

London Borough of Brent and Pension Fund

Audit progress report and sector updates

September 2024



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Introduction

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This paper provides the Audit and Standards Committee with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes a series of sector updates in respect of these emerging issues which the Committee may wish to consider.

Members of the Audit and Standards Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications:

<https://www.grantthornton.co.uk/industries/public-sector/local-government/>

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

Progress at September 2024 – the Council

Financial statements audit – the Council

At September 2024, our work on the audit of the 2023-24 financial statements is in progress and there are no matters of which we are aware that would require modification of our audit opinion on the financial statements of the London Borough of Brent at this stage. Our detailed findings will be included in our 2023-24 Audit Findings Report which will be presented to the Audit and Governance Committee on 31 October 2024.

Our work to date has been affected by delays in obtaining essential evidence for several sections of the financial statements. Our original target was to finalise our work by the end of September 2024, however, due to delays in obtaining the required data and the quality of some supporting evidence, we have been unable to finish our work and must allocate additional time to complete the audit.

Below is a summary of pending data with management and the sections which are being worked on by the audit team.

Await information from management:

- PPE reconciliation issues between Note 1 and Fixed Asset Register (FAR);
- PPE Other Land & Building reconciliation issues between FAR and Valuer's report, await revised valuation report from valuer;
- Await formal valuation report for additions made during the year in PPE HRA Council Dwellings;
- Bank reconciliation issue where the ledger balance per the trial balance does not match the ledger balance per the Council's bank reconciliation statements;
- Issues with payroll FTE report; and
- Await revised statement of accounts, incorporating identified changes.

Major areas subject to audit team completing the work:

- Journals testing
- Responses from valuer on other land and buildings queries
- Group audit procedures
- Grants testing

**Please note that the above outstanding sections do not include sections which are pending manager/engagement lead review which may generate further queries. Further to this, the samples under process by the audit team may identify further queries.*

Value for Money – the Council

Under the 2020 Code of Audit Practise, for local government bodies auditors are required to issue their Auditor's Annual Report no later than 30 September or, where this is not possible, issue an audit letter setting out the reasons for delay – please refer to page 9.

Progress at September 2024 – the Council

Areas of testing	Sample size	Samples cleared	Samples with management	Samples with audit team
PPE additions	16	16	0	0
Intangibles	5	0	0	5
Fees & Charges - customer and client receipts	34	25	8	1
Fees & Charges - other grants and contributions	5	4	0	1
Operating expenditure	66	54	5	07
Schools operating expenditure (non-payroll)	12	12	0	0
Debtors	36	20	4	12
Creditors	35	15	15	5
Bank receipts (completeness)	16	12	4	0
Bank payments (completeness)	26	24	2	0
Invoices raised (completeness)	20	20	0	0
Invoices received (completeness)	32	30	2	0
Journals	35	3	20	12
Capital Grants	11	3	1	7
Capital Grants Unapplied	10	0	0	10
Residual Grants	13	2	2	9

Progress at September 2024 – the Council

Areas of testing	Sample size	Samples cleared	Samples with management	Samples with audit team
Schools operating expenditure (payroll)	10	10	0	0
Agency expenditure	6	6	0	0
Payroll – starters	12	12	0	0
Payroll – leavers	12	12	0	0
Payroll – changes in circumstance	12	0	12	0
NNDR reliefs	25	25	0	0
Council tax reliefs	25	25	0	0
Leases	10	0	10	0
Capital commitments	5	4	1	0
Total	484	334	53	97

Audit deliverables – the Council

Our work on the Council's value for money (VFM) arrangements is not yet complete. We will report in our full commentary on the Council's arrangements in our Auditor's Annual Report (AAR) at a subsequent Audit and Standards Committee meeting.

Below are some of the audit deliverables planned for 2023-24

2023-24 Deliverables	Planned date*	Status
<p>Audit Plan</p> <p>We are required to issue a detailed audit plan to the Audit and Standards Committee setting out our proposed approach in order to give an opinion on the Council 2023-24 financial statements.</p>	January 2024	Complete
<p>Audit Findings Report</p> <p>The 2023-24 Council Audit Findings Report will be reported to Those Charged with Governance at the Audit and Standards Committee.</p>	September 2024	Delayed – revised Committee date is October 2024.
<p>Auditor's Report</p> <p>This includes the audit opinion on your 2023-24 Council's financial statements.</p>	September 2024	Delayed – revised Committee date is October 2024.
<p>Auditor's Annual Report</p> <p>This report communicates the key outputs of the audit, including our commentary on the Councils' value for money arrangements.</p>	January 2025	Not yet due

Audit deliverables – the Council

Audit-related deliverables	Planned date*	Status
Non-audit services		
1. 2022-23 Housing benefits assurance process return	1. September 2024	1. In progress
2. 2023-24 Housing benefits assurance process return	2. November 2024	2. In progress
3. 2022-23 Pooling of Housing Capital receipts return	3. January 2024	3. Complete
4. 2023-24 Pooling of Housing Capital receipts return	4. January 2025	4. Not due yet
5. 2022-23 Teachers' Pensions return	5. October 2024	5. In progress
6. 2023-24 Teachers' Pensions return	6. TBC	6. Not due yet

*The planned dates are subject to national timetables, agreement with officers and unforeseen technical issues that may arise during the audit period.

2023-24 VFM delay letter

Chair of Audit and Standards Committee
Brent Council

September 2024

Dear Cllr Chan

The original expectation under the approach to VFM arrangements work set out in the 2020 Code of Audit Practice was that auditors would follow an annual cycle of work, with more timely reporting on VFM arrangements, including issuing their commentary on VFM arrangements for local government by 30 September each year at the latest. Unfortunately, due to the on-going challenges impacting on the local audit market, including the need to meet regulatory and other professional requirements, we have been unable to complete our work as quickly as would normally be expected.

As a result, we are not in a position to issue our full 2023-24 Auditor's Annual Report (AAR), including our commentary on arrangements to secure value for money. We expect to publish our report in December 2024. If the VFM work is not complete when issuing the audit opinion on the Council's 2023-24 financial statements, on issuing the audit opinion we will formally write to the Chief Executive to summarise our VFM findings at that date and confirm intention to issue the full AAR in December 2024.

For the purposes of compliance with the 2020 Code, this letter constitutes the required audit letter explaining the reasons for delay.

Yours faithfully

Sophia Brown
Key Audit Partner

Progress at September 2024 – Pension Fund

Financial Statements Audit – Pension Fund

At September 2024, our work on the audit of the 2023-24 financial statements is substantially complete and there are no matters of which we are aware that would require modification of our audit opinion on the financial statements of the Brent Pension Fund. Our detailed findings will be included in our 2023-24 Audit Findings Report to be presented to the Audit and Governance Committee on 31 October 2024.

As of the report writing, our ongoing work has been affected by delays in obtaining essential evidence for several sections of the financial statements. Our original target was to finalise our work by the end of September 2024, which remains achievable pending resolution of the issues below. Delays have been experienced in obtaining confirmations from the investment fund managers and in receiving follow-up responses to queries. Additionally, there have been significant delays in obtaining supporting evidence and responses to follow-up queries concerning member data. The outstanding items are summarised below:

Await information from management:

- Fund information sample evidence for 25 samples across starters, leavers and new pensioners. – high priority; -
- Level 2 investments – queries outstanding with 3 fund managers – high priority;
- Level 3 investments – queries outstanding with 2 fund managers– high priority;
- Responses to points raised by Audit Manager and EL’s review of accounts;
- Response regarding contributions analytical review variance;
- Response regarding benefits analytical review variance;
- Further evidence requested for contributions samples; and
- Service Assurance Report on LPP to complete our work over the service organisations. The current report covers a period upto December 2023 and we need to obtain a bridging letter to cover the period to 31 March 2024.

Areas subject to audit team completing the work :

- Benefits;
- Fund information;
- Profit or loss on disposal and changes in values of investments;
- Investment capital commitments; and
- Key management personnel.

Progress at September 2024 - Pension Fund

Areas pending Manager or Engagement Lead review:

- Level 1 investments;
- Journals testing – work on management override of controls; and
- Transfers out.

Below is a summary of outstanding samples. We have held regular meetings with your finance team and the level of engagement has been positive. This level of engagement has ensured that any arising issues are promptly escalated and resolved. However, despite the strong engagement from management, there are still challenges and issues that have caused delays. Our goal is to finalise the audit work and present an Audit findings report to you at the October 2024 Audit and Standards Advisory Committee.

Areas of testing	Sample size	Samples cleared	Samples with management	Samples with audit team
Normal benefits	20	10	0	10
Lump sum benefits	5	4	1	0
Transfers out	5	5	0	0
Transfers in	6	6	0	0
Employee contributions	5	3	2	0
Employer's contributions – non-admin	13	6	7	0
Employer's contributions – admin	18	18	0	0
Journals	27	27	0	0
Fund information – Starters, leavers and new Pensioners.	25	0	25	0
Total	124	75	39	10

Audit deliverables – Pension Fund

Below are some of the audit deliverables planned for 2023-24.

2023-24 Deliverables	Planned date	Status
<p data-bbox="123 539 465 571">Pension Fund Audit Plan</p> <p data-bbox="123 587 1279 687">We issued a detailed audit plan to the Audit and Standards Committee and Pensions Committee setting out our proposed approach in order to give an opinion on the Pension Fund 2023-24 financial statements.</p>	March 2024	Complete
<p data-bbox="123 715 622 746">Pension Fund Audit Findings Report</p> <p data-bbox="123 762 1263 826">The 2023-24 Pension Fund Audit Findings Report will be reported to Those Charged with Governance at the Audit & Standards Committee and the Pensions Committee.</p>	September 2024	Delayed – revised Committee date is October 2024.
<p data-bbox="123 853 546 885">Pension Fund Auditor’s Report</p> <p data-bbox="123 901 1323 965">This includes the opinion on your 2023-24 Brent Pension Fund financial statements within the Council’s Financial Statements.</p>	September 2024	Delayed – revised Committee date is October 2024.
<p data-bbox="123 992 927 1024">Pension Fund Annual Report Auditor’s Consistency Report</p> <p data-bbox="123 1040 1330 1141">This includes our opinion that the 2023-24 Brent Pension Fund financial statements within the Pension Fund Annual Report are consistent, in all material aspects, with those within the audited Council’s Financial Statements.</p>	November 2024	Not yet due

Ending the local audit backlog

A plan for restoring timely assurance to the Local Government audit system was announced by the Minister of State for Local Government and English Devolution on 30th July 2024.

When parliamentary time permits, secondary legislation is going to be used to amend the Accounts and Audit Regulations (2015) and to introduce five new backstop dates:



1. Financial years up-to-and-including 2022/23: 13 December 2024;
2. Financial year 2023/24: 28 February 2025;
3. Financial year 2024/25: 27 February 2026;
4. Financial year 2025/26: 31 January 2027;
5. Financial year 2026/27: 30 November 2027; and
6. Financial year 2027/28: 30 November 2028.

Paul Dossett, Grant Thornton Partner and Head of Local Government, has had an article published in The MJ, where he reviews the reasons for the delays in audited accounts and considers what is required for a long-term solution:

<https://www.themj.co.uk/beyond-the-local-audit-backstop>

Key messages from the Minister are that:

For financial years up to and including 2022/23, if financial audits are not complete by 13 December 2024, disclaimed or modified opinions will be required. The Minister recognises that in most cases these may remain in place for up to two years.

The Minister's statement is, however, "crystal clear" that where there are modified opinions for financial accounts, auditors' other statutory duties – including to report on Value for Money (VfM) arrangements, to make statutory recommendations, and to issue Public Interest Reports, will still be a high priority.

There will be some limited grounds for exemption to meeting the audited accounts backstop dates: Where auditors are considering a material objection; where recourse to the court could be required; or from 2023/24, where the auditor is not yet satisfied with the body's Value for Money arrangements. Nevertheless, Councils need to be aware that the Government intends to publish a list of bodies and auditors that do not have an exemption and yet still do not meet the proposed new dates.

To help Councils comply with these arrangements, for financial years 2024/25 to 2027/28, the Minister states that the deadline for filing Category 1 'draft' (unaudited) accounts will be extended from 31 May to 30 June (allowing higher quality draft accounts); and there will be no routine inspections of local audits (by the Financial Reporting Council or by the Institute of Chartered Accountants in England and Wales) for financial years up to and including 2022/23, unless there is a clear case in the public interest to do so.

Once implemented, the hope is that the new arrangements will help to restore the robust assurance needed to underpin good governance and accountability.

For the full statement, see [Written statements - Written questions, answers and statements - UK Parliament](#).

Lessons from recent Auditors' Annual Reports

In July 2024, Grant Thornton shared findings from a review of just under 100 recent Auditors' Annual Reports (AARs), covering around 30% of all Councils in England. With around 730 different areas for improvement identified, the AARs highlighted five key areas where local government is facing increased challenge:



1. Transformation and saving plans;
2. The Dedicated Schools Grant;
3. Financial governance and internal control;
4. Performance management and procurement; and
5. The Housing Revenue Account.



To help Councils with their challenge, Grant Thornton's Lessons report summarised suggestions for improvement into a single checklist for success.

Key questions for Audit Committees from the checklist for success:

- External audit recommendations – are we up to date with monitoring progress and implementation and prior year recommendations?
- Savings and reserves – is our medium-term financial plan up to date?
- Special educational needs and disability – are we on track with arrangements to close any deficit?
- Workforce – do we have an up-to-date strategy?
- The Housing Revenue Account – when did we last review the strategy and arrangements for governance and internal control?

Even before the July 2024 general election, local authorities were key to delivering nationally important policies. Under the new government, the sector looks likely to play an even more pivotal role as, for example, proposed reforms to planning and housebuilding get underway. Audit Committees can use the Grant Thornton checklist for success to assess how ready their organisation is to take advantage of the new opportunities likely to open-up and to step into the new, higher profile role they are likely to be invited to play.

For a full copy of the report, see [Lessons from recent auditor's annual reports \[grantthornton.co.uk\]](https://www.grantthornton.co.uk)

Learning from the new unitary councils

In September 2024, Grant Thornton published findings from Auditors' Annual Reports for eight unitary councils created since 2019 (or, where relevant, from Auditors' Annual Reports for their predecessor councils).

Grant Thornton's report includes a series of key messages for Councils who may be facing local government re-organisation in the future, including:

During the transition period

- Appoint shadow authority roles as soon as possible;
- Allocate adequate resources to planning and transformation;
- Consider how to reduce legacy staff capacity.

Financial sustainability

- Have a finance team in place at the start;
- Understand the legacy reserves position early.

Governance

- Prioritise the production of legacy accounts;
- Don't underestimate the complexity of internal audit.

Effectiveness, economy, efficiency

- Develop a performance management framework early; and
- Put in place clear strategies.

For a full copy of the report and the key messages within it, see [Local government reorganisation: Lessons from new unitaries | Grant Thornton](#)

“Local government re-organisation is here to stay....(but) One size does not fit all, and local government is no exception”.



Code of practice on good governance

In June 2024, SOLACE, CIPFA and Lawyers in Local Government (LLG) jointly published a new code of practice on good governance. The code provides advice and sets expectations for the three highest profile statutory roles in local government – the Head of Paid Service, the Chief Finance Officer, and the Monitoring Officer. The aim of the code is to enable these three high profile officers to effectively work together in a ‘Golden Triangle’ - to best advise members, implement decisions, and help achieve good outcomes.

This is a powerful publication because it is the first in which SOLACE, CIPFA and LLG have spoken as one voice. Whilst the Seven Principles of Public Life, or Nolan Principles, apply to all public office holders (and indeed all those in other sectors delivering public services), expectations of the three most senior statutory officers in Councils go further. The fact that this guide is targeted specifically at their three roles is therefore more than welcome.

The new code of practice sets out seven standards the “Golden Triangle” officers should comply with, alongside a series of more direct requirements they should adhere to. The code provides guidance to the three officers concerned; can be used to explain their roles more clearly to others; and provides context for conversations about the roles, the requirements, and actions to be undertaken.

Questions Audit Committees can use the code to ask themselves surround: Do we understand what our most senior officers do? And do they understand the standards they are bound by?

[For a full copy of the Code of Practice, see Code of Practice on Good Governance for Statutory Officers June 2024.pdf \(solace.org.uk\)](#)

The seven standards of the Golden Triangle are:



Understand Governance

Roles and responsibilities



Act Wisely

A duty of enquiry & the exercise of statutory functions



Lead Ethically

The Seven Principles of Public Life



Act Effectively

Robustness in working arrangements



Resource the Roles

Get the tools to do the job



Build Resilience

Deputies and development



Deliver sound decision making

The outcome of good governance

Internal Audit - supporting a healthy service

The Chartered Institute of Internal Auditors (CIIA) published an assessment of the health and status of internal audit within local government in July 2024, using research based on survey findings from 44% of all councils in the United Kingdom and Northern Ireland. The findings were stark and could make worrying reading for any Audit Committee, as survey responses unveiled:

- Fear of speaking out about key findings, including around financial sustainability;
- Difficulty in discussing financial assurance matters with Audit Committee members in public meetings;
- Lack of member understanding of the work of internal audit; and
- Insufficient staffing and inability to recruit to vacant posts, affecting completion of the Internal Audit plan.

New Global Internal Audit Standards (GIAS) are due to come into effect in January 2025 and can be adopted now if entities wish. They include considerations specifically for the public sector.

Respective responsibilities for members and management around supporting, overseeing, and resourcing the internal audit function can be found in the CIIA report.

Audit committees and senior management in local government should consider whether any of the findings are relevant to their organisation and, if so, consider using the transition to the new GIAS as an opportunity to challenge and revisit their practices.

For a full copy of the Institute's findings, see [An evaluation of the health of internal audit in local authorities.pdf](#) (iia.org.uk)

Summary of respective responsibilities to provide:

Support:

Audit committee

Champion the internal audit function.

Senior management

Support recognition of the function throughout the organisation.

Oversight:

Audit committee

Gain an understanding of Internal Audit findings.

Discuss any disagreements with the Chief Executive and senior management.

Senior management

Assist members in understanding the effectiveness of the organisation's governance, risk management and control processes and escalate to members any matters of importance.

Resources:

Audit committee

Discuss the sufficiency of resources, both in numbers and capabilities, at least annually.

Senior Management

Engage with members to provide sufficient resources and resolve any issues around resourcing.

Annual review of local government complaints

The Local Government and Social Care Ombudsman's latest Annual Review of Local Government Complaints was published in July 2024.

The review shows that nationally, there has been an increase in the number of complaints received, an increase in the number of complaints upheld, and ongoing issues within special educational needs; housing; and adult social care services.

The review argues that complaints can be seen as a valuable source of information, and it encourages councils to use complaints information to identify early warning signs of service failure. It includes best practice resources to help councils take valuable learning from complaints, including a performance map and data tables.

Readers are advised by the review to consider, using the interactive data for those councils they are interested in:

- Uphold rates;
- Suitable remedy rates;
- Compliance rates; and
- The nature of service improvement recommendations made.

Councils should bear in mind that since April 2024 [new overview and scrutiny: statutory guidance for councils, combined authorities and combined county authorities](#) recommends that scrutiny committee work programmes are informed by the reports and recommendations issued by the Ombudsman.

For a full copy of the Ombudsman's Annual Review, see [Annual Review of Local Government Complaints](#).



Homelessness and housing targets

The National Audit Office (NAO) published a report in July 2024 on the effectiveness of government in tackling homelessness.

The report noted that homelessness is now at the highest level since comparable data collection began in the early 2000s, despite local government spending on homelessness services having more than doubled since 2010/11. The report also noted that a co-ordinated government response is difficult because there was, at the time of writing the report, no strategy or published target for statutory homelessness; and, again at the time of writing the report, the Department for Levelling Up, Housing and Communities had limited power to influence other government departments' decisions on cross-cutting matters that can affect homelessness services.

The National Audit Office argued that homelessness funding is fragmented and generally short-term, inhibiting homelessness prevention work and limiting investment in good-quality temporary accommodation or other forms of housing.

New housebuilding targets announced by the new government on 30th July may help, but consistent funding and a move away from short termism and a clear strategy are also going to be essential levers that national and local government are now going to have to develop.

For a copy of the National Audit Office report, see [the effectiveness of government in tackling homelessness \(nao.org.uk\)](https://nao.org.uk).

For the government's new housebuilding targets, see [Housing targets increased to get Britain building again - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

£2.44bn

Spent by local government in 2022/23 on homelessness services

60%

Proportion of local government 2022/23 total gross expenditure on housing services (excluding that relating to their own housing) that was used to deal with homelessness, up from 25% in 2010/11

15

Cross-government boards that have a remit relevant to homelessness



National Audit Office



New approaches needed to key educational issues

Two recent reports highlighted weaknesses in the educational system that councils have to work with. Both include recommendations for the new government, intended to give disadvantaged children and children with special educational needs and disabilities better outcomes for the money spent.

On 23rd July 2024, the National Audit Office (NAO) published its report on [Improving educational outcomes for disadvantaged children \(nao.org.uk\)](https://www.nao.org.uk/publications/2024/july/improving-educational-outcomes-for-disadvantaged-children/), noting that disadvantaged children include those who are currently, or have previously been, looked after by the council.

The report highlighted that the government spends an estimated £9.2 billion on supporting disadvantaged children and narrowing the attainment gap between them and their peers, but that disadvantaged children still perform less well than their peers across all areas and across all school phases.

Two days later, on 25th July, the ISOS Partnership published an [independent report commissioned by the County Councils network and the Local Government Association](#) showing that educational attainment amongst children with special educational needs and disabilities (SEND) has not improved since 2014, despite councils being projected to spend £12 billion on these services by 2026 (compared to £4 billion a decade ago).

Going forward for SEND, local government could play a pivotal role in delivering any changes of policy. It is important for members to be aware of the changes that could happen in future. The ISOS partnership recommends that the new government:

- Invests in building capacity in mainstream schools to meet children's needs, such as therapists, educational psychologists, and wider inclusion support, helping to reduce the reliance on specialist school places;
- Resets the vision and guiding principles of the SEND system towards inclusion, prevention and earlier support which would cater for young people who do not have a statutory plan, with such plans reserved for the most complex cases;
- Provides a new 'national framework' for SEND;
- Establishes 'Local Inclusion Partnerships' to enable more effective assessments, commissioning and collaboration between councils, schools and health; and
- Creates a National Institute for Inclusive Education as an independent arbiter around inclusive education and support for children and young people with additional needs.



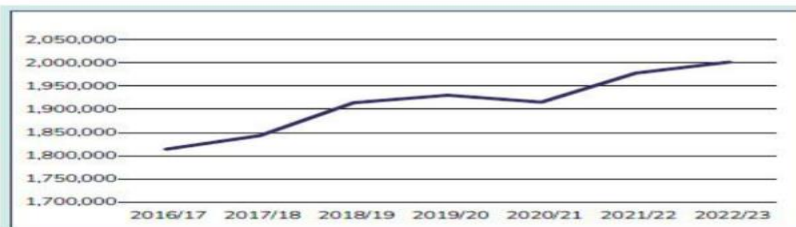
Demand management for social care

In July 2024 CIPFA published a guide to managing rising demand in adult and children's social care, drawing on lessons from nineteen different English councils.

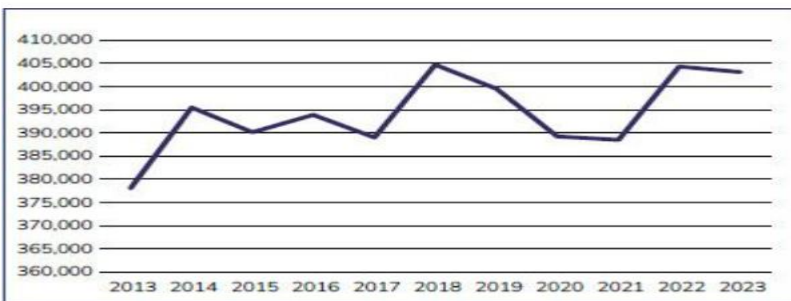
Having highlighted that requests for adult social care and the number of children in need are both rising, CIPFA shared examples of good practice around:

- Adult Social Care – Market management; transitions; transformation and innovation; and
- Children's Social Care - Market management; transitions; transformation and innovation.

Rise in the demand for adult social care support for new clients:



Rise in the number of children in need:



The report shows the importance of strong corporate and leadership buy-in; utilising funding and resources from diverse sources; focusing on improving outcomes; making use of monitoring, forecasting and benchmarking tools; and investing in preventative action. However, CIPFA also highlighted the specific contributions that innovative finance professionals can make:

- Financial oversight, analysis and management;
- Grant and resource management;
- Compliance, reporting and risk management;
- Evidence-based decision making and communication;
- Monitoring, forecasting and benchmarking;
- Strategic thinking;
- Funding maximisation;
- Business case and scenario planning;
- Sustainable commissioning; and
- Data utilisation, monitoring and evaluation.

The examples of proactive work by professionals from across the nineteen councils show how co-operation can make a real difference. For more details on the report, see [Managing rising demand in adult and children's social care \[cipfa.org\]](https://cipfa.org).

The social landlord role – what can councils do better?

The Housing Ombudsman published its latest Insight Report in July 2024: [Insight report - Issue 17 \(housing-ombudsman.org.uk\)](https://www.housing-ombudsman.org.uk/insight-report-issue-17)

The report focused on London – noting that 47% of the cases determined by the Ombudsman in 2023/24 were from residents living in a London postcode, despite the fact that just under one in six homes in the Ombudsman’s membership is located within Greater London.

No other region of England has such a wide gap between the proportion of social housing and complaints, but the Ombudsman noted that outside Greater London, other councils and landlords should also take note of the recommendations and learning points, especially in other urban areas, as they provide vital indicators of where things go wrong and how to stop that from happening.



The report recommends that landlords:

- Foster a positive complaints culture - leadership and governance should be seen to support the complaints’ function, including promoting internal cooperation and engagement with the complaints process;
- Don’t lose sight of the person at the centre of a complaints issue – try to ameliorate the impact of issues outside the landlord’s full control and avoid blame. Be clear about landlord responsibilities where resolution involves dealing with third parties;
- Show that the resident’s experience is important – ensure that details are taken and recorded appropriately so that residents feel listened to; the right solution is found to resolve the issue swiftly; and the communication to the resident is courteous and accurate;
- Remember that complaint handling is a landlord’s opportunity to regain a resident’s trust after they have had a bad experience; and
- Use insight and intelligence from complaints strategically. This ranges from effective root cause analysis of casework through to identifying risks and horizon scanning.

The report makes good reading for members looking to better understand how they can help to stop things going wrong in the council’s relationship with residents.



Devolution

On 16th July 2024, the new Deputy Prime Minister wrote a [Letter to Local Leaders](#) setting out the new government's ambition to:

- Devolve new powers over transport, skills, housing, planning and employment support;
- Provide more regions with integrated settlement and with access to financial flexibility;
- Move away from a deal-based approach, “setting out clear conditions and a clear offer in return for places seeking devolution agreement”; and
- Enshrine a presumption towards devolution, so that places can take on new powers automatically if they meet certain conditions.

In the English Devolution Bill one day later, the government started arrangements to legalise a new devolution framework; address within it growth drivers such as employment and planning; and make devolution the “default setting”.

How and when the details of the new devolution revolution will work remains to be seen, but the Deputy Prime Minister has made it clear that new arrangements will be tailored to sensible economic geographies so that local leaders can act at the scale needed to effectively deploy their powers. In most cases that will require councils to come together in new combined authorities. Councils are now encouraged to begin discussions with their neighbouring authorities on this basis.

Members will need to start asking themselves both how ready their organisation is, and how ready their neighbours are.



Ministry of Housing, Communities & Local Government



Audit Committee resources

The Audit Committee and organisational effectiveness in local authorities (CIPFA):

<https://www.cipfa.org/services/support-for-audit-committees/local-authority-audit-committees>

LGA Regional Audit Forums for Audit Committee Chairs

These are convened at least three times a year and are supported by the LGA. The forums provide an opportunity to share good practice, discuss common issues and offer training on key topics. Forums are organised by a lead authority in each region. Please email ami.beeton@local.gov.uk LGA Senior Adviser, for more information.

Public Sector Internal Audit Standards

<https://www.gov.uk/government/publications/public-sector-internal-audit-standards>

Code of Audit Practice for local auditors (NAO):

<https://www.nao.org.uk/code-audit-practice/>

Governance risk and resilience framework: material for those with a leadership responsibility on good governance (CfGS):

<https://www.cfgs.org.uk/material-for-those-with-a-leadership-responsibility-on-good-governance/>

The Three Lines of Defence Model (IAA)

<https://www.theiia.org/globalassets/documents/resources/the-iias-three-lines-model-an-update-of-the-three-lines-of-defense-july-2020/three-lines-model-updated-english.pdf>

Risk Management Guidance / The Orange Book (UK Government):

<https://www.gov.uk/government/publications/orange-book>

CIPFA Guidance and Codes

The following all have a charge, so do make enquiries to determine if copies are available within your organisation.

Audit Committees: Practical Guidance For Local Authorities And Police

<https://www.cipfa.org/policy-and-guidance/publications/a/audit-committees-practical-guidance-for-local-authorities-and-police-2022-edition>

Delivering Good Governance in Local Government

<https://www.cipfa.org/policy-and-guidance/publications/d/delivering-good-governance-in-local-government-framework-2016-edition>

Financial Management Code

<https://www.cipfa.org/fmcode>

Prudential Code

<https://www.cipfa.org/policy-and-guidance/publications/t/the-prudential-code-for-capital-finance-in-local-authorities-2021-edition>

Treasury Management Code

<https://www.cipfa.org/policy-and-guidance/publications/t/treasury-management-in-the-public-services-code-of-practice-and-crosssectoral-guidance-notes-2021-edition>

