

Independent auditor's report to the members of Gloucestershire County Council (the "Authority")

In our auditor's report issued on 18 November 2020, we explained that we could not formally conclude the audit and issue an audit certificate for the Authority for the year ended 31 March 2020, in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice (2015), until we had:

- Completed our work to give our conclusion on the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources. We have now completed this work, and the results of our work are set out below.
- Issued an opinion on the consistency of the pension fund financial statements of the Authority included in the Pension Fund Annual Report with the pension fund financial statements included in the Statement of Accounts. We have now issued this opinion.
- Completed the work necessary to issue our Whole of Government Accounts (WGA) Component Assurance statement for the Authority for the year ended 31 March 2020. We have now completed this work.

Completed our consideration of an objection brought to our attention by local authority electors under Section 27 of the Local Audit and Accountability Act 2014. We have now dealt with these matters.

Opinion on the financial statements

In our auditor's report for the year ended 31 March 2020 issued on 18 November 2020 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 2020 and of its expenditure and income for the year then ended;
- have been prepared properly in accordance with the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2019/20; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

No matters have come to our attention since 18 November 2020 that would have a material impact on the financial statements on which we gave this opinion.

Opinion on the pension fund financial statements

In our auditor's report for the year ended 31 March 2020 issued on 18 November 2020 we reported that, in our opinion the pension fund financial statements:

- give a true and fair view of the financial transactions of the pension fund during the year ended 31 March 2020 and of the amount and disposition at that date of the fund's assets and liabilities,
- have been prepared properly in accordance with the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2019/20; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

No matters have come to our attention since 18 November 2020 that would have a material impact on the pension fund financial statements on which we gave this opinion.

Report on other legal and regulatory requirements - Conclusion on the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

Qualified conclusion

On the basis of our work, having regard to the guidance issued by the Comptroller and Auditor General in April 2020, 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, Gloucestershire County Council put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020.

Basis for qualified conclusion

Our review of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources identified the following matter:

In June 2017 Ofsted published a report on services for children in need of help and protection, children looked after and care leavers in Gloucestershire based on their inspection visit in February and March 2017. The overall judgement was that children's services in Gloucestershire were inadequate.

Following the 2017 inspection, Ofsted undertook a series of monitoring visits to the Authority. The latest of these visits which was relevant to the arrangements in place during 2019/20 was undertaken in February 2020. Following this visit, Ofsted reported that:

- The senior leadership team has demonstrated that it is determined to improve services for children. However, it has been two years since the previous inspection, which found services to be inadequate, and it is taking too long to address the critical weaknesses. Where changes have been made, they are very recent, and improved areas remain fragile. Senior leaders and managers have recognised the need to refocus their attention. They have taken appropriate steps to ensure that they have a full understanding of the issues in the quality of current practice, but this has not led to sufficient direct improvements.
- The quality of intervention provided to children is too inconsistent. Managers are not always effective in responding to shortfalls in practice, or in acting to prevent children's situations from worsening. The timeliness of visits to children has improved, but there is still much work to do to ensure that visits are purposeful and give workers a sense of the child's experiences. Consequently, not all children get the help they need at the earliest point, and some are left in situations of risk for too long.
- Senior leaders and managers have focused time and resources on creating a better environment, where children can receive an improved service, and with fewer changes of social workers. They have had some success in stabilising the workforce and in maintaining social work caseloads at a manageable level. However, the impact of this on social work practice, and, ultimately, on the experiences of children in Gloucestershire, is not yet consistently evident.

As no formal re-inspection was performed during this period, Ofsted's rating of children's services as 'inadequate' remained in place throughout 2019/20.

Having considered the findings and conclusions of the 2017 Ofsted inspection and subsequent monitoring visits, together with the results of our audit work, we have concluded that 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.

Responsibilities of the Authority

The Authority is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the review of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice 2015, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in April 2020, as to whether in all significant respects the Authority had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice 2015 in satisfying ourselves whether the Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020.

We planned our work in accordance with the Code of Audit Practice 2015. Based on our risk assessment, we undertook such work as we considered necessary to be satisfied that the Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Report on other legal and regulatory requirements - Certificate

We certify that we have completed the audit of Gloucestershire County Council for the year ended 31 March 2020 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice 2015 issued by the National Audit Office on behalf of the Comptroller and Auditor General.

Use of our report

This report is made solely to the members of the Authority, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited for 2019/20 audits. Our audit work has been undertaken so that we might state to the Authority's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Barber

Peter Barber, Key Audit Partner
for and on behalf of Grant Thornton UK LLP, Local Auditor

Bristol

10 November 2021