

	<b>Full Council</b> 29 February 2024
	<b>Report from the Chief Executive</b>
	<b>Lead Member – Deputy Leader &amp; Cabinet Member for Finance, Resources &amp; Reform (Councillor Shama Tatler)</b>
<b>Auditor’s Annual Report on the London Borough of Brent</b>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Council
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>No. of Appendices:</b>	One Appendix A: Auditor’s Annual Report on the London Borough of Brent
<b>Background Papers:</b>	N/A
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Minesh Patel Corporate Director of Finance & Resources 020 8937 6528 Email: Minesh.Patel@brent.gov.uk  Rav Jassar Deputy Director of Finance 020 8937 1487 Email: Ravinder.Jassar@brent.gov.uk

### 1.0 Purpose of the Report

1.1 This report presents the Council’s external auditor’s annual report on value for money as part of the 2022 - 23 audit of the year end accounts. It also sets out their key recommendations.

### 2.0 Recommendation(s)

2.1 To note the report and recommendations.

### 3.0 Background

### **3.1 Contribution to Borough Plan Priorities and Strategic Context**

3.1.1 Securing value for money underpins all aspects of financial management within the Council which enables the delivery of the priorities and objectives within the Borough Plan.

### **3.2 Detail**

3.2.1 The National Audit Office introduced a new Code of Audit Practice for 2020/21 which revised the approach to the audit of Value for Money (VFM).

There are three main changes:

- A new set of key criteria, covering financial sustainability, governance and improvements in economy, efficiency and effectiveness.
- More extensive reporting, providing commentary on arrangements across all key criteria.
- Auditors to arrive at a more sophisticated judgement on performance, as well recommendations.

3.2.2 The Council's external auditors, Grant Thornton, are required to report in more detail on whether the Council has put in place proper arrangements to secure Value for Money (VfM). As is customary, their report is to be presented to Full Council to be considered at the same time as setting of the Council's budget.

3.2.3 The report concluded that there have been no significant weaknesses identified in the Council's VfM arrangements and only improvement recommendations were made. Overall, the commentary from the auditors in respect of financial sustainability is positive, recognising that in line with significant challenges faced by other local authorities, the Council has been compelled to make tough decisions in order to balance its budget and ensure it maintains its finances on a sustainable footing. The auditors found that the Council's financial planning both short and longer term was based on sound judgements. The report notes that the Council has a good track record in setting and achieving balanced budgets and identifying and responding to financial risks.

3.2.4 All of the recommendations have been accepted and management responses have been provided.

3.2.5 The full report is attached at Appendix A.

### **4.0 Stakeholder and ward member consultation and engagement**

4.1 The Annual Report has been subject to consideration by the Audit & Standard Advisory Committee prior to its submission to Council.

### **5.0 Financial Consideration**

5.1 There are no financial implications arising as result of this report.

**6.0 Legal Considerations**

6.1 There are no legal implications arising as result of this report.

**7.0 Equality, Diversity & Inclusion (EDI) Considerations**

7.1 Not applicable.

**8.0 Climate Change and Environmental Considerations**

8.1 Not applicable.

**9.0 Human Resources/Property Considerations**

9.1 Not applicable.

**10.0 Communication Considerations**

**Report sign off:**

***Minesh Patel***

Corporate Director of Finance &  
Resources