

REPORT TO: Audit & Governance Board
DATE: 20 March 2024
REPORTING OFFICER: Operational Director, Finance
PORTFOLIO: Corporate Services
SUBJECT: External Audit Annual Report 2022/23
WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 To consider the 2022/23 External Audit Annual Report shown in the Appendix, which will be presented by the Council's external auditor, Grant Thornton UK LLP.

2.0 RECOMMENDED: That the contents of the 2022/23 External Audit Annual Report shown in the appendix be noted, including the recommendations contained within the Report.

3.0 SUPPORTING INFORMATION

3.1 The External Auditor is required to consider whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. The Annual Report details the Council's overall arrangements, as well as providing key recommendations regarding any significant weaknesses identified during the review. In addition, improvement recommendations are made which the Council may also decide to implement.

3.2 External Audit is required to report under three specific criteria, being:

- Financial Sustainability
- Governance
- Improving Economy, Efficiency and Effectiveness

3.3 The report provides details of the findings of the External Auditor's review, which will be presented at the Board by Grant Thornton UK LLP.

4.0 POLICY IMPLICATIONS

4.1 None.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The report provides an external viewpoint on the financial sustainability of the Council. As is now the case for many local authorities, there are significant financial challenges for the Council in balancing future year budgets and managing spending within budgets.
- 5.2 The report identifies four significant weaknesses regarding the arrangements the Council has in place to secure financial sustainability and makes key recommendations in this respect. Management's responses to those recommendations are included within the report.
- 5.3 In addition, seven improvement recommendations are identified within the report, along with management's responses.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 6.1 Children and Young People in Halton
- 6.2 Employment, Learning and Skills in Halton
- 6.3 A Healthy Halton
- 6.4 A Safer Halton
- 6.5 Halton's Urban Renewal

There are no implications for any of the Council's priorities listed above.

7.0 RISK ANALYSIS

- 7.1 The risks that have been considered as part of the Council having in place arrangements to secure economy, efficiency and effectiveness, are detailed in the attached report.

8.0 EQUALITY AND DIVERSITY ISSUES

- 8.1 None.

9.0 CLIMATE CHANGE IMPLICATIONS

- 9.1 None.

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

- 10.1 None under the meaning of the Act.