

MEETING:	Full Council
DATE:	Thursday 23 November 2023
TIME:	10.00 am
VENUE:	Council Chamber, Barnsley Town Hall

PRESENTATION

3. Report to Those Charged with Governance (ISA 260) 2022/23 (*Pages 3 - 14*)



Sarah Norman
Chief Executive

Wednesday 22 November 2023

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External audit: presentation to Full Council

Barnsley Metropolitan Borough Council

23 November 2023

Your external audit team

- Dedicated, local public sector team for Yorkshire clients
- External auditors to a number of local authorities and NHS bodies across Yorkshire
- Leading external audit provider to the public sector

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Thilina De Zoysa
Engagement Senior
Manager



Gareth Mills
Engagement Lead,
Key Audit Partner



Purpose of the session

1 Overview of the role of External Audit

2 Summary highlights of work performed in 2022-23:

- ✓ Accounts audit
- ✓ Use of Resources, Value for Money arrangements review to date



What is the role of External Audit?



To provide independent assurance to those charged with governance (Full Council) by:

- ✓ giving an opinion on the Council's annual accounts
- ✓ 'true and fair' view of assets and liabilities at 31 March and financial performance in the year
- ✓ report on whether we are satisfied the Council has proper arrangements for the use of resources

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To consider the use of our special reporting powers if any issues of significant concern:

- reports in the Public Interest
- responding to an Objection on the accounts



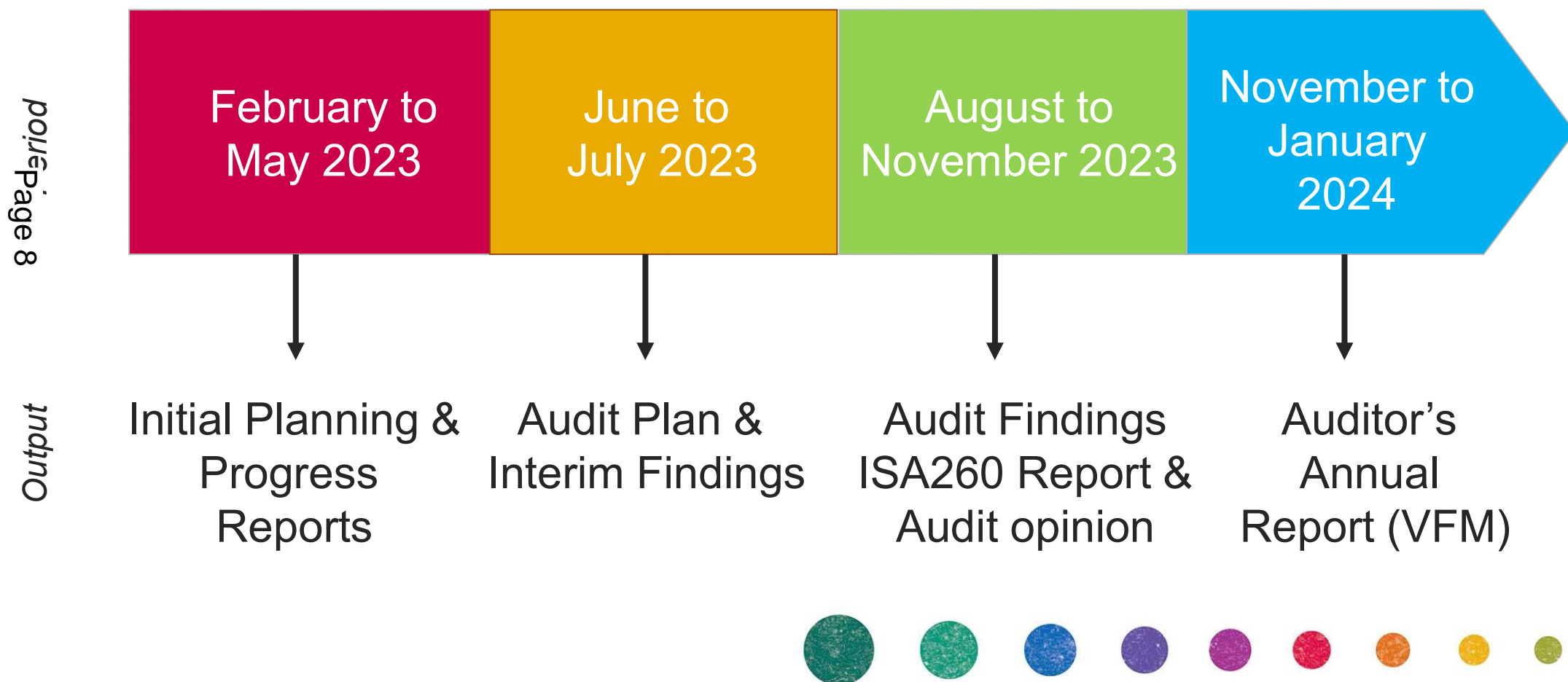
What is the role of External Audit?



- ✓ To perform any work required by the NAO Code of Audit Practice and CIPFA Code of Practice
- ✓ review of your Annual Governance Statement and Narrative Report
- ✓ Focus on ensuring proper arrangements in place on key developments and areas of risk at the Council
- ✓ Reviewing your Whole of Government Accounts return
- ✓ Take into account other regulatory reports on the Council – eg on VFM work looking at CQC / Ofsted Reports on BMBC



How do we perform our role? – a year round relationship



What were our key findings in 2022-23 – accounts?

- **unqualified ‘clean’ audit opinion expected to be issued**
- BMBC one of c30% of authorities that presented draft a/cs by 31 May
- regular liaison with senior finance team and wider management
- good working papers provided & good engagement from Council staff
- no major weaknesses in financial systems
- **no audit adjustments impacting on useable reserves**
- high value adjustment on pensions (national issue & no impact on MTFS)
- small number of other audit adjustments & presentational amendments



What were our key findings in 2022-23? – Value for Money

- review of the Council's arrangements in 3 areas:
 1. Financial sustainability
 2. Governance
 3. Improving economy, efficiency and effectiveness – “the 3Es”
(service delivery, performance and outcomes)
- same timetable for 22-23 – completed within 3 months of a/cs sign off
- **no VFM issues preventing our signing of the 22-23 accounts**
- **no significant concerns in Council's immediate financial position**
- position is more challenging in medium/long term & national context



What were our key findings in 2022-23? – Value for Money

➤ Ongoing work on the prior year significant weakness in arrangements:

- Ofsted/CQC SEND review from November 2021 & WSOA
- aware ongoing work done by the Council responding to above matters
- judgement on work done to be given on completion of our work

➤ Area of focus - Dedicated Schools Grant (DSG) deficit:

- DSG deficit a common challenge amongst a number of local authorities
- Council successful with DfE 'Safety Valve' funding support of £22.9m
- positive outcome for Council – but challenge after 26-27 if not balanced

➤ Our findings on the VFM audit will be included in our Auditor's Annual Report in January 2024



Summary and Questions

- clean audit opinion expected to be issued shortly on 22-23 Accounts
- no material issues identified impacting on useable reserves
- good level of engagement from the Council throughout the year
- the Council is in a good financial position despite sector challenges
- VFM work is ongoing & we aim to finalise in January 2024
- key areas of focus will be on Council's response to SEND issues





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