

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TORBAY COUNCIL (the "Authority")**

### **Issue of audit opinion on the financial statements**

In our audit report for the year ended 31 March 2018 issued on 26 July 2018 we reported that, in our opinion the financial statements:

- give a true and fair view of the financial position of the Authority as at 31 March 2018 and of its expenditure and income for the year then ended;
- had been prepared properly in accordance with the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2017/18; and
- had been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

### **Conclusion on the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources**

#### **Issue of qualified conclusion on the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources**

In our audit report for the year ended 31 March 2018 issued on 26 July 2018 we reported a qualified conclusion in the following terms:

#### **Qualified conclusion**

On the basis of our work, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in November 2017, except for the effects of the matter described in the basis for qualified conclusion section of our report we are satisfied that, in all significant respects, the Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018.

#### **Basis for qualified conclusion**

In considering the Authority's arrangements for securing efficiency, economy and effectiveness in its use of resources we identified the following matter:  
In January 2016, Ofsted issued its report on the inspection of the Authority's services for children in need of help and protection, children looked after and care leavers. The overall judgement was that children's services were rated as inadequate.

The report concluded that:

- turnover within the senior leadership had adversely affected the speed and effectiveness of improvement in response to previous inspection reports;
- performance information was not reliable and quality assurance processes were not embedded to identify improvements across the service; and
- there were weaknesses and inconsistencies in social work practice across the service.

Since issuing its report, Ofsted has published the outcome of monitoring inspections carried out, with the most recent being in February 2018. This most recent inspection notes that the Council's progress in improving services for its children and young people remains too slow and that the quality of service that some children looked after receive has declined since the Authority was inspected in October 2015. Ofsted

were carrying out a further inspection at the time of our audit in June 2018, but as at 31 March 2018, the overall inadequate rating remained in place.

This matter is evidence of weaknesses in proper arrangements for understanding and using appropriate and reliable financial and performance information to support informed decision making and performance management and for planning, organising and developing the workforce effectively to deliver strategic priorities.

### **Certificate**

In our report dated 26 July 2018, we explained that we could not formally conclude the audit on that date until we had completed our consideration of an objection brought to our attention by a local authority elector under Section 27 of the Local Audit and Accountability Act 2014. This matter has now been dealt with.

No matters have come to our attention since that date that would have a material impact on the financial statements on which we gave an unqualified opinion or a significant impact on our conclusion on the authority's arrangements for securing value for money through economic, efficient and effective use of its resources.

We certify that we have completed the audit of the financial statements of the Authority in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice issued by the National Audit Office on behalf of the Comptroller and Auditor General.

*Alex Walling*

Alex Walling  
for and on behalf of Grant Thornton UK LLP, Appointed Auditor

2 Glass Wharf  
Bristol  
BS2 0EL

8 January 2019