

# Report to Audit and Risk Assurance Committee

**12 December 2024**

<b>Subject:</b>	Grant Thornton Report – Annual Audit Report 2023/ 24
<b>Director:</b>	Alex Thompson Executive Director of Finance of Transformation
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## **1 Recommendation**

- 1.1 To review and comment upon Grant Thornton’s report – “Auditor’s Annual Report on Sandwell Metropolitan Borough Council – 2023/24”.

## **2 Reasons for Recommendation**

- 2.1 Grant Thornton has issued the Council with its “auditor’s annual report”. The Audit and Risk Assurance Committee is asked to review the report, to note Grant Thornton’s recommendations, and to consider the Council’s responses to those recommendations.

## **3 How does this deliver objectives of the Council Plan?**

- 3.1 The work of the Council’s external auditors is an important element of the accountability and transparency of the council’s financial arrangements, and those arrangements help to support all of the council’s objectives.

## **4 Context and Key Issues**

- 4.1 All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives to safeguard public money.
- 4.2 The Council's external auditors (Grant Thornton) are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy themselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the National Audit Office requires Grant Thornton to report its findings to the Council in relation to these "value for money" arrangements.
- 4.3 Grant Thornton has carried out its annual Value for Money assessment, which focuses on three themes:
- Financial sustainability
  - Governance
  - Economy, efficiency and effectiveness
- 4.4 Following its assessment, Grant Thornton has issued a report to the Council, setting out its findings and any recommendations for improvement. Where such recommendations have been made, the Council has responded to Grant Thornton, setting out the action that the Council has taken, or will take, in response to the recommendations, and those Council responses are included within the report as "Management comments".

## **5 Alternative Options**

- 5.1 The purpose of the report is to inform the Audit and Risk Assurance Committee of Grant Thornton's "auditor's annual report". As such, there is no alternative option.

## 6 Implications

<b>Resources:</b>	Grant Thornton's report includes a review of the Council's financial sustainability, which is set out on pages 13-23 of the report, and a review of economy, efficiency and effectiveness, which is set out on pages 32-43 of the report.
<b>Legal and Governance:</b>	Grant Thornton's report includes a review of the Council's governance arrangements, which is set out on pages 24-31 of the report.
<b>Risk:</b>	The recommendations and agreed actions detailed within Grant Thornton's report are designed to mitigate risks.
<b>Equality:</b>	It was not necessary to undertake an Equality Impact Assessment.
<b>Health and Wellbeing:</b>	There are no direct health and wellbeing implications from this report.
<b>Social Value</b>	There are no direct social value implications from this report.
<b>Climate Change</b>	There are no direct climate change implications from this report.
<b>Corporate Parenting</b>	There are no direct corporate parenting implications from this report.

## 7. Appendices

Appendix One - Grant Thornton's "Auditor's Annual Report on Sandwell Metropolitan Borough Council – 2023/24"

## 8. Background Papers

Grant Thornton's "Interim Auditor's Annual Report on Sandwell Council – 2022/23"