



Auditor's Annual Report for Wokingham Borough Council

Year ended 31 March 2024

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February 2025

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This report is addressed to Wokingham Borough Council ('the Council'). We take no responsibility to any member of staff acting in their individual capacities, or to third parties.

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

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01

Executive Summary



Executive Summary



Purpose of the Auditor's Annual Report

This Auditor's Annual Report provides a summary of the findings and key issues arising from our 2023-24 audit of Wokingham Borough Council (the 'Council'). This report has been prepared in line with the requirements set out in the Code of Audit Practice published by the National Audit Office and is required to be published by the Council alongside the annual report and accounts.

Our responsibilities

The statutory responsibilities and powers of appointed auditors are set out in the Local Audit and Accountability Act 2014. In line with this we provide conclusions on the following matters:



Accounts - We provide an opinion as to whether the accounts give a true and fair view of the financial position of the Council and of its income and expenditure during the year. We confirm whether the accounts have been prepared in line with the CIPFA/LASSAC Code of Practice in Local Authority Accounting ('the Code').



Narrative report - We assess whether the narrative report is consistent with our knowledge of the Council.



Value for money - We assess the arrangements in place for securing economy, efficiency and effectiveness (value for money) in the Council's use of resources and provide a summary of our findings in the commentary in this report. We are required to report if we have identified any significant weaknesses as a result of this work.



Other powers - We may exercise other powers we have under Local Audit and Accountability Act. These include issuing a Public Interest Report, issuing statutory recommendations, issuing an Advisory Notice, applying for a judicial review, or applying to the courts to have an item of expenditure declared unlawful.

In addition to the above, we respond to valid objections received from electors.

Findings

We have set out below a summary of the conclusions that we provided in respect of our responsibilities.

Accounts	We issued a disclaimed opinion on the Council accounts on 26 February 2025. We have provided further details of the key risks we identified and our response on page 8.
Narrative report	We did not identify any significant inconsistencies between the content of the narrative report and our knowledge of the Council.
Value for money	We are required to give an opinion as to whether the Council has appropriate arrangements in place to secure economy, efficiency, and effectiveness in the use of resources. Our opinion is that the Council does have appropriate arrangements in place. We identified no significant weaknesses in respect of arrangements to secure economy, efficiency, and effectiveness in the use of resources. Further details are set out on page 11.
Other powers	See overleaf.

Executive Summary



There are several actions we can take as part of our wider powers under the Local Audit and Accountability Act:

Public interest reports

We may issue a Public Interest Report if we believe there are matters that should be brought to the attention of the public.

If we issue a Public Interest Report, the Council is required to consider it and to bring it to the attention of the public.

We have not issued a Public Interest Report this year.

Judicial review/Declaration by the courts

We may apply to the courts for a judicial review in relation to an action the Council is taking. We may also apply to the courts for a declaration that an item of expenditure the Council has incurred is unlawful.

We have not applied to the courts this year.

Recommendations

We can make recommendations to the Council. These fall into two categories:

1. We can make a statutory recommendation under Schedule 7 of the Local Audit and Accountability Act. If we do this, the Council must consider the matter at a general meeting and notify us of the action it intends to take (if any). We also send a copy of this recommendation to the relevant Secretary of State.
2. We can also make other recommendations. If we do this, the Council does not need to take any action, however should the Council provide us with a response, we will include it within this report.

We made no recommendations under Schedule 7 of the Local Audit and Accountability Act.

Advisory notice

We may issue an advisory notice if we believe that the Council has, or is about to, incur an unlawful item of expenditure or has, or is about to, take a course of action which may result in a significant loss or deficiency.

If we issue an advisory notice, the Council is required to stop the course of action for 21 days, consider the notice at a general meeting, and then notify us of the action it intends to take and why.

We have not issued an advisory notice this year.

In addition to these powers, we can make performance improvement observations to make helpful suggestions to the Council. Where we raise observations we report these to management and the Audit Committee. The Council is not required to take any action to these, however it is good practice to do so and we have included any responses that the Council has given us.

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Audit of the financial statements



Audit of the financial statements



This is example text, based on the current draft wording of our disclaimer opinion. For the avoidance of doubt, The inability for us to obtain sufficient appropriate audit evidence is limited to the lack of audit opinions from prior years, and not the council's ability to provide us with the appropriate information. This is the position of councils that have received disclaimer of opinions in prior years, and is consistent with the guidance contained in the Local Audit Reset and Recovery Implementation Guidance (LARRIGS).

KPMG provides an independent opinion on whether the Council's financial statements:

- Give a true and fair view of the financial position of the Council as at 31 March 2024 and of Council's income and expenditure for the year then ended; and
- Have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24.

We conduct our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. We also fulfil our ethical responsibilities under, and ensure we are independent of the Council in accordance with, UK ethical requirements including the FRC Ethical Standard. We are required to ensure that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Our audit opinion on the financial statements

We have not expressed an opinion on the financial statements.

The Accounts and Audit (Amendment) Regulations 2024 (the "Amendment Regulations") require the Council to publish its financial statements and our opinion thereon for the year ended 31 March 2024 by 28 February 2025 (the "Backstop Date").

We have been unable to obtain sufficient appropriate audit evidence over a number of areas of the financial statements as we have been unable to perform the procedures that we consider necessary to form our opinion on the financial statements ahead of the Backstop Date. These areas include, but were not limited to the opening balances and therefore capital grants receipts in advance, taxation and non-specific grant income, and the balance of, and movements in, usable and unusable reserves for the year ended 31 March 2024

In addition, we have been unable to obtain sufficient appropriate evidence over the disclosed comparative figures for the year ended 31 March 2023 due to the Backstop Date. Therefore, we were unable to determine whether any adjustments were necessary to the opening balances as at 1 April 2023 or whether there were any consequential effects on the Council's income and expenditure for the year ended 31 March 2024.

Any adjustments from the above matters would have a consequential effect on the Council's net assets and the split between usable reserves and unusable reserves as at 31 March 2024 and 31 March 2023, the Collection Fund and on its income and expenditure and cash flows for the years then ended.

The full audit report is included in the Council's Annual Report and Accounts for 2023/24 which can be obtained from the Council's website. Further information on our audit of the financial statements is set out overleaf.

Audit of the financial statements



The table below summarises the key financial statement audit risks that we identified to our audit opinion as part of our risk assessment and how we responded to these through our audit.

Significant financial statement audit risk	Procedures undertaken	Findings
<p>Valuation of land and buildings</p> <p>There is a risk that the amount in the accounts does not accurately represent the fair value of the asset.</p>	<p>We critically assessed the independence, objectivity and expertise of the valuers used and the instructions provided to them, in developing the valuation of the Council’s properties at 31 March 2024, including £268.6 million of Council dwellings, £475.9 million of Other Land & Buildings and £2.0 million of surplus assets. £254.6 million of these assets were subject to revaluation this year.</p> <p>We compared the accuracy of the data provided to the valuers for the development of the valuation to underlying information;</p> <p>We evaluated the design and implementation of controls in place for management to review the valuation and the appropriateness of assumptions used;</p> <p>We challenged the appropriateness of the valuation of land and buildings; including any material movements from the previous revaluations. We challenged key assumptions within the valuation as part of our judgement;</p> <p>We agreed the calculations performed of the movements in value of land and buildings and verified that these have been accurately accounted for in line with the requirements of the CIPFA Code; and</p> <p>Disclosures: We considered the adequacy of the disclosures concerning the key judgements and degree of estimation involved in arriving at the valuation.</p>	<p>We did not identify any material misstatements relating to this risk.</p> <p>We raised a recommendation relating to increased management review of valuation outputs.</p> <p>We considered the estimate to be balanced based on the procedures performed.</p>
<p>Valuation of investment property</p> <p>There is a risk that the amount in the accounts does not accurately represent the fair value of the asset.</p>	<p>Procedures performed are the same as those performed for land and buildings above, except investment property is valued differently, so we have evaluated in line with the relevant standards and the CIPFA Code.</p> <p>The Council has a £31.1 million portfolio, primarily consisting of industrial and retail units.</p>	<p>We found the valuation of investment property to be balanced.</p> <p>We raised a similar recommendation to the above regarding management review of valuation outputs.</p>

Audit of the financial statements



Significant financial statement audit risk	Procedures undertaken	Findings
<p>Management override of controls</p> <p>Management are in a unique position to manipulate or circumvent the systems in place.</p>	<p>Assessed accounting estimates for biases by evaluating whether judgements and decisions in making accounting estimates, even if individually reasonable, indicate a possible bias.</p> <p>Evaluated the selection and application of accounting policies.</p> <p>In line with our methodology, evaluated the design and implementation of controls over journal entries and post closing adjustments.</p> <p>Assessed the appropriateness of changes compared to the prior year to the methods and underlying assumptions used to prepare accounting estimates.</p> <p>We analysed all journals through the year and focused our testing on those with a higher risk.</p>	<p>We did not identify any material misstatements relating to this risk.</p>
<p>Valuation of post retirement benefit obligations</p> <p>The amount estimated for pension liability in the accounts is not accurate.</p>	<p>Understood the processes and controls the Council have in place to set the assumptions used in the valuation;</p> <p>Assessed the actuary and the methodology/key assumptions made;</p> <p>Checked and re-calculated using data provided by the Council;</p> <p>Challenged, with the support of our own actuarial specialists, the key assumptions applied, being the discount rate, inflation rate and mortality/life expectancy against externally derived data;</p> <p>Confirmed the accounting treatment and disclosures made are accurate and in line with the CIPFA Code.</p>	<p>Our testing of the underlying scheme assets identified no errors</p> <p>We concluded that the assumptions adopted by WBC (both individually and in aggregate) were balanced and within KPMG’s acceptable range</p> <p>Wokingham Borough’s net position as at 31 March 2024 is a £99.3 million liability (2023: £119.7 million).</p>

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Value for Money



Value for Money



Introduction

We are required to consider whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources or ‘value for money’. We consider whether there are sufficient arrangements in place for the Council for the following criteria, as defined by the National Audit Office (NAO) in their Code of Audit Practice:



Financial sustainability: How the Council plans and manages its resources to ensure it can continue to deliver its services.



Governance: How the Council ensures that it makes informed decisions and properly manages its risks.



Improving economy, efficiency and effectiveness: How the Council uses information about its costs and performance to improve the way it manages and delivers its services

Approach

We undertake risk assessment procedures in order to assess whether there are any risks that value for money is not being achieved. This is prepared by considering the findings from other regulators and auditors, records from the organisation and performing procedures to assess the design of key systems at the organisation that give assurance over value for money.

Where a significant risk is identified we perform further procedures in order to consider whether there are significant weaknesses in the processes in place to achieve value for money.

We are required to report a summary of the work undertaken and the conclusions reached against each of the aforementioned reporting criteria in this Auditor’s Annual Report. We do this as part of our commentary on VFM arrangements over the following pages.

We also make recommendations where we identify weaknesses in arrangements or other matters that require attention from the Council. We make performance improvement observations where we identify opportunities to improve in areas where we have not identified any weaknesses.

Summary of findings

	Financial sustainability	Governance	Improving economy, efficiency and effectiveness
Commentary page reference	13	15	17
Identified risk of significant weakness?	x No	x No	x No
Actual significant weakness identified?	x No	x No	x No
2022-23 Findings	No significant weakness identified	No significant weakness identified	Significant weakness identified
Direction of travel	↔	↔	↔

Value for Money



National context

We use issues affecting Councils nationally to set the scene for our work. We assess if the issues below apply to this Council.

Financial performance

Over recent years, Councils have been expected to do more with less. Central government grants have been reduced, and the nature of central government support has become more uncertain in timing and amount. This has caused Councils to cut services and change the way that services are delivered in order to remain financially viable. Some Councils have initiated innovative plans to raise new funds, such as through increasing commercial activity. Some have questioned whether commercialisation activities open Councils to excessive risk or could be a poor use of taxpayer monies.

Some Councils have issued what are known as “section 114” notices, in this instance a declaration that they cannot generate sufficient resources to meet the costs they need to incur. In some instances, this has resulted in a need for exceptional financial support from central government (such as approval to sell council buildings to meet costs) and severe cutbacks to services.

Education

Many schools are now the responsibility of academy trusts, however some schools are still controlled and overseen by the local Council. Dedicated funding is provided by central government to run schools, however due to cost pressures many Councils have overspent against their central government allocation, particularly in relation to “high needs” expenditure (i.e. to support students with special educational needs and disability (SEND)). In response to this, the Department for Education has created the “safety valve” arrangement, where Councils are given additional funding whilst education costs are brought under control, with an expectation that schools reserves are brought back to break-even over time. When the safety valve arrangements end, some Councils are concerned that structural sustainability issues will not be resolved, and Councils will be financially unviable.

Infrastructure assets

Councils make use of their infrastructure assets data to support decisions in relation to roads, parks, and pavements they are responsible for. Some Councils have experienced issues with the quality of their records for infrastructure. From a financial reporting perspective, temporary arrangements have been put in place to ensure financial statements can be prepared whilst infrastructure records are improved. However, if records are not up to date, Councils will struggle to identify assets they are responsible for and when assets are life-expired and require replacement. That may result in a worsening quality of infrastructure that everyone depends on.

Local context

The Council has the same issues as most unitary authorities with demand for services and significant rises in inflation in the year ended outstripping the revenue streams used to fund them and the requirement to use reserves to fill the funding gap.

The challenges from inflation are made more acute due to the continued rise in demand including children with Special Educational Needs, children in care, and adults with learning difficulties, as well as the underlying needs of local residents rising in complexity.

The Council’s reserves in 2023/24 concluded with £9.5 million (2023 £9.6 million) in the General Fund, and are forecasted to rise to £10.7 million as at the end of the year i.e. 31 March 2025

The forecast budget variance in 24/25 currently shows a combined overspend of c £0.7 million based on December 2024 monitoring.

Management are aware of continued financial pressures with the dedicated schools grant, rising costs of care and certain significant services being contracted in the coming years, as well as the need for clarification over a longer-term funding model of Local Government.

Financial Sustainability



How the Council plans and manages its resources to ensure it can continue to deliver its services.

We have considered the following in our work:

- How the Council ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them;
- How the Council plans to bridge its funding gaps and identifies achievable savings;
- How the Council plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities;
- How the Council ensures that its financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning which may include working with other local public bodies as part of a wider system; and
- How the Council identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans.

Conclusion on financial sustainability

We did not identify a risk of significant weakness in the area of financial sustainability. This is due to the procedures performed during our risk assessment during November 2024 identifying the Council to have appropriate and effective processes in place to deliver financial sustainability in 2023/24.

Delivery of the financial plan and position on reserves

The Council set a balanced budget for the 23/24 financial year, with savings included of £11.8 million, recognising in the Medium Term Financial Plan that these were ambitious and included a contribution from existing earmarked reserves. The final position on the General Fund for the year saw a small decrease, leaving a balance of £9.5 million (£9.6 million 2022/23). The actual compared to budget reported through the Revenue Outturn Report for the financial year is a £1.8 million overspend, primarily driven by overspend in children’s services (£2.5 million) and adult social care of (£366k), both driven by inflation and above-expectation increase in demand for services.

The Council set a large capital development programme totalling £101.7 million for 2023/24. Total expenditure against this budget was £72 million, with savings across all directorates identified of £34.9 million, concentrated in Resources & Assets and Place & Growth. The Council has substantial carry forward in capital projects such as road infrastructure.

The reserves position is positive compared to other similar authorities as noted in the below extract from the CIPFA Resilience Index 2022-23 and other benchmarking (discussed in the *Improving Economy, Efficiency and Effectiveness* section).



Source: CIPFA Resilience Index 2022-23

Financial Sustainability



Forward look

A summary of the latest revenue position incorporating the outcome of the Local Government Finance Settlement, along with a Medium-Term Financial Plan (MTFP) update, was taken to the Overview & Scrutiny Committee in January 2025. It highlighted key strategic considerations and risks for the year to 31 March 2026, including the uncertainty regarding future funding. It highlighted a gap of £3.3 million, which is planned to be funded from reserves. The general fund balance is expected to be £10.2 million at March 2026.

The latest revenue and capital monitoring was taken to the Executive Board in January 2025 showing a net overspend of £9.4 million in year, mostly as a result of the increase in number and costs of high needs block care plans. The Council still has sufficient reserves, both earmarked and general in comparison to its peers.

The key risks faced by the Council are set out in the Council's Corporate Risk Register, which is regularly updated and reported to the Audit Committee. A summary of key financial risks, alongside appropriate mitigations were reported as part of the Chief Finance Officer's Report to the Executive Committee in January 2025, in advance of the consideration of setting council tax for 2025/2026 and agreeing the MTFP.



How the Council ensures that it makes informed decisions and properly manages its risks.

We have considered the following in our work:

- how the Council monitors and assesses risk and how the body gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud;
- how the Council approaches and carries out its annual budget setting process;
- how the Council ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed, including in relation to significant partnerships;
- how the Council ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency; and
- how the Council monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of management or Board members' behaviour.

Conclusion on governance arrangements

We did not identify a risk of significant weakness in the area of governance. This is due to the procedures performed during our risk assessment during November 2024 identifying the Council to have appropriate and effective processes in place to monitor and assess risk.

Risk management

The Council's guiding governance document is the Constitution, last updated in May 2022, which clearly lays out the structure and responsibilities of the Council, Councillors, its various Committees and interaction with citizens, as well as outlining the ethics and corporate governance policies. This is built on with the Council's Enterprise Risk Management Policy and Guidance, which further formalises the risk management structures within the authority and cements its approach to risk assessment.

Risks are discussed in individual project boards, directorate and senior management level, where they are added to the Corporate Risk Register, which is reviewed and scrutinised quarterly at Audit Committee, as well as challenged by the Risk Management Group. Risk Champions work with each Directorate Leadership Team to ensure these risks are incorporated into the service and financial plans. These are included within the Annual Governance Statement and the CFO's Annual Report, where financial in nature. Financial delivery risks are further scrutinised through the budget setting process and Overview and Scrutiny Board.

We consider The Council's approach to risk management is appropriate for an entity of its size and nature and the risk assessment policies in place are considered effective in monitoring and assessing risk.

The Head of Internal audit gave a conclusion of 'substantially complete and generally effective but with some improvements required' in their annual report to the Audit Committee in July 2024.

Fraud, Laws and Regulation and Officer compliance

The effectiveness of internal controls is monitored by the Audit Committee, through reporting from Internal Audit and Counter Fraud. The programme of work for each organisation is approved at the start of the financial year by the Audit Committee, following input by the Corporate Leader Team (CLT) and Executive. Any recommendations raised by Internal Audit or the Counter Fraud teams are reported to the Audit Committee. Our review of the Audit Committee papers confirmed that there were appropriate discussions and follow up of recommendations for both Internal Audit and Counter Fraud.



How the Council ensures that it makes informed decisions and properly manages its risks.

We have considered the following in our work:

- how the Council monitors and assesses risk and how the body gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud;
- how the Council approaches and carries out its annual budget setting process;
- how the Council ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed, including in relation to significant partnerships;
- how the Council ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency; and
- how the Council monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of management or Board members' behaviour.

Fraud, Laws and Regulation and Officer compliance (continued)

The Council has numerous policies included within the Constitution document, which clearly outline the expected behaviour of Councillors and officers in relation to areas such as Gifts and Hospitality, Whistleblowing Policy and Managing Conflicts of Interest, as well as Staff and Councillor Codes of Conduct. Specific guidance is in place for teams and managers via standards of behaviour for these roles.

Overall compliance with legislation, laws & regulations are monitored by management. Declarations of interest reviews are performed annually together with a policy for gifts and hospitality.

View from the regulators

The Council is subject to a number of regular inspections by the regulator. The latest Adult & Community Learning, Ofsted inspection is rated 'Good' (November 2022). The latest full inspection for Children's services published in May 2023 states the overall effectiveness 'Requires improvement to be good', however notes areas have improved significantly since the previous visit. A focused visit by the same regulator undertaken in February 2024 identified further 'significant progress', outlining the need however to continue to improve the consistency and quality of supervision and engaging parents and carers more fully in direct work with their children.

Improving economy, efficiency and effectiveness



How the Council uses information about its costs and performance to improve the way it manages and delivers its services

We have considered the following in our work:

- how financial and performance information has been used to assess performance to identify areas for improvement;
- how the Council evaluates the services it provides to assess performance and identify areas for improvement;
- how the Council ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives; and
- where the Council commissions or procures services, how it assesses whether it is realising the expected benefits.

Conclusion on arrangements for improving economy, efficiency and effectiveness

We did not identify a risk of significant weakness in the area of improving economy, efficiency and effectiveness. This is due to the procedures performed during our risk assessment during November 2024 identifying the Council to have appropriate and effective processes in place.

Assessing Value for Money and Opportunities for Improvement

The Council had an ambitious target regarding cost savings for the financial year 2023/24, with £11.8 million of savings included within budgets, which is around double of the year previous. Efficiencies were built into the budgeting process as previously outlined above. A similar level of savings were included in budgets for 2024/25 with £11 million of savings (not including reserves contribution). We will review progress to date against this plan for our final report.

Typically cost saving performance is reported as part of regular reporting to the Council, Executive and Leadership Team, allowing the Council to assess the level of value for money being achieved. The Overview and Scrutiny Committee also provide additional oversight and budgets are reviewed and managed on a regular quarterly basis through key performance indicators reported, with any expected significant variances escalated.

Monitoring of Performance of Services

Performance reporting and monitoring of efficiency plans occur at various levels, with each major saving identified in a Directorate assigned to key owners responsible for their delivery. This is reported through transformation boards and up to Executive, Council and via the Overview and Scrutiny Committee. KPMG have reviewed the in-depth reporting, which includes details of each saving identified in the MTFP, progress to date by monetary value, forecast savings, a RAG status and commentary where the variance is significant. At strategic level, quarterly reports are scrutinised by CLT and the above Committees.

Certain areas are under even greater scrutiny, such as Adult and Children's Services, where finance and activity data is both scrutinised monthly by CLT and more detailed analysis is performed on a quarterly basis to ensure tracking and mitigation is a 'live' process. Health and Children's Services have separate Scrutiny Committees that also review the strategic reporting.

Improving economy, efficiency and effectiveness



How the Council uses information about its costs and performance to improve the way it manages and delivers its services

We have considered the following in our work:

- how financial and performance information has been used to assess performance to identify areas for improvement;
- how the Council evaluates the services it provides to assess performance and identify areas for improvement;
- how the Council ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives; and
- where the Council commissions or procures services, how it assesses whether it is realising the expected benefits.

Benchmarking

The Council operate various benchmarking activities in conjunction with local partners and national benchmarking performed by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Local Government Association (LGA). Adult social care is also benchmarked on a quarterly basis as the Council submit finance and activity data to the South East Association of Directors of Adult Social Services (ADASS), where the outputs are shared with leadership and disseminated through management to teams to assist in performance improvement.

We have reviewed the CIPFA outputs for the Council. Current benchmarking on the CIPFA Financial Resilience Index is based on 2022-23 data, however its indicators of financial stress suggest the authority is lower risk compared to its Nearest Neighbours and other Unitary Authorities, with areas such as the 'Reserves Sustainability Measure' and 'Level of Reserves' near the lowest risk among the grouping.

The LGA Inform Value for Money Profiles were also reviewed by KPMG. We reviewed multiple metrics, including 'Total non schools reserves as a percentage of net current expenditure' among others. Although these show a reduction in overall reserves and an increase in spend in children social care and other demand-led services, the Council trends in the same direction as the mean for all English single tier local authorities and its value over time plots on the graph on the positive side of the mean.

Partnership Working, including Managing Outsourced Services

The Board receives regular updates regarding ongoing contract management of the significant and prime contracts with the council. This is also subject to review by the Overview & Scrutiny committee where required.

The Contract Management learning & Support Group provides a forum of best practice around management of the key contracts within the council and provides support for officers who manages the individual contracts.



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