

Annual Audit Letter

Sunderland City Council



For the year ended 31 March 2017



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Executive summary

Purpose of this report

Our Annual Audit Letter summarises the work we have undertaken as the auditor for Sunderland City Council ('the Council') for the year ended 31 March 2017. Although this letter is addressed to the Council, it is designed to be read by a wider audience including the public and other external stakeholders.

Our responsibilities are defined by the Local Audit and Accountability Act 2014 ('the 2014 Act') and the Code of Audit Practice issued by the National Audit Office ('the NAO'). The detailed sections of this letter provide details on those responsibilities, the work we have done to discharge them, and the key findings arising from our work. These are summarised below.

Area of work	Summary
Financial statements opinion	On 31 July 2017 we issued our opinion that: <ul style="list-style-type: none">the financial statements give a true and fair view of the Council and the Group's financial position as at 31 March 2017 and of its financial performance for the year then ended.
Opinions on other matters	On 31 July 2017 we issued our opinion that: <ul style="list-style-type: none">the Narrative Report published with the financial statements, is consistent with those financial statements.
Value for Money conclusion	On 31 July 2017 we issued our conclusion that the Council had proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources, 'except for' children's safeguarding services which were assessed as inadequate by Ofsted in July 2015.
Whole of Government Accounts	In line with instructions issued by the NAO, we issued our assurance certificate on 15 September 2017 which reported that the Council's consolidation pack was consistent with the audited financial statements.
Matters that we report by exception	We have not identified any matters to report in relation to: <ul style="list-style-type: none">whether the Annual Governance Statement is in line with our understanding of the Council and the requirements of the Delivering Good Governance in Local Government Framework 2016;reports in the public interest or written recommendations made under s24 of the 2014 Act;exercise of other powers under the 2014 Act.

As we have discharged all of our responsibilities under the 2014 Act for the 2016/17 audit, we certified the closure of the audit on 15 September 2017.

Audit of the financial statements

Financial statements opinion

Unqualified

The scope of our audit and the results of our work

The purpose of our audit is to provide reasonable assurance that the financial statements are free from material error. We do this by expressing an opinion on whether the statements are prepared, in all material respects, in line with the financial reporting framework applicable to the Council and the Group and whether they give a true and fair view of the Council and the Group's financial position as at 31 March 2017 and of the financial performance for the year then ended.

Our audit was conducted in accordance with the requirements of the Code of Audit Practice issued by the NAO, and International Standards on Auditing for the UK and Ireland (ISAs). These require us to consider whether:

- the accounting policies are appropriate to the Council and the Group's circumstances and have been consistently applied and adequately disclosed;
- the significant accounting estimates made by management in the preparation of the financial statements are reasonable; and
- the overall presentation of the financial statements provides a true and fair view.

Our approach to materiality

We apply the concept of materiality when planning and performing our audit, and when evaluating the effect of misstatements identified as part of our work. We consider the concept of materiality at numerous stages throughout the audit process, in particular when determining the nature, timing and extent of our audit procedures, and when evaluating the effect of uncorrected misstatements. An item is considered material if its misstatement or omission could reasonably be expected to influence the view of users of the financial statements.

Judgements about materiality are made in the light of surrounding circumstances and are affected by both qualitative and quantitative factors. As a result we have set materiality for the financial statements as a whole (financial statement materiality) and a lower level of materiality (specific materiality) for those items of account that we expect to attract a higher level of public interest. We also set a threshold for reporting identified misstatements to the Audit and Governance Committee. We call this our trivial threshold.

The table below provides details of the materiality levels applied in the audit of the financial statements for the year ended 31 March 2017:

Financial statement materiality	£9.95m (Group materiality £10m)
Specific materiality	We have applied a lower level of materiality to the following items of account: <ul style="list-style-type: none">• officers remuneration;• Members allowances; and• termination payments.
Trivial threshold	£298k

Our response to significant risks

As part of our continuous planning procedures we considered whether there were risks of material misstatement in the Council and the Group's financial statements that required special audit consideration. We reported significant risks identified at the planning stage to the Audit and Governance Committee within our Audit Strategy Memorandum and provided details of how we responded to those risks in our Audit Completion Report. The table below outlines the identified significant risks, the work we carried out on those risks and our conclusions. One new risk has been recorded since we issued our Audit Strategy Memorandum, in relation to the presumption of a risk of fraud in relation to revenue recognition.

Significant risk	How we addressed the risk	Audit conclusion
<p>Management override of control</p> <p>In all entities, management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such overrides could occur, we consider there to be a risk of material misstatement due to fraud and thus a significant risk on all audits.</p>	<p>We addressed this risk by performing audit work on:</p> <ul style="list-style-type: none"> • consideration and review of accounting estimates impacting on amounts included in the financial statements; • consideration and review of any unusual or significant transactions outside the normal course of business; and • journals recorded in the general ledger and other adjustments made in preparation of the financial statements. 	<p>Our work on the financial statements did not identify any manipulation of the financial position, and we did not identify any evidence of management override of controls.</p>
<p>Pension Entries</p> <p>The financial statements contain material pension entries in respect of retirement benefits. The calculation of these pension figures, both assets and liabilities, can be subject to significant volatility and include estimates based upon a complex interaction of actuarial assumptions. This results in an increased risk of material misstatement.</p>	<p>We discussed with key contacts any significant changes to the pension estimates prior to the preparation of the financial statements. In addition to our standard programme of work in this area, we also:</p> <ul style="list-style-type: none"> • evaluated the management controls in place to assess the reasonableness of the figures provided by the Actuary; and • considered the reasonableness of the Actuary's output, referring to an expert's report on all actuaries nationally which is commissioned annually by the NAO. 	<p>Our work confirmed that reasonable assumptions had been used by the actuary. The pension entries have been correctly reflected in the financial statements.</p>

Additional significant risk in relation to the presumption of a risk of fraud in relation to revenue recognition

Our previous decision to rebut the presumption of the risk of fraud in relation to revenue recognition has been challenged internally through our EQCR (External Quality Control Review) processes, and we have revisited our assessment as set out below.

Significant risk	How we addressed the risk	Audit conclusion
<p>Revenue recognition</p> <p>There is a risk of fraud in financial reporting relating to revenue recognition due to the potential to inappropriately record revenue in the wrong period.</p> <p>We have reviewed the Council's income sources, and determined that a significant risk exists in relation to one category of income, namely fees and charges.</p>	<p>We evaluated the design and implementation of controls to mitigate the risk of income being recognised in the wrong period. In addition, we will undertake a range of substantive procedures including:</p> <ul style="list-style-type: none">• testing a sample of income items throughout the financial year;• testing receipts in March, April and May 2017 to ensure that they had been recognised in the correct year; 'cut off' testing;• testing adjustment journals; and• obtaining direct confirmation of year-end bank balances and testing the reconciliations to the ledger. <p>To address the significant risk in relation to income from fees and charges we have applied a higher risk factor leading to higher sample sizes for this category of income. In addition, we applied an enhanced risk factor to 'cut off' testing which also resulted in higher sample sizes than would otherwise have been the case.</p>	<p>Our work on the financial statements provided us with the assurance we sought and there are no matters to bring to your attention.</p>

Key areas of management judgement

In addition, we also identified accounting for Property, Plant and Equipment as a key area of management judgement which we focused on during our audit.

Key areas of management judgement	How we addressed the risk	Audit conclusion
<p>Property, Plant and Equipment (PPE)</p> <p>PPE values and related accounting entries are based on valuations provided by your in-house valuer. This includes key judgements in relation to:</p> <ul style="list-style-type: none">• asset classifications;• identifying an appropriate valuation basis for each class of assets;• determining appropriate asset values;• assessments of the estimated useful lives of assets;• recognition of impairments or other significant changes in asset values; and• making the correct distinction between revenue and capital expenditure.	<p>We reviewed the arrangements in place for:</p> <ul style="list-style-type: none">• instructing the valuer and relying on their work;• maintaining an accurate fixed asset register;• establishing estimates of asset lives; and• identifying impairments. <p>We also carried out tests of detail on capital transactions, balances and disclosures in the accounts.</p>	<p>Our work confirmed that appropriate arrangements were in place for the work of the valuer and that the outcome of this work was properly reflected in the financial statements.</p> <p>Our wider testing of capital transactions, balances and disclosures in the accounts relating to PPE did not identify any significant issues that required reporting.</p>

Internal control recommendations

As part of our audit we considered the internal controls in place that are relevant to the preparation of the financial statements. We did this to design audit procedures that allow us to express our opinion on the financial statements, but this did not extend to us expressing an opinion on the effectiveness of internal controls. We did not identify any deficiencies that required reporting.

Value for Money conclusion

Value for Money conclusion

'Except for' qualification in relation to children's safeguarding services

Summary of our work

We are required to form a conclusion as to whether the Council made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out in order to form our conclusion, and sets out the criterion and sub-criteria that we are required to consider.

The overall criterion is that, 'in all significant respects, the Council had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.' To assist auditors in reaching a conclusion on this overall criterion, the following sub-criteria are set out by the NAO:

- informed decision making;
- sustainable resource deployment and
- working with partners and other third parties.

The following table provides commentary of our findings in respect of each of the sub-criteria and our judgement as to whether we have seen sufficient evidence that proper arrangements are in place.

Sub-criteria	Commentary	Arrangements in place?
Informed decision making Acting in the public interest, through demonstrating and applying the principles and values of sound governance. Understanding and using appropriate and reliable financial and performance information to support informed decision making and performance management. Reliable and timely financial reporting that supports the delivery of strategic priorities.	<p>The Council operates a Cabinet with a Leader model, and this is governed by a Constitution that includes the expected features for a governance framework in local government.</p> <p>The Council has a comprehensive Corporate Plan that sets out its priorities, including regenerating the city, safeguarding its residents and developing new models of working for the Council. The Council has made decisions in the context of public sector austerity and significant reductions in available resources.</p> <p>The Council has enhanced performance management arrangements for both delivering new initiatives and delivering day-to-day operational activity.</p>	Yes

Sub-criteria	Commentary	Arrangements in place?
<p>Informed decision making (continued)</p> <p>Acting in the public interest, through demonstrating and applying the principles and values of sound governance.</p> <p>Understanding and using appropriate and reliable financial and performance information to support informed decision making and performance management.</p> <p>Reliable and timely financial reporting that supports the delivery of strategic priorities.</p>	<p>A key priority is to improve children's safeguarding services, following an Ofsted inspection in July 2015, and work on this has been ongoing and a new children's company, Together for Children Sunderland Limited, went live from 1 April 2017.</p> <p>The Council is leading on the delivery of a number of major infrastructure and regeneration projects, including the creation of an International Advanced Manufacturing Park, a new Wear bridge and other transport improvements and development in the City Centre including the Vaux site.</p> <p>New decisions are supported by reports that outline appropriate options and relevant considerations, including references to financial, legal and performance issues where appropriate.</p> <p>There is evidence of financial reporting being used to deliver strategic objectives, for example, through the Medium Term Financial Strategy and in allocating resources to priority areas. In addition, regular financial reporting takes place, with formal reporting quarterly to the Cabinet.</p> <p>The Council's system of internal control is subject to Internal Audit using an in-house function, and for 2016/17, your internal auditors have given an opinion that there continues to be an adequate system of internal control.</p> <p>The assurance framework delivers assurance work that goes beyond traditional internal audit retrospective review of systems and includes a proactive ongoing assurance input as major initiatives and projects are being delivered.</p> <p>An Audit and Governance Committee is in place to oversee the governance framework, including risk management and internal audit, and approval of the Council's financial statements.</p> <p>We attend all Audit and Governance Committee meetings and have observed some good examples of challenge and oversight, including holding officers to account in relation to improvements in children's safeguarding services, information assurance and IT issues.</p>	<p>Yes</p>

Sub-criteria	Commentary	Arrangements in place?
<p>Sustainable resource deployment</p> <p>Planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions.</p> <p>Managing and utilising assets effectively to support the delivery of strategic priorities.</p> <p>Planning, organising and developing the workforce effectively to deliver strategic priorities.</p>	<p>The Council has made good progress in addressing the financial challenges from public sector austerity and has a proven track record of strong budget management and delivering planned budget reductions.</p> <p>In 2016/17, significant additional savings were delivered and there was a small underspend against budget.</p> <p>In the 2017/18 budget round the Council recorded its plans to deliver savings over the three year period 2017/18 to 2019/20. The budget identified a savings requirement of £74.4m over this period as a result of government grant reductions and financial pressures. Savings plans were put in place for the full three year period and at the time the budget was set there was a gap of £3.6m between savings required and measures identified.</p> <p>The focus is now on the delivery of the savings identified and bridging the relatively small budget gap.</p> <p>A major part of the Council's asset management strategy involved transferring its commercial property portfolio to its joint venture local asset-backed vehicle, Siglion LLP, with the aim of accelerating regeneration schemes, including initially the Vaux site, Chapelgarth and Seaburn.</p> <p>Workforce planning arrangements have been focused in recent years on implementing a new pay and grading structure, and on managing the downsizing of the workforce, particularly as the Council has implemented alternative models of service delivery, such as the establishment of the children's company.</p>	<p>Yes</p>

Sub-criteria	Commentary	Arrangements in place?
<p>Working with partners and other third parties</p> <p>Working with third parties effectively to deliver strategic priorities.</p> <p>Commissioning services effectively to support the delivery of strategic priorities.</p> <p>Procuring supplies and services effectively to support the delivery of strategic priorities.</p>	<p>One of the most important partnerships in terms of immediate budgetary pressures is with health bodies, for example, working with Sunderland Clinical Commissioning Group to reduce emergency admissions to hospital and provide as much support as possible in a social care setting.</p> <p>The Corporate Plan identifies key partnerships for the Council, which are managed through the following boards:</p> <ul style="list-style-type: none"> • Economic leadership board; • Education leadership board; • Health and wellbeing board; and the • Cultural and Safer Sunderland partnership boards. <p>During 2016/17 the Council carried out a review of governance and partnership arrangements, and agreed an action plan for further improvement.</p> <p>Commissioning and procurement are closely aligned. The Council has a corporate procurement function, with a range of commissioning activity in directorates. The Council's commissioning role has grown as it has extended its use of alternative models of service delivery.</p> <p>Procurement procedures are in place and the Council maintains a contracts register. The Council seeks to achieve best value from the procurement process, driving savings where possible, but also aiming to deliver sustainable services. The Council has a corporate team to oversee procurement.</p> <p>As part of our work on the VFM conclusion we consider the information in VFM profiles, which provides comparative data with other similar authorities on costs and other measures.</p> <p>Although there are variations in the costs within and between services, overall, the Council compares favourably with the authorities in its comparator group.</p>	<p>Yes</p>

Significant Value for Money risks

The NAO's guidance requires us to carry out work to identify whether or not an audit risk to our Value for Money conclusion exists. Risk, in the context of our work, is the risk that we come to an incorrect conclusion rather than the risk of the arrangements in place at the Council being inadequate. In our Audit Strategy Memorandum, we reported that we had identified two significant Value for Money risks. The work we carried out in relation to significant risks is outlined below.

Responding to financial pressures

Value for Money conclusion risk	Work undertaken	Conclusion
The Council faces financial pressures from reduced funding and continues to identify plans to deliver future savings and improvements, including transformation activity, working with partners and use of alternative models of service delivery. Without robust budgetary control and delivery of its action plans, the Council's financial resilience and service performance could deteriorate.	We reviewed budget monitoring and reporting, focusing on areas where action plans are in place to make savings and improvements, and to minimise any adverse impact on service delivery. We also considered those areas such as social care where there are particular financial pressures. We reviewed the plans that are being developed to deliver future savings and improvements.	<p>The Council has delivered significant savings in recent years, aiming to do this whilst minimising the impact on service delivery. The level of savings is, however, challenging and there have been effects on the range and level of services that can be delivered.</p> <p>In 2016/17, significant additional savings were delivered by the Council and there was a small underspend against budget.</p> <p>In the 2017/18 budget round the Council recorded its plans to deliver savings over the three year period 2017/18 to 2019/20. The budget identified a savings requirement of £74.4m over this period as a result of government grant reductions and financial pressures. Savings plans were put in place for the full three year period and at the time the budget was set there was a gap of £3.6m between savings required and measures identified.</p> <p>The focus is now on the delivery of the savings identified and bridging the relatively small budget gap.</p>

OFSTED's assessment of children's safeguarding services

In seeking to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources, we are required to consider the reports issued by other regulators.

In July 2015, Ofsted reported the results of an inspection of services for children in need of help and protection, children looked after, care leavers and adoption performance. Ofsted concluded that these services and their leadership, management and governance were inadequate. Ofsted also concluded that the arrangements in place to evaluate the effectiveness of what is done by the Council and its partners to safeguard and promote the welfare of children, through the Sunderland Safeguarding Children Board, were inadequate.

Our response to the conclusions reached by Ofsted, was to incorporate an 'except for' qualification into our 2014/15 and 2015/16 VFM Conclusions. In effect, based on the required scope of our work, our conclusion was that the Council, in all significant respects, put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2015 'except for' the areas that were highlighted as inadequate in the Ofsted report.

We have noted that since the Ofsted report in July 2015, the Council has continued to tackle the issues raised in the Ofsted inspection and has:

- worked with a Government-appointed Commissioner for Children's Services who has advised on improvements and kept ministers informed about progress;
- implemented an action plan and made improvements although it is acknowledged that there is still work to do; and
- established an alternative service delivery model for children's services and a children's company (Together for Children Sunderland Limited) became fully operational on 1 April 2017.

Ofsted has carried out three monitoring visits (two in 2016 and one to date in 2017), and confirmed that progress is being made, but has not yet carried out a full reassessment of children's safeguarding services.

The Ofsted assessment remained a significant risk that was relevant to our value for money conclusion, and the risk, our consideration of it and our conclusions are summarised below.

Value for Money conclusion risk	Work undertaken	Conclusion
The risk that Council does not make the required improvements to children's services, following Ofsted's assessment of services as 'inadequate' in July 2015, or does not make the improvements rapidly enough.	We considered the progress made by the Council in relation to children's services, including the establishment of a children's company, Together for Children, from 1 April 2017, and the results of the three monitoring visits since the July 2015 report. Ultimately, the conclusion in this area requires an expert judgment and we will only be able to revise our assessment that an 'except for' qualification is not needed when Ofsted fully update their assessment and services are no longer assessed as inadequate. Ofsted have not yet updated their full assessment.	Ofsted has not yet updated their full assessment of children's safeguarding services and consequently, we will again include an 'except for' qualification to our VFM conclusion.

Our overall Value for Money conclusion

On the basis of our work, with the exception of the matter reported below, we are satisfied that in all significant respects Sunderland City Council put in place proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.

The exception to this are the areas of children's safeguarding services that were identified as inadequate in Ofsted's report to the Council in July 2015, and the consideration of which were set out above in this report.

Other reporting responsibilities

Exercise of statutory reporting powers	No matters to report
Annual Governance Statement	No matters to report
Whole of Government Accounts consistency with the financial statements	Consistent
Other information published alongside the financial statements	Consistent

The NAO's Code of Audit Practice and the 2014 Act place wider reporting responsibilities on us, as the Council's external auditor. We set out below, the context of these reporting responsibilities and our findings for each.

Matters which we report by exception

The 2014 Act provides us with specific reporting powers where matters come to our attention that require reporting to parties other than the Council. We have the power to:

- report in the public interest; and
- make statutory recommendations to the Council, which must be responded to publicly.

In addition we must respond to any objections or questions on items contained within the accounts raised by a local government elector. We did not receive any such objections or questions.

We are also required to report if, in our opinion, the Annual Governance Statement does not comply with the guidance issued by CIPFA in 'Delivering Good Governance in Local Government; Framework 2016' or is inconsistent with our knowledge and understanding of the Council.

We did not exercise any of our reporting powers during our 2016/17 audit and had no matters to report to the Council in relation to the Annual Governance Statement.

Reporting to the NAO in respect of Whole of Government Accounts

The NAO requires us to report to them whether consolidation data that the Council has submitted is consistent with the audited financial statements, and to undertake specified procedures on that data. We have concluded and reported that the consolidation data is consistent with the audited financial statements.

Other information published alongside the financial statements

The Code of Audit Practice requires us to consider whether information published alongside the financial statements is consistent with those statements and our knowledge and understanding of the Council. In our opinion, the information in the Narrative Report is consistent with the audited financial statements.

Our fees

Fees for work as the Council's appointed auditor

We reported our proposed fees for the delivery of our work in the Audit Strategy Memorandum, presented to the Audit and Governance Committee in May 2017.

Having completed our code audit work for the 2016/17 financial year, we can confirm that our final fees are as follows:

Area of work	2016/17 proposed fee	2016/17 final fee
Code audit work	£135,774	£135,774
Certification of Housing Benefit Subsidy Claim	£7,725	£7,725
Other non-Code work	£0	£6,300

Please note that our work on the Housing Benefit Subsidy Claim is not yet completed and consequently the final fee quoted above is still on an estimated basis.

We confirm that the fees are in line with the scale fees set by Public Sector Audit Appointments Ltd.

With regard to other non-Code work, we were commissioned by the Council to carry out work in relation to its Skills Funding Agency grant claim which was completed in May 2017 (£3,550). In addition, we have been commissioned to carry out work in relation to the Teachers' Pensions Return by the end of November 2017 (£2,750).

Sunderland Care and Support Ltd

In the interests of transparency, Mazars LLP is also the auditor of Sunderland Care and Support Ltd, one of the Council's trading companies. In addition, the firm provides accounts preparation and corporation tax services to the company. The total fees relating to audit, accounts preparation and tax work were £23,889 plus VAT for the 2016/17 financial year.

Future challenges

Financial outlook

The Council has made good progress in addressing the financial challenges from public sector austerity and has a proven track record of strong budget management and delivering planned budget reductions.

In 2016/17, significant additional savings were delivered and there was a small underspend against budget.

In the 2017/18 budget round the Council recorded its plans to deliver savings over the three year period 2017/18 to 2019/20. The budget identified a savings requirement of £74.4m over this period as a result of government grant reductions and financial pressures. Savings plans were put in place for the full three year period and at the time the budget was set there was a gap of £3.6m between savings required and measures identified.

Operational challenges

The key challenges for the future include:

- the delivery of the savings identified in the 2017/18 budget round and bridging the relatively small budget gap;
- improving children's safeguarding services, following an Ofsted inspection in July 2015, and the establishment of the new children's company, Together for Children Sunderland Limited;
- completing of a number of major infrastructure and regeneration projects, including the creation of an International Advanced Manufacturing Park, a new Wear bridge and other transport improvements and development in the City Centre including the Vaux site;
- working with the Sunderland Clinical Commissioning Group to reduce emergency admissions to hospital and provide as much support as possible in a social care setting through the Better Care Fund;
- positioning the City to achieve economic growth and prosperity; and
- delivering change and improvement through the initiatives identified above and others, whilst maintaining sound delivery of day-to-day services, which the Council is seeking to manage through its enhanced performance management framework.

How we will work with the Council

We will focus our 2017/18 audit on the risks that these challenges present to your financial statements and your ability to maintain proper arrangements for securing value for money. We will also share with you relevant insights that we have as a national and international accounting and advisory firm with experience of working with other public sector and commercial service providers.

We have worked successfully with your officers to bring forward the accounts and audit timetable ahead of the statutory requirement to do so. We will reflect on the experience this year and seek to make improvements so that the process is further improved for the 2017/18 financial year.

Our added value offer

Our primary responsibilities as the Council's external auditor are outlined in the main body of this report. As your external auditor we are ideally placed to provide added value in delivering those responsibilities and the diagram below provides a summary of how we do this.

Insight	Expertise	Support for continuous improvement
<p>Analysis of emerging issues shared regularly with you through our Audit Progress Reports to the Audit and Governance Committee.</p> <p>Sharing knowledge from our membership of a range of professional networks including those hosted by the ICAEW and NAO.</p> <p>Regular updates from our public services advisory team on lessons learned from its work across the UK public sector.</p> <p>Access to our public sector governance forum allowing free and open discussion of governance issues. The Chair of the Audit and Governance Committee, other Members and officers have attended our events.</p>	<p>Specialist public sector financial reporting advisory service, providing expert analysis of emerging accounting issues.</p> <p>A dedicated IT audit and advisory team, with expertise and experience of providing services across the public sector.</p> <p>Provision of annual accounting workshops attended by your finance team. These events have been attended by your officers.</p>	<p>Clear and open communication, allowing for a sensible basis of resolving emerging issues.</p> <p>Internal control recommendations and follow-up work in conjunction with internal audit. We work closely with your Internal Audit service, and report to you through the Audit and Governance Committee.</p>