No significant weaknesses in arrangements identified, but two improvement recommendations were made.	No significant weaknesses in arrangements identified, but two improvement recommendations have been made.	↔
Improving economy, efficiency and effectiveness	No risks of significant weakness identified	No significant weaknesses in arrangements identified.	No significant weaknesses in arrangements identified.	↔

- No significant weaknesses in arrangements identified or improvement recommendation made.
- No significant weaknesses in arrangements identified, but improvement recommendations made.
- Significant weaknesses in arrangements identified and key recommendations made.

# Executive summary



## Financial sustainability

West Devon Borough Council (the Council) continues to perform well with regard to financial sustainability, with a record of stable financial and budgetary management. Despite the challenging environment in which it continued to operate in during 2021/22 and 2022/23, the Council has maintained a good financial position and achieved a balanced budget. Our work has not identified any significant weaknesses in arrangements to secure financial stability, but we have made one improvement recommendation in relation to the reporting of the capital programme.

Further details can be seen on pages 7 to 11 of this report.



## Governance

Our work on business-as-usual governance has not identified any significant weaknesses in arrangements or the need for key recommendations in relation to governance.

The financial statements for 2021/22 were audited by the national target of 30 November 2022, and therefore West Devon Borough Council were one of the 12% of all English Local Authorities to have their financial statements audited by the statutory date.

We have identified opportunities to further enhance the Council's governance arrangements with regard to stakeholder engagement and procurement controls.

Further details can be seen on pages 12 to 17 of this report.



## Improving economy, efficiency and effectiveness

The Council has demonstrated a good understanding of its role in securing economy, efficiency and effectiveness in its use of resources. Our work has not identified any significant weaknesses in arrangements, and we have not made any improvement recommendations.

Further details can be seen on pages 18 to 22 of this report.



### 2021/22

We have completed our audit of your financial statements and issued an unqualified audit opinion on 30 November 2022. Our findings are set out in further detail on page 26.

### 2022/23

We have not yet completed our audit of your financial statements. We will report our findings to the Audit and Governance Committee once our audit work is concluded.



# Use of auditor's powers

We bring the following matters to your attention:

	2021/22	2022/23
<p><b>Statutory recommendations</b></p> <p>Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors can make written recommendations to the audited body which need to be considered by the body and responded to publicly.</p>	We did not issue any statutory recommendations.	We did not issue any statutory recommendations.
<p><b>Public Interest Report</b></p> <p>Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors have the power to make a report if they consider a matter is sufficiently important to be brought to the attention of the audited body or the public as a matter of urgency, including matters which may already be known to the public, but where it is in the public interest for the auditor to publish their independent view.</p>	We did not issue a public interest report.	We did not issue a public interest report.
<p><b>Application to the Court</b></p> <p>Under Section 28 of the Local Audit and Accountability Act 2014, if auditors think that an item of account is contrary to law, they may apply to the court for a declaration to that effect.</p>	We did not apply to the Court.	We did not apply to the Court.
<p><b>Advisory notice</b></p> <p>Under Section 29 of the Local Audit and Accountability Act 2014, auditors may issue an advisory notice if the auditor thinks that the authority or an officer of the authority:</p> <ul style="list-style-type: none"> <li>is about to make or has made a decision which involves or would involve the authority incurring unlawful expenditure;</li> <li>is about to take or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or</li> <li>is about to enter an item of account, the entry of which is unlawful.</li> </ul>	We did not issue any advisory notices.	We did not issue any advisory notices.
<p><b>Judicial review</b></p> <p>Under Section 31 of the Local Audit and Accountability Act 2014, auditors may make an application for judicial review of a decision of an authority, or of a failure by an authority to act, which it is reasonable to believe would have an effect on the accounts of that body.</p>	We did not apply for judicial review.	We did not apply for judicial review.

# Securing economy, efficiency and effectiveness in the Council's use of resources

All Council's are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. The Council's responsibilities are set out in Appendix A.

Councils report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.

Under the Local Audit and Accountability Act 2014, we are required to be satisfied whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The National Audit Office's Auditor Guidance Note (AGN) 03, requires us to assess arrangements under three areas:



## Financial Sustainability

Arrangements for ensuring the Council can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years).



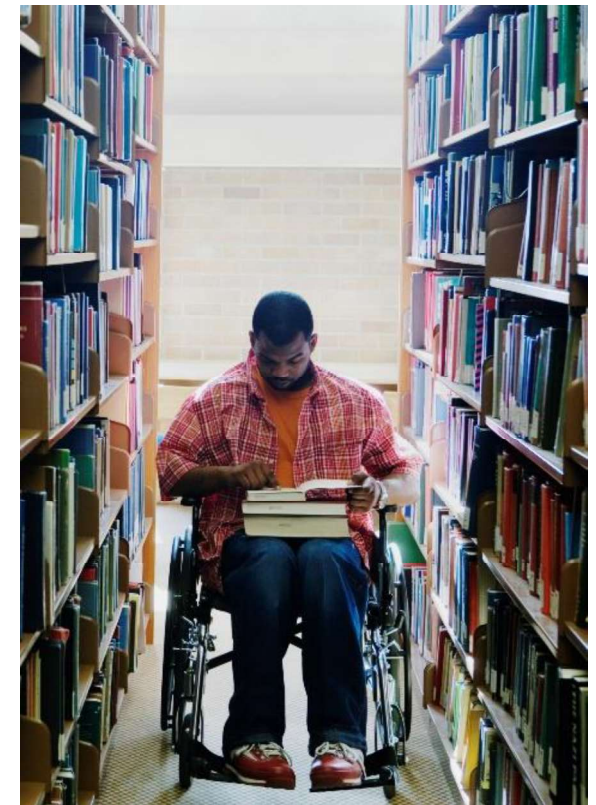
## Governance

Arrangements for ensuring that the Council makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the Council makes decisions based on appropriate information.



## Improving economy, efficiency and effectiveness

Arrangements for improving the way the Council delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.



Our commentary on the Council's arrangements in each of these three areas, is set out on pages 7 to 22. Further detail on how we approached our work is included in Appendix B.

# Financial sustainability



## We considered how the Council:

- identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds them into its plans
- plans to bridge its funding gaps and identify achievable savings
- plans its finances to support the sustainable delivery of services in accordance with strategic and statutory priorities
- ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning which may include working with other local public bodies as part of a wider system
- identifies and manages risk to financial resilience, such as unplanned changes in demand and assumptions underlying its plans.

## The Council ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds them into its plans

### Financial outturn

The Council has a track record of achieving financial balance and this continued in the period under review, with the 2021/22 revenue outturn reporting a surplus of £196k with actual spend 2.7% less than the budget and 2022/23 outturn highlighting an underspend of £79k (1.0% of the net budget of £7.770m).

The Council's financial planning for 2021/22 and 2022/23 followed the agreed framework and began with its updated five-year Medium Term Financial Strategy (MTFS) each September. The MTFS is based on the previous year's budget and is updated considering the previous year's outturn and any changes in service provision. The annual budget is based upon the first year within the MTFS. A sensitivity analysis accompanied the 2021/22 and 2022/23 budgets to highlight the impact of potential changes to assumptions; for example the 2021/22 budget sensitivity and risks analysis identified a potential total adverse revenue effect for 2021/22 of £653,200. This allows decision makers and public to truly understand the financial plans and potential risk to their delivery.

The MTFS was discussed and agreed by the Extended Leadership Team, before the Senior Leadership Team and prior to approval by the Hub Committee and finally the Full Council, allowing sufficient challenge and debate of the proposals.

The 2021/22 budget (agreed by Council February 2021) highlighted an inflation assumption inflation at 1% over the five year MTFS period, which was in accordance with CPI rates and forecasts at the time of budget setting. Within the financial year, the economic environment changed significantly, however our consideration of this assumption and the others that underpin the 2021/22 and 2022/23 budgets were that they were reasonable at the time they were set.

As previously noted, the Council achieved a revenue budget surplus in both year which provides assurance that in-year monitoring and action was robust, and our review of 2021/22 and 2022/23 regular budget performance highlighted on-going performance (and risks to delivery of the budget assumptions, including inflationary impacts) is adequately included as part of regular update reports.

## The Council plans to bridge its funding gaps and identifies achievable savings

The cumulative budget gap by 2025/26 was forecasted to be £1.95m (February 2021 Council report), if no action was taken in each individual year to close.

The Local Government Finance Settlement provided some longer-term certainty on key Government finance sources, and the Lower Tier Services Grant of £70,202 in 2021/22 enabled the Council to close the budget gap and present a balanced budget position for 2021/22. With a balanced budget in 2022/23 also, the Council forecast a £450,496 budget gap by 2023/24, largely attributable to the negative RSG (Revenue Support Grant) of £182,000 which was predicted to be applied in 2023/24, as well as the loss of the New Services Grant of £113,606 (which was only a one-off grant for 22/23).

Review of 2021/22 out-turn report highlighted that savings of £243,000 were achieved, below the original target of £344,200. This is mainly due to the reduction in the management fee income from the leisure contract and not proceeding with the three-weekly waste trials. For 2022/23 the outturn report to Hub Committee highlighted savings delivery of £423,000 compared to a target of £271,000, primarily due to increased recycling income which was forecast to be £205,000 greater than target.

Table 1 over the page highlights savings delivery for the period 2020/21 to 2022/23.

# Financial sustainability (cont.)

**Table 1 : savings delivery – actual compared to budget 2020/21 to 2022/23 financial year**

Financial Year	Savings/ Income target (£)	Savings/ income delivered at year end (£)	% delivered against budget
2020/21	530,200	545,400	103%
2021/22	344,200	243,000	70.6%
2022/23	271,000	423,000	156%

Savings are performance managed and the bi-monthly finance update to Full Council highlights performance for individual schemes. The update presented to the Hub Committee in March 2022 highlighted a breakdown of each savings scheme position and management action in place to address known risks to delivery. The Hub Committee monitor delivery of savings schemes and our review of the committee minutes highlighted scheme performance is challenged as part of review of revenue budget monitoring update report.

Delivery of savings more than target enables the Council to reduce any potential future budget gaps. The Council has delivered greater than forecasted savings in two out of the last three years which suggests that budget plans for savings are prudent.

## How the body ensures that its financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning.

The MTFs aims to be the framework to set out how the Council plans to use its financial resources to deliver activity aligned to its strategic outcomes. There is evidence that the Council considered the MTFs and how it aligned to the Council Plan and the strategic workforce plan. Our review confirms the Council has a clear understanding that the MTFs is fully integrated with the Council Plan, with the MTFs acting as the foundation to deliver the vision and priorities within it and the workforce plan (the framework to develop the workforce to achieve Council Priorities.)

Capital project proposals are considered by the Hub Committee. The committee considers how each proposal will help to deliver corporate priorities, savings and the revenue implications of the project (e.g. on-going maintenance costs). The Capital Programme is set by Full Council as part of the budget setting process. The original Capital Budget Proposals for 2021/22 set out a Capital Programme of £1,075,000. The 2021/22 outturn reported to Hub Committee in September 2022 was an underspend of £86,000 on the revised expected capital expenditure target for 2021/22 of £1,189,000. The Council spent £2 million on capital projects in 2022/23. The main areas of expenditure were as follows; Housing renovation grants including disabled facilities grants (£1.1m), Green Homes Grants (£0.5m) and IT schemes (£0.2m).

Delays in capital expenditure were primarily due to construction industry challenges and the availability of suppliers being affected by the unprecedented challenges facing the industry. The 2022/23 capital expenditure update to Hub committee up to month 10 (January) 2022/23 highlighted the Council would carry out a fundamental review of all the capital schemes within the existing Capital Programme in Summer 2023. This comprehensive review will identify schemes which have not yet proceeded and those capital projects which are not able to be undertaken. The Council should ensure there is a regular and timetabled update provided to the Hub Committee for the progress of the actions which result from the comprehensive review of all capital schemes, and we have made an improvement recommendation on page 11.

The current Investment Property Strategy saw four investment properties purchased historically with a value of £21.3 million in aggregate. A projection of £300,000 from the net ancillary income from investment properties has been included within the MTFs, and appropriate capital charges are applied. The Audit and Governance Committee receive an annual update on investment property performance, including annual valuation, rental income and detail on any arrears.



# Financial sustainability (cont.)

## How the body plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities

Our review of the MTFS indicates the Council has a good understanding of the cost of delivering core statutory services as distinct from discretionary areas of spend. This is clearly differentiated in the financial planning reports which underlie the budget and MTFS on the basis that all spend is directed towards the delivery of core services and achievement of Council Plan priorities. The MTFS highlights key areas of activity and associated income and expenditure, for example no permanent reductions to the Council's income streams (such as car parking income, planning income etc as a result of the Covid pandemic) have been built into the budgets for 2021/22 and 2022/23.

Our review highlighted the financial plan is linked to the strategic priorities detailed in the Council "A Plan for West Devon" strategy. The Council Treasury Management strategies for 2021/22 and 2022/23 included the capital strategy, which links through to the approved capital budgets. The Treasury Management Strategy included all of the information that we would have expected it to. Where a physical asset is being bought, details of market research, advisers used, (and their monitoring), ongoing costs and investment requirements and any credit information is disclosed, including the ability to sell the asset and realise the investment cash. This provides sufficient information to make an informed decision on the proposal.

Our findings conform the Council has adequate processes to ensure financial planning support sustainable delivery of services.

## How the body identifies and manages risks to financial resilience

Our work highlighted financial planning for 2021/22 and 2022/23 budgets included risk assessment and discussion and challenge by the Council was evident in finance papers submitted for approval.

Bi-monthly revenue and capital programme updates to the Council highlight key variances and actions in place to manage performance. Variances are explained in a commentary which includes details of reserves position and movements, and this allows Members to understand any emerging risks to the council's budget delivery.

Any transfers to and from reserves are highlighted as part of the Revenue and Capital outturn report. Our review highlighted examples of the Council using reserves to manage financial pressures, for example at the Hub Committee meeting on 21 September 2021 it was recommended to utilise funding of £190,000 from the COVID-19 Losses Earmarked Reserve in 2021/22, to fund COVID-19 expenditure in 2021/22 and the projected net losses on car parking income in the year. On 15 February 2022 the Council also approved the use of the Salary Savings Earmarked Reserve (£80,000) to support salary costs in 2021/22. These are examples of the Council using specific earmarked reserves to cover unexpected or unforeseen cost pressures, rather than a use of reserves to support the on-going revenue budget and hence these appear to be appropriate.

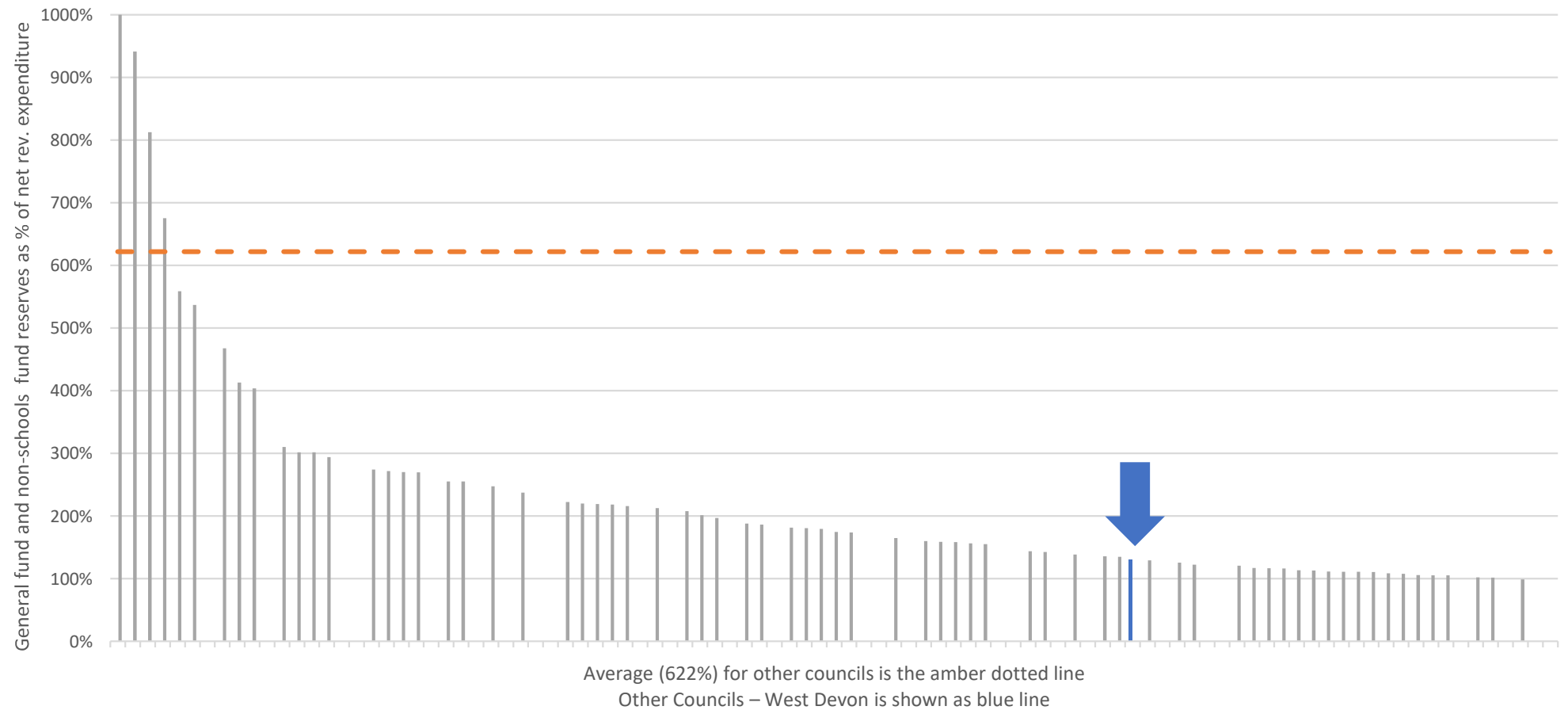
Chart 1 on page 10 illustrates the 2021/22 General Fund and non-earmarked reserves as a proportion of service revenue expenditure in comparison to the Council's statistically nearest councils, based on 2021/22 Revenue Outturn data. These charts demonstrate that the Council is in the lower quartile measured against the average, which may be expected given the relative size of the Council.

## Conclusion

The Council has a track record of appropriate financial management. The Council understands the financial risks it faced and managed these risks by maintaining an appropriate level of reserves in accordance with its stated reserves objectives in the MTFS. Overall, we are satisfied that the Council had appropriate arrangements in place to manage the risks it faces to financial resilience. We have not identified any risks of significant weakness but have identified an opportunity for improvement, detailed on page 11.

# Financial sustainability (cont.)

**Chart 1 - 2021/22 General fund and non-schools earmarked general fund reserves as a percentage of net service revenue expenditure (%)**



# Improvement recommendations



## Financial sustainability

**Recommendation 1** The Council should ensure that a regular and timetabled update is provided to the Hub Committee on the progress of the actions which result from the comprehensive review of all capital schemes.

**Audit year** 2022/23

**Why/impact** Capital programmes may be required urgently, and funding identified may increase particularly if additional borrowing to fund the scheme is required.

**Auditor judgement** The Council has underspent planned capital expenditure and initial budget planning of capital expenditure requires review to understand reasons for underspending and improve capital expenditure forecasting.

**Summary findings** Capital programme out-turn 2021/22 (Hub committee Sept 2022) highlighted there was an underspend of £86,000 on the revised expected capital expenditure target for 2021/22 (£1,189k). Capital expenditure represents monies spent on the purchase, construction or major refurbishment of assets. The Council's actual capital expenditure amounted to £1,102,731 in 2021/22. Main underspends were in Private Sector Renewals including Disabled Facilities Grants (DFG) which was £42.7k underspent and future IT expenditure which was £26.9k underspent.

Capital expenditure update to Hub committee up to month 10 (January) 2022/23 highlighted the Council will carry out a fundamental review of all the capital schemes within the existing Capital Programme in Summer 2023. This comprehensive review will identify schemes which have not yet proceeded and those capital projects which are not able to be proceeded with.

### Management Comments

The Council submits a quarterly monitoring report on the Capital Programme to the Hub Committee throughout the year. A report on the Review of the Capital Programme and a review of Earmarked Reserves is being presented to the Hub Committee on 21st November 2023.

The report recommends that the Hub Committee resolves to recommend to Council to withdraw three capital projects from the current Capital Programme, being Parklands Leisure Centre contribution to moveable floor (£50,000) and Tavistock Viaduct (£20,000). It is also recommended to withdraw the Springhill Temporary Accommodation budget from the capital programme, following the Hub Committee decision to put this project on hold whilst other options are explored, freeing up a further £193.2k. Therefore, the review of the capital programme is freeing up capital resources of £263.2k which is potentially available for future corporate priorities and can be re-purposed.

The Council has a new administration and this report on a comprehensive review of the capital programme is so that Members can align resources with their new priorities following the elections in May 2023.

The range of recommendations that external auditors can make is explained in Appendix B

# Governance



## We considered how the Council:

- monitors and assesses risk and gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud
- approaches and carries out its annual budget setting process
- ensures effective processes and systems are in place to ensure budgetary control; communicate relevant, accurate and timely management information (including non-financial information); supports its statutory financial reporting; and ensures corrective action is taken where needed, including in relation to significant partnerships
- ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency. This includes arrangements for effective challenge from those charged with governance/audit committee
- monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of staff and board member behaviour (such as gifts and hospitality or declaration/conflicts of interests) and where it procures and commissions services.

## How the body assesses risk and how the body gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud.

Risk management is discussed at length in the appropriate forums that include members, specifically the Audit and Governance Committee meetings. Risk is also routinely at Hub Committee, allowing transparent discussion and challenge of risk management arrangements.

The Council's approach to risk management is supported by a risk management strategy which outlines the approach to risk and opportunity management. This is embedded within the Council's culture as an integral part of strategic planning, decision-making and its performance management framework.

Our review of the half yearly Corporate Risk Register updates provided to the Audit and Governance Committee (examples being December 2021 and March 2023) highlighted that current risks and the strategic risk profile of the Council was being reviewed on a regular basis by the Senior Leadership Team, and then subject to appropriate Member challenge.

The Strategic Risk Register format was changed from March 2023 to make it clearer and easier to understand, also providing a demonstration of the 'risk history' to enable Members to track the progress of reducing risks, and these changes reflect an improvement to the arrangements in place. The Strategic Risk Register does not capture all risks to the Council and its services; each service holds their own risk registers, identifying those risks that Heads of Service are responsible for managing as is normal practice.

Internal audit services are provided by the Devon Audit Partnership.

The Annual Internal Audit reports for both 2021/22 and 2022/23 (reported to Audit and Governance Committee) reported that the Head of Internal Audit's Opinion on the adequacy and effectiveness of the Councils internal control framework was one of "Reasonable Assurance" for both financial years.

The 2021/22 Audit Plan was impacted by the COVID-19 pandemic, with one half of the Internal Audit resources continuing to assist officers in the payment of various grants to businesses throughout the year, in particular the evaluation/reviewing of applications. However, as well as completing those audits that carried over from the 2020/21 plan, the remaining resources undertook 82% (compared to 77% in 2020/21) of 2021/22 audits, 13 of which were completed. For five others, fieldwork was completed with draft reports issued.

During the 2021/22 year, four audit assignments were completed with final reports issued for which an audit opinion of "Limited Assurance" was provided. These were Debtors, Council Tax and Business Rates, Estates Property & Rents Follow Up and Performance Management (Data Quality) Follow Up. In 2022/23, three Limited Assurance opinions were issued which related to Building Maintenance - Follow Up, Markets and Procurement. Our work highlighted action plans to monitor management actions to improve the arrangements for each were regularly brought to the Audit and Governance Committee.

# Governance (cont.)

## How the body assesses risk and how the body gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud (cont.)

Our review highlighted counter fraud arrangements appear to be appropriate. The Council has a current anti-fraud, bribery and corruption policy which is overseen by the Audit and Governance Committee. Review of papers and minutes of the Audit and Governance Committee highlighted adequate oversight is in place.

The 2021/22 Internal Audit annual report highlighted that whilst there were no irregularities to report arising from the day-to-day operation of the Council, there were 4 cases of fraud identified which related to COVID-19 grant applications made to the Council. All 4 were identified as potential frauds before any payment was made by the Council. The 2022/23 Draft Annual Governance statement (AGS) - June 2023 - highlighted that again there were no irregularities to report regarding the day-to-day operation of the Council. However, there had been 23 cases of potential fraud investigated (value of £74,429) which related to COVID-19 business grant applications. None of these were proven to be fraud but were errors or non-compliance with the grant conditions. As a result, £58,617 has been repaid to the Council and Central Government.

Any cases identified across the years reviewed have been reported to Devon Audit Partnership's Counter Fraud Team and to the National Anti-Fraud Network (NAFN). We considered arrangements to be appropriate in respect of the prevention and detection of fraud.

## How the body approaches and carries out its annual budget setting process

Every budget holder has an accountant and a finance budget partner allocated to them to provide support and to ensure that they effectively manage their budget, giving them access to the skills that they may need.

All budget holders also have access to the general ledger and are actively encouraged to self-serve and access budget monitoring information as and when they require it. As a result, the approach differs across the budget holders; some will receive monthly budget monitoring reports and more support from the finance department whereas others will access more timely information themselves direct from the general ledger.

The finance staff monitor all budgets and will contact those budget holders who opt to self-serve if their budgets begin to overspend. This targeted approach to finance team support was taken by the Council to maximise finance resource, prioritising on the basis of key risks, budget size and complexity and appears to be effective.

As mentioned in the Financial Sustainability section of this report, financial performance monitoring was reported at month two, three, seven and ten to the Hub Committee. The 2021/22 and 2022/23 year end outturn reports for revenue and capital were reported to Hub Committee in September 2022 and 2023. The year end position was either communicated to individual budget holders by their respective accountants, firstly to ensure all accruals were considered and secondly to confirm the final position was as expected, or the budget holder accessed the information themselves from the general ledger.

Capital budgets were monitored and reported for quarter one, two and three, the annual outturn position is provided in summary format as part of the draft accounts. Projects boards are in place for individual complex capital projects and the Section 151 Officer attends these meetings to provide financial input.

# Governance (cont.)

## How the body approaches and carries out its annual budget setting process (cont.)

The Council achieved a return on investments of 0.07% in 2021/22, compared to the Sterling Overnight Interbank Average rate (SONIA) rate for the period which was 0.14%. The Council's return reflects that investments were kept very short term due to concerns over cashflow as there were many unknown variables such as the payment of Business Grants. Our review of the 2022/23 Treasury Management Mid-Year review presented to Audit and Governance Committee in March 2023 highlighted the investment portfolio yield for the first six months of the 2022/23 year was 1.21% against the SONIA rate of 1.19%. The increase between years reflects the changes to the economic environment and increases in interest rates nationally, and equated to additional income of approximately £575,000.

Overall, we are satisfied the Council budget setting process is developed with measures to ensure it was aware of the financial pressures and took the necessary action to ensure the budget would be delivered.

## How the body ensures processes and systems are in place to ensure budgetary control

Our review highlighted frequent financial monitoring reports to the Hub Committee (and on to Full Council) which demonstrate that in-year forecast budget variances are reviewed regularly, and budget holders are responsible for delivering to budget and/or developing adequate mitigating action. Any significant unexpected and/or unexplained budget to actual variances are detailed with management actions included in commentary explanation, allowing Members to hold Officers to account. The Council has processes in place to adjust and approve budgets in-year, if required, and these are considered to be appropriate and robust.

The financial statements for 2021/22 were audited by the national target of 30 November 2022, and therefore West Devon Borough Council were one of the 12% of all English Local Authorities to have their financial statements audited by the statutory date. This represents a significant achievement and provides evidence that the Council's processes and systems properly supported its statutory financial reporting. For 2022/23, the Council produced summary financial statements for the ease of public consumption and to further the transparency and readability of the Council's financial position.

Overall, we are satisfied the Council had appropriate arrangements in place to manage the risks it faces to ensure systems for budgetary control are in place.

## How the body ensures it makes properly informed decisions

The Council operates various scrutiny committees which hold the senior officers to account. The work of the Council's committees is governed by the Constitution. The Constitution is monitored by the Council's Monitoring Officer and it was most recently reviewed and updated in September 2022. The constitution is shared with all staff members on joining and is openly available on the Council's website. The Council's Annual Governance Statement (AGS) sets out how the Council operates, how decisions are made and the policies and are followed to ensure that these are efficient, transparent and accountable to local people. Review of key Council committee papers highlighted relevant information is provided to members to allow challenge for decisions.

Council business is conducted in public unless legislation deems it appropriate for it to be considered in private. Key decisions of officers are published on the Council's website. The Council consulted stakeholders on their draft budget for 2021/22 and 2022/23. The communication and engagement plan included a dedicated webpage and media release; communication to members and staff; posts on the internet and intranet; and use of social media. Given the limited engagement achieved in 2020/21 and 2021/22, the Council should consider how it can enhance its stakeholder engagement to ensure this provides meaningful responses, supporting the development of the budget, MTFS and savings. We have made an improvement recommendation relating to this on page 16.

# Governance (cont.)

## Monitoring standards

Our review highlighted there are appropriate arrangements in place for the Council's governance framework including its system of internal control.

The Council has arrangements in place to monitor compliance with legislation and regulatory standards and to communicate to its staff what behaviours are expected of them. The 2021/22 AGS highlighted the Council had approved and adopted a code of corporate governance, which is consistent with the principles of the International Framework: Good Governance in the Public Sector. In developing its 2021/22 AGS, the Council also formally reviewed its corporate governance arrangements against its Local Code of Corporate Governance.

There is clear evidence of leadership from senior officers and Members in respect of meeting legislative and regulatory requirements and the required standards of behaviour. We note that in June 2023 the Council (jointly with South Hams District Council) won the Senior Leadership Team of the Year category of the MJ Achievement Awards.

Our review of minutes and papers submitted to the Audit and Governance Committee and Full Council demonstrated periodic monitoring and reviews which are being reported appropriately, with governance issues appropriately addressed. Internal Audit's overall assessment in respect of internal control for 2021/22 and 2022/23 highlighted no significant weaknesses in arrangements during the 2021/22 and 2022/23 years.

A range of policies and standards are in place to ensure compliance, such as codes of conduct, gifts and hospitality and whistle-blowing policies, and our review highlighted these are appropriate and up to date.

## Procurement

Procurement in the Council is supported by a shared (with South Hams District Council) procurement officer, and a procurement system is used to support the end-to-end procurement process. In 2022/23 Internal Audit highlighted Officers were generally aware of the need to obtain value for money, but there were opportunities to improve the procurement framework which included increasing the available procurement expertise. As a result of the internal audit review finding the Council continues to share an expert Procurement Officer and are also now advertising for a Procurement Support Officer. Other important findings and recommendations from the Internal Audit review will be followed up through the tracking of internal audit recommendations, completed at the Audit and Governance Committee.

Contract Procedure Rules are in place which detail the requirements for procurement activity, supported by advice and assistance from the shared Procurement Officer. The Procurement Officer supports procurement activity, but the Council has identified that additional resource is needed to develop the procurement framework sufficiently. The Council adopted the Devon Districts Procurement Strategy and action plan produced by the Devon Districts Procurement Group, of which the Council is a member. Our review highlighted there has been no specific work in the Council to implement the actions from this. The forthcoming Procurement Act will generate changes to procurement rules that will need to be implemented in late 2023. We have included a follow up of actions arising from the Devon Districts Procurement Strategy action plan in the improvement recommendation on page 17.

## Conclusion

Overall, we found no evidence of significant weaknesses in the Council's governance arrangements for ensuring that it made informed decisions and properly managed its risks, and we have identified two improvement recommendations on pages 16 and 17.

# Improvement recommendations



## Governance

### Recommendation 2

The Council should consider how it can enhance its stakeholder engagement to ensure this provides meaningful responses.

### Audit year

2022/23

### Why/impact

Meaningful stakeholder responses provide further information to the Council on views and priorities, and can be used to make more informed decisions.

### Auditor judgement

Limited stakeholder engagement may not gather adequate feedback of council plans and strategic aims.

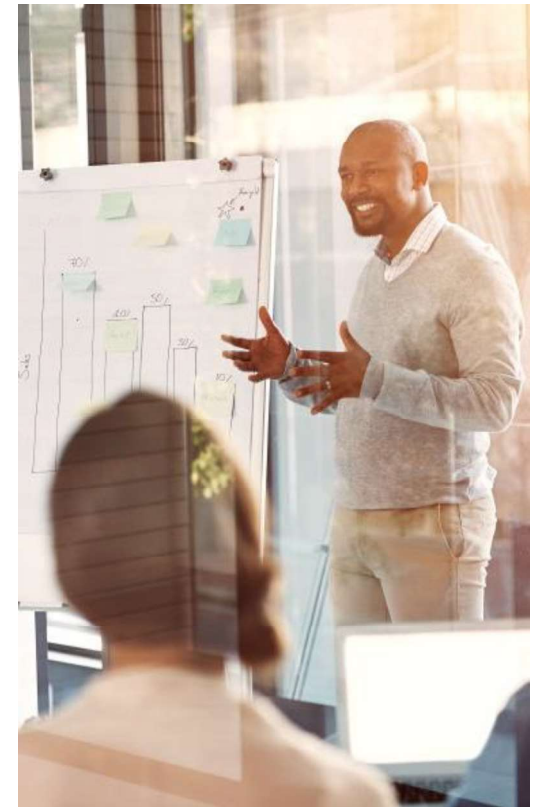
### Summary findings

Given the limited engagement responses achieved in 2021/22 and 2022/23, the Council should consider how it can enhance its stakeholder engagement and empowerment to ensure this provides meaningful responses, supporting the development of Council objectives including, budget, MTFs and savings setting.

### Management Comments

The Council is carrying out extensive stakeholder engagement on its Council Plan which has been developed based on several discussions with Hub Committee Lead Members and through Advisory Group meetings. The Hub Committee:

- will consider a report on the Corporate Plan on 21st November 2023. The report recommends that a period of formal consultation will commence from 27th November to 12th January 2024. The Council will seek views through; and
- an online survey on the full strategy; a series of 'quick polls' on social media channels; conversations with key partners including Town and Parish Councils; face to face attendance at several locations across the Borough; make available paper surveys and provide all Members with FAQs and a briefing note to enable them to have discussions on priorities within their own communities.



The range of recommendations that external auditors can make is explained in Appendix B



# Improvement recommendations



## Governance

### Recommendation 3

The Council should ensure the action plan identifying areas for improving procurement control is implemented. The Procurement Officer supports procurement activity, and additional resource is needed to develop the procurement framework and to ensure it is effective in meeting objectives

### Audit year

2022/23

### Why/impact

Adequately resourced procurement department will enable better compliance with required procurement processes and framework.

### Auditor judgement

Procurement resourcing is not sufficient to ensure compliance with framework requirements.

### Summary findings

The Council adopted the Devon Districts Procurement Strategy and action plan produced by the Devon Districts Procurement Group of which the Council is a member. There has been no specific work in the Council to implement the actions. The forthcoming Procurement Act will generate changes to procurement rules that will need to be implemented in late 2023.

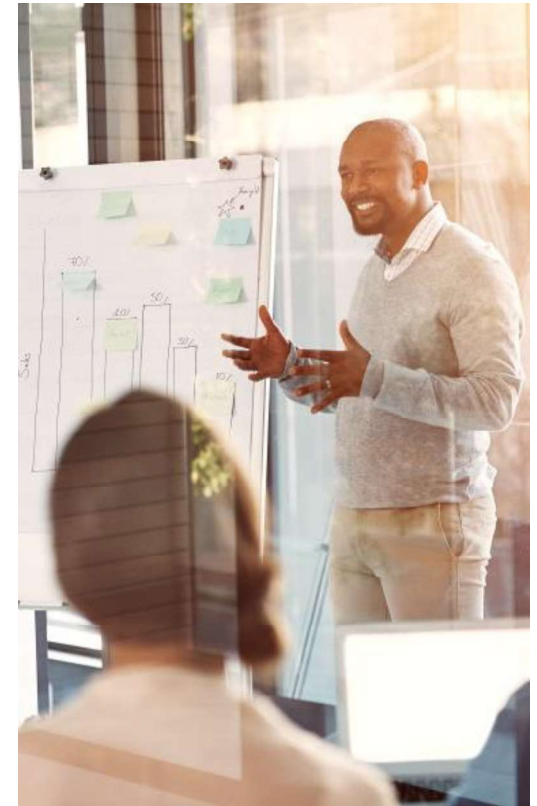
The Procurement officer provides good assistance to procurements, but additional resource is needed to develop the Procurement framework and to ensure it is effective in meeting objectives.

### Management Comments

The Council is currently advertising for a Procurement Support Officer post to ensure the procurement service has adequate and additional resource.

The Council has updated the Constitution including Contract Procedure rules with clear responsibilities for procuring managers and commenced the update of the Devon District Procurement Strategy.

The Council has promoted the procurement rules and regulations to officers responsible for buying goods and services across the Council.



The range of recommendations that external auditors can make is explained in Appendix B

# Improving economy, efficiency and effectiveness



## We considered how the Council:

- uses financial and performance information to assess performance to identify areas for improvement
- evaluates the services it provides to assess performance and identify areas for improvement
- ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives
- where it commissions or procures services assesses whether it is realising the expected benefits.

## How financial and performance information has been used to assess performance to identify areas for improvement

We have reviewed a range of indicators produced by our unit cost benchmarking tool CFO Insights, which are detailed in table 2 on page 19. The indicators compared the unit costs for a range of services and 2021/22 revenue outturn data highlighted two areas where the Council's unit costs were high in comparison to statistical nearest neighbours:

- Total highways and transport services; and
- Total planning & development services.

The unit cost for Planning and Development is ranked high cost overall, this is primarily a result of providing on-going business support, economic research & development and community development in a rural setting. Within this overall measure Economic development has declined in unit cost (£'s per head) to £11.26 against £21.16 for the previous year, the reduction is partly explained by additional planning and land charges income being received during 2021/22.

The Council benchmarked average for central services unit cost. The Council also benchmarks average for Housing services £'s per head unit cost. Housing benefit administration which is high at £9.23 compared to £5.25 for the previous year. The primary reason for this was confirmed as being attributable to the Council using all its allowance for housing benefit discretionally payments.

Waste collection was £47.91 per head against £72.25 for the previous year. This reduction is partly explained by the previous year's high unit cost of providing the environmental health service (attributable to the high cost of providing a waste services in a rural setting) being offset by additional income of £250,000 received in 2021/22 related to recycling and dry recycling income.

Our review highlights the Council monitors performance against relevant KPIs and when off track they implement remedial actions to improve performance.

The Local Government and Social Care Ombudsman (LGCSO) looks at complaints about councils where the complainant considers that the Council has not sufficiently addressed their concerns. The Annual letter from the LGCSO 2022 (Nov 2022) provided a breakdown of investigations that they have upheld in order to show the number of cases where the Ombudsman's recommendations have led to the Council resolving the issue.

In its whole sector review of Local Government Complaints 21-22, the Ombudsman set out that they continue to uphold 66% of complaints that they investigate about local councils. The figure for the Council was at 100%, higher than the national average. It is however important to note that this represented only one complaint being investigated being upheld.

There are multiple levels of review before reports are presented to committee meetings and discussion with officers highlighted there is confidence audit reports are accurate. Our review highlighted that the Council is able to take assurance for the control framework from work of Internal Audit. Pre-briefs are held with members prior to formal meetings to ensure reports are understood.

# Improving economy, efficiency and effectiveness

Table 2 – benchmarking - Unit Cost table - showcasing budgeted spend within Each service area

This unit cost table shows the budgeted spend per 'Service Line'. We have then associated a unit to the service line to calculate a unit cost . Unit Cost Score analysis then benchmarks the spend against the comparator group e.g. other councils. A 'Very High' score would place the authority in the top 20%, with 'Very Low' placing it in the bottom 20%.

West Devon	2021/2022 (£000s)	Unit	Unit cost (£)	Unit cost score
TOTAL HIGHWAYS AND TRANSPORT SERVICES (RO) £/head	(266)	57,488	(4.74)	High
TOTAL CULTURAL AND RELATED SERVICES (RO) £/head	165	57,488	2.94	Very Low
TOTAL PLANNING AND DEVELOPMENT SERVICES (RO) £/head	1241	57,488	22.11	High
TOTAL HOUSING SERVICES (GFRA only) (RO) £/head	940	57,488	16.74	Average
TOTAL ENVIRONMENTAL AND REGULATORY SERVICES (RO) £/head	2949	57,488	47.19	Low
TOTAL CENTRAL SERVICES (RO) £/head	2016	57,488	35.91	Average
TOTAL OTHER SERVICES (RO) £/head	1329	57,488	23.67	Very high
Total Net Expense (RO) £/head	8074	57,488	143.82	High

# Improving economy, efficiency and effectiveness (cont.)

## How the body evaluates the services it provides to assess performance and identify areas for improvement

Strategic priorities are captured in the Council Strategic Plan and linked to the MTFS and workforce strategy. There are processes in place associated with development of the MTFS and budget to assess the cost effectiveness of existing services. Our review highlighted consideration in MTFS and budget setting to identifying low-cost options for service delivery. The cost of delivering core statutory services is highlighted in the financial planning reports which underlie the budget and MTFS on the basis that all spend is directed towards the delivery of core services and achievement of Council Strategic Plan priorities.

The 2021/22 and 2022/23 finance out-turn reports highlighted 2021/22 and 2022/23 savings targets were delivered with further income being achieved from Treasury Management.

The MTFS for 2023/24 to 2025/26 has been prepared and a cost pressure of £400,000 has been included for 2023/24 budget to allow for the potential uplift in the cost of the waste & recycling contract sum effective from 1 July 2022. Following a review (July 2022) of the delivery for waste & recycling services the Council decided to continue with the contract with FCC Environment Limited (FCC) for waste collection, recycling and cleansing services. The Hub Committee continued to monitor the delivery of the waste & recycling service, and a report in September 2022 highlighted progress and outlined the updated on-going revenue and capital costs of delivering the service and the impact on the Council's Medium Term Financial Strategy. The intention for the Head of Paid Service to make any necessary organisational changes to the joint staffing structure, to recognise the changes in the provision of waste collection, recycling and cleansing services in the Councils was also noted. This provides evidence of the Council assessing service performance and taking improvement actions as necessary.

In September 2021, the Council adopted its Plan for West Devon, Thematic Delivery Plans and a Performance Management Framework. The Quarter 3 Integrated Performance Management Report (presented to the Hub Committee in February 2022) set out the first Integrated Performance Management report of the new framework, covering progress in Quarter 3 (October 2021 to December 2021). These reports have been presented regularly throughout the period.

Our review of the report highlighted non-financial and service performance information; for example related to strengthening communities, improving community wellbeing and delivering inclusive and accessible services. The June 2023 update of performance information presented to the Hub Committee (covering Q4 2022/23) highlighted good progress has been made with the majority of actions (89%) on track to deliver as planned. One action (Eco-Museum for West Devon) was not on target, with no plan to bring back on track due to not securing the funding, and it was agreed this action be closed and not progressed as the programme is no longer viable. This deliverable has been removed from the Year 3 delivery plan. The reporting provides evidence that performance is monitored appropriately, and that when KPIs are off track appropriate actions are implemented to improve performance.



# Improving economy, efficiency and effectiveness (cont.)

## How the body ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives.

The Council's Constitution sets out how it engages with stakeholders and partners through joint working arrangements, partnership boards and annual appointments to external organisations. The Council seeks resident views when developing proposals by delivering a Consultation and Engagement Strategy. The Council seeks feedback by carrying out an annual resident satisfaction survey. We have made an improvement recommendation on page 16 of this report relating to improvements for stakeholder engagement.

The Joint Local Plan is an example of a strategic partnership (with South Hams District Council and Plymouth City Council) in which the Council is represented and in which it ensures agreed actions are delivered. Performance measures were agreed with the assigned Planning Inspector at the adoption of the Plymouth and South West Devon Joint Local Plan (JLP). Arrangements are in place to monitor progress of the 29 performance measures through the Authorities Monitoring Report (AMR), which provides an annual update.

During 2020 the Council developed new joint working and partnership arrangements to respond to the pandemic and ensure that the needs of service users continue to be met. The Council's key partnerships included working with Parish Councils to understand and tackle local issues, assisted by reinstated Parish-Borough Link Meetings, and by ensuring that the Council was represented in key partnerships including with voluntary and community groups. The Council Plan highlights how the pandemic had a lasting impact on the health and wellbeing of local communities. The Council is working together with partners including Devon County Council, the NHS and the voluntary sector to understand the impacts and identify opportunities to enhance community wellbeing.

The Council consulted stakeholders on their draft budget for 2021/22, this included online consultation as part of Council engagement. The Council undertook consultation regarding the Council Plan, providing the public with an opportunity to comment on what is needed to make West Devon a better place to live, work and visit. The consultation started on July 26, 2021, and ran for six weeks.

Our review highlighted for 2022/23 the Council consulted stakeholders on an increase in council tax. Despite the attempted engagement, there were limited responses achieved in 2020/21 and 2022/23, and the Council should consider how it can enhance its stakeholder engagement and empowerment to ensure this provides meaningful responses, which supports the development of council priorities including development of annual budget, MTFS and savings.

Overall, we are satisfied the Council delivers its role with significant partnerships however we have made an improvement recommendation in the governance section of this report on page 16 relating to stakeholder engagement.



# Improving economy, efficiency and effectiveness (cont.)

## Where the body commissions or procures services, how it assesses whether it is realising the expected benefits.

The Council has in place a Sustainable Procurement Strategy. Our review highlighted the strategy supports the Council's long term financial sustainability and ambition to drive efficiencies, support local economic growth whilst responding to commissioning requirements and to optimise the opportunities for delivering social value opportunities through procurement.

Our review did not identify examples of the Council failing to consider the risk and rewards when undertaking significant commercial ventures, outsourcing, shared service arrangements or partnerships.

The Council does not rely heavily on income from commercial activities or its investment portfolio. We have highlighted an improvement recommendation relating to the procurement function on page 17.

## Conclusion

Overall, we found no evidence of significant weaknesses in the Council's arrangements for improving economy, efficiency and effectiveness. We have referenced improvement recommendations detailed in the governance section of this report relating to stakeholder engagement and procurement activity management improvements.



# Follow-up of previous recommendations

	Recommendation	Type of recommendation	Date raised	Progress to date	Addressed?	Further action?
1	The Council should introduce a performance management framework based upon SMART strategic objectives to ensure delivery of its new corporate plan. This should include monitoring the performance of its strategic partnerships.	Improvement	November 2021	<p>Since development and adoption of the Council Corporate Strategy in September 2021, the Council has implemented a performance management framework with SMART strategic objectives set out in a three year delivery plan. The Council have also enhanced performance reporting arrangements which now include:-</p> <ul style="list-style-type: none"> <li>• Quarterly reports on progress to Hub Committee against the adopted strategy delivery plan, overview of strategic risks and updates on key capital programmes;</li> <li>• 'Deep Dives' into a specific theme through Overview and Scrutiny Committee setting out detailed progress reports;</li> <li>• Implementation of service plans aligned to corporate strategy;</li> <li>• All employees have an annual objective setting discussion with mid-year reviews; and</li> <li>• Key Performance Indicator reporting has been enhanced with clear narratives setting out the performance and comparator data provided. During 2021-2023 these reports have been considered by Overview and Scrutiny on two occasions during the year. This will be further enhanced during 2023/24 with KPI reports being considered by the committee at least 3 times during the year.</li> </ul>	Yes	N/A

# Follow-up of previous recommendations

Recommendation	Type of recommendation	Date raised	Progress to date	Addressed?	Further action?	
2	The Council should review progress against the actions set out in the Devon Districts Procurement Strategy on a more regular basis, and at least annually. Progress should also be reported to SLT and elected members, for example either via Overview and Scrutiny Committee or Hub Committee.	Improvement	November 2021	There have been delays in formulating the new Devon Districts Procurement Strategy. This work is set to conclude during 2023 with the Council providing input to shape the strategy. Alongside adoption of the new strategy, a reporting process will be implemented. During 2022/23, Internal Audit review of the Procurement function and priorities was undertaken with the update on progress being considered by the Audit and Governance Committee at their meeting on 14th March 2023.	WIP	IR raised on page 17 of this report.
3	The Council should improve its performance reporting on its capital programme by clearly reporting spend against profiled budget.	Improvement	November 2021	Additional columns have been built into capital monitoring reports to show a profiled budget for each financial year so slippage can easily be identified. In addition the Council now take an annual outturn report to Hub Committee which covers both capital and revenue.	Yes	N/A
4	The Council should have an agreed approach for ensuring staff maintain an awareness and understanding of their obligations relating to the Council's code of conduct.	Improvement	November 2021	New starters to the Council are required to confirm that they have read and understood the Code of Conduct. Furthermore, the Council have recently reminded all staff of the need to comply with the employee code of conduct through highlighting it during the pre-election period alongside the Pre-Election protocol for staff and members. In 2023 the Council will be launching a new mandatory learning and development programme which will include Code of Conduct e-learning.	Yes	N/A



# Follow-up of previous recommendations

	Recommendation	Type of recommendation	Date raised	Progress to date	Addressed?	Further action?
5	The Council should review its whistle-blowing policy annually, and update as necessary.	Improvement	November 2021	The policy was last considered by Audit and Governance Committee on 15th March 2022.	Yes	N/A
6	The Council should monitor progress against its savings plans to elected members on a regular basis throughout the year, including the year end position.	Improvement	November 2021	The annual savings built into the base budget are monitored quarterly via the revenue budget monitoring reports taken to Hub Committee. The reports contain a separate appendix on the savings including the latest projections for the year. In addition this appendix was included in the outturn report taken to Hub Committee for 2021/22 (and 2022/23 taken in September 2023).	Yes	N/A

# Opinion on the financial statements for 2021/22



## Audit opinion on the financial statements

We gave an unqualified opinion on the Council's financial statements on 30 November 2022. Therefore, West Devon Borough Council were one of only 12% of Local Authorities that had their accounts audited by the statutory publication date.

## Audit Findings Report

More detailed findings can be found in our AFR, which was published and reported to the Council's Audit and Committee on 22 November 2022.

## Whole of Government Accounts

To support the audit of the Whole of Government Accounts (WGA), we are required to review and report on the WGA return prepared by the Council. This work includes performing specified procedures under group audit instructions issued by the National Audit Office (NAO).

No issues were noted and we provided our assurances to the NAO on 30 November 2022.

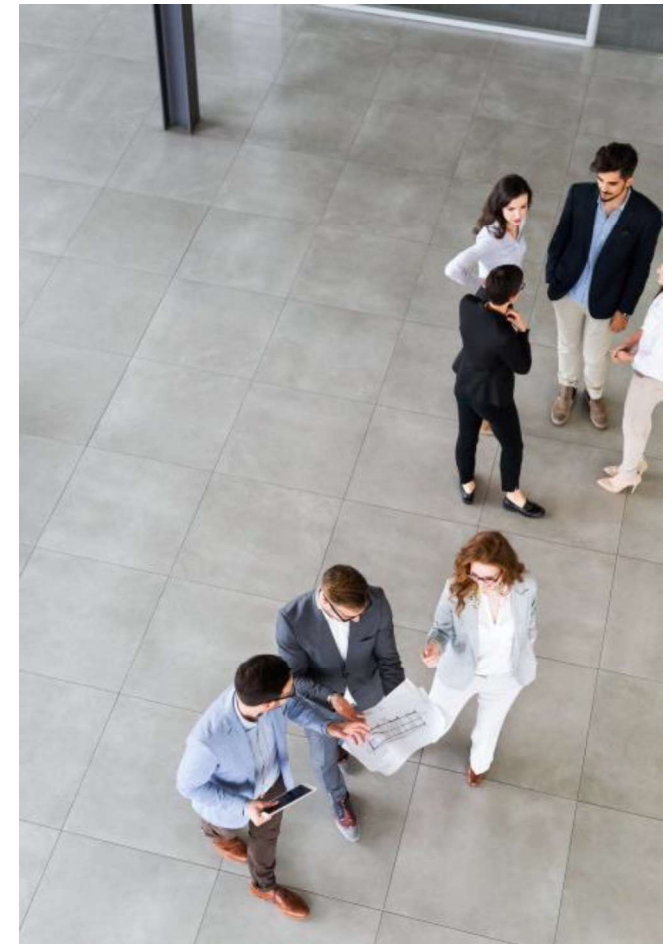
## Preparation of the accounts

The Council provided draft accounts in line with the national deadline and provided a good set of working papers to support it.

There were limited adjustments made to the draft financial statements provided to us as part of the audit.

## Grant Thornton provides an independent opinion on whether the accounts are:

- True and fair;
- Prepared in accordance with relevant accounting standards; and
- Prepared in accordance with relevant UK legislation.



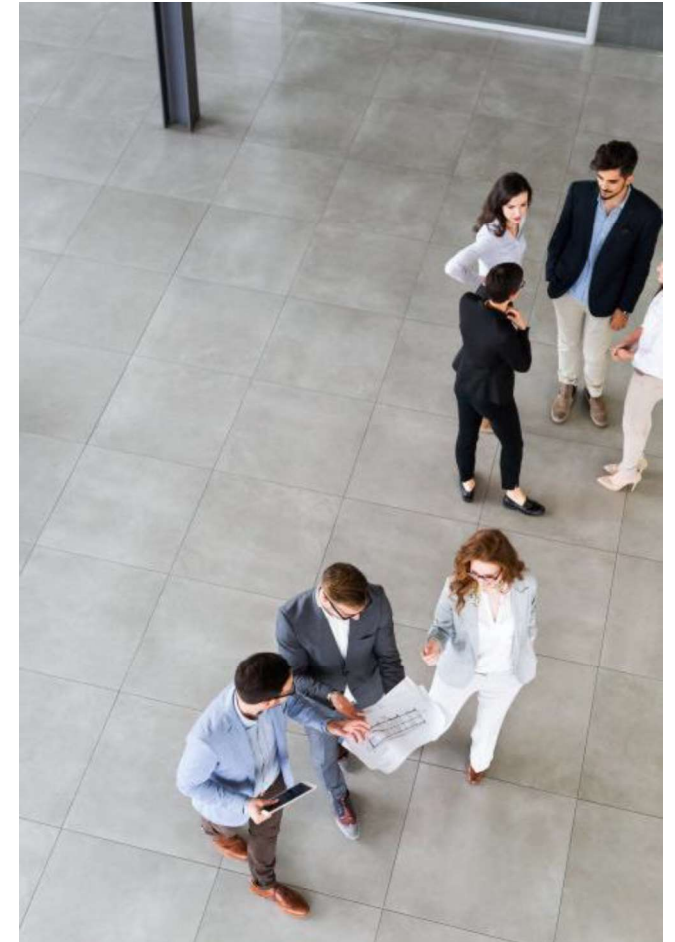
# Opinion on the financial statements for 2022/23



## Audit opinion on the financial statements

We have not yet issued our audit opinion for the 2022/23 financial year. Our audit work began in November 2023 and we expect to report our findings to the March 2024 Audit and Governance Committee.

For 2022/23, the Council produced summary financial statements for the ease of public consumption and to further the transparency and readability of the Council's financial position. These were presented to the Audit and Governance Committee in December 2023. They have not been audited.



# Appendices

# Appendix A – Responsibilities of the Council

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

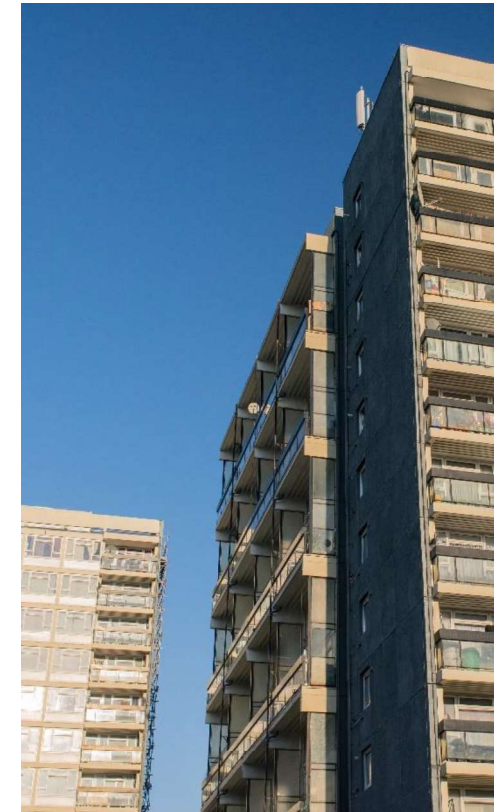
Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement

The Chief Financial Officer (or equivalent) is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Chief Financial Officer (or equivalent) determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Financial Officer or equivalent is required to prepare the financial statements in accordance with proper practices as set out in the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom. In preparing the financial statements, the Chief Financial Officer is responsible for assessing the Council's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the Council will no longer be provided.

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.



# Appendix B – An explanatory note on recommendations

A range of different recommendations can be raised by the Council’s auditors as follows:

Type of recommendation	Background	Raised within this report	Page reference
Statutory	Written recommendations to the Council under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014.	No	n/a
Key	The NAO Code of Audit Practice requires that where auditors identify significant weaknesses as part of their arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the Council. We have defined these recommendations as ‘key recommendations’.	No	n/a
Improvement	These recommendations, if implemented should improve the arrangements in place at the Council, but are not a result of identifying significant weaknesses in the Council’s arrangements.	Yes	11,16 & 17

