

By: Rosalind Binks – Chair of Governance and Audit Committee
Ben Watts - General Counsel

To: County Council

Date: 12 September 2024

Subject: External Auditor's Annual Report and Value for Money Conclusions
2022/23

Summary: The appended report provides the External Auditor's opinion on the Council's annual financial statements and provides a value for money conclusion. Review for assurance of this is the responsibility of the Governance & Audit Committee, however in line with relevant CIPFA recommendations, the Audit Opinion is now presented to Council for consideration and noting.

1) Introduction

- a) In February 2024, the Council's External Auditor (Grant Thornton UK LLP) issued their Annual Report. The report enables Grant Thornton to discharge their responsibilities as External Auditor in accordance with the Local Audit and Accountability Act 2014 (the Act) and the National Audit Office Code of Practice, this includes reporting on:
- Financial sustainability
 - Governance; and
 - Improving economy, efficiency, and effectiveness.
- b) The Act also requires the External Auditor to issue an opinion each year as to whether the Council's Financial Statements give a fair view of the financial position of the Council and have been prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code.

2) Governance and Audit Committee's Responsibility

- a) In accordance with CIPFA's Position Statement 2022, the Committee is responsible for considering the opinion and recommendations of External Audit and their implications for governance, risk management or control, and for monitoring management action in response to the issues raised by external audit.
- b) The Governance and Audit (G&A) Committee received the report at their meeting on Thursday, 1st February 2024 and noted the report for assurance. Details of their consideration are available in the relevant meeting minutes. For reference and the reassurance of the Council, the G&A Committee monitors and considers the relevant activity arising from the opinion as part of its work programme and thus considers how the organisation responds to any audit opinion.

- c) Throughout the year, the Committee checks on progress and a detailed update will be going to the November meeting of the Committee.
- d) As part of improvements that the Council has made to our governance, last year this report was brought to the County Council for the first time, with the intention that it be brought annually thereafter. As with last year, the County Council will have the opportunity at the meeting on 12 September 2024 to hear from Mr Paul Dossett who is the lead auditor for Grant Thornton.

3) RECOMMENDATION

County Council is asked to note External Audit Annual Report 2022-23 (appended).

4) Appendices

Appendix: Grant Thornton's Audit Report 2022/23

5) Background Documents

CIPFA's Position Statement: Audit Committees in Local Authorities and Police 2022 – <https://www.cipfa.org/services/support-for-audit-committees>

Agenda Item, External Audit Annual Report for 2022-23 – <https://democracy.kent.gov.uk:9071/ieListDocuments.aspx?CId=144&MIId=9239>

6) Report Author and relevant Director

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