

	Full Council 23 February 2026
	Report from the Chief Executive
	Lead Member – Deputy Leader & Cabinet Member for Finance & Resources (Councillor Mili Patel)
Auditor’s Annual Report on the London Borough of Brent	

Wards Affected:	All
Key or Non-Key Decision:	Council
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	One Appendix A: Auditor’s Annual Report on the London Borough of Brent
Background Papers:	N/A
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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 2024/25 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 as 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) in respect of economy, efficiency and effectiveness in its use of resources. This includes taking properly informed decisions and managing key operational and financial risks so that the Council can deliver its objectives and safeguard public money. 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 annual report has put forward three key recommendations focusing on financial sustainability, governance and improving economy, efficiency and effectiveness. In summary, the recommendations emphasise the importance of setting realistic future budgets to avoid drawing down on reserves to fund in-year overspends and ensuring improvements in compliance in the housing service. These recommendations have been acknowledged, and action plans have been put in place to address the matters raised.

3.2.4 The report also recognises that despite the significant financial challenges faced by local authorities, the Council continues to perform well with a recent Local Government Association Peer Challenge recognising the Council's strong track record in delivering services and managing performance. The auditors found that the Council's arrangements for managing risk are adequate and has been improving arrangements in respect of its performance management framework.

3.2.5 All of the recommendations have been accepted, and management responses have been provided. Delivery of actions will be reported to Cabinet as part of future budget reports.

3.2.6 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 and Cabinet prior to its submission to Council.

5.0 Financial Consideration

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

6.0 Legal Considerations

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

7.0 Equity, Diversity & Inclusion (EDI) Considerations

7.1 There are no equality, diversity and inclusion (EDI) considerations.

8.0 Climate Change and Environmental Considerations

8.1 There are no climate change and environment considerations.

9.0 Human Resources/Property Considerations

9.1 There are no human resources/property considerations.

10.0 Communication Considerations

10.1 There are no communications considerations.

Report sign off:

Minesh Patel

Corporate Director of Finance &
Resources