

Use of Resources to Improve Outcomes

- the council has an effective performance management framework in place.
- the council's 2023/24 performance measures were aligned to key priorities and outcomes and there is regular performance reporting to elected members.
- the council has made the necessary arrangements for collecting, recording and publishing the statutory performance information.

D.3 AUDIT OF 2023/24 ANNUAL ACCOUNTS

The Auditor intends to issue an unmodified audit opinion on the financial statements of the council, its group and the nine section 106 charities administered by the council.

The accounts were provided within the agreed timescale and were of a good standard.

As a result of revised technical accounting guidance in relation to the treatment of unfunded pension liabilities, the accounts for 2022/23 were restated and the 2023/24 figures adjusted from the unaudited position. This has no impact on the 2023/24 revenue outturn figures as reported to the Council Executive on 26 June 2024.

No action points have arisen from the audit.

Further detail on the Auditor's key messages in relation to the wider scope and best value outcomes from the 2023/24 audit are summarised as follows:

In the absence of the Head of Finance & Property Services, the Chief Executive authorised Lynda Ferguson, Group Accountant, as Depute Chief Financial Officer for the purposes of signing the accounts, publishing them and sending them for audit.

D.3.1 Financial Management

The report highlights the operating performance of the council in 2023/24, the reserves and balances held by the council and the investment and performance in relation to the revenue and capital budgets.

The Auditor's report concludes that the council has appropriate and effective financial management in place with regular budget monitoring reports provided to Council Executive. The report notes that the council has an overspend of £2.9 million against budget and notes the use of reserves to fund the overspend, providing reasons for significant under/overspends against budget within each service area in the report.

The auditor has noted:

- the significant movement in the level of reserves, noting the movement in the General Fund Balance from £57.1 million in 2022/23 to £37.2 million in 2023/24 reflecting the increase in use of the Risk and Inflation reserve, the cost of St Kentigern's Academy works and amounts required to balance recurring revenues budgets on a one-off basis.
- the council's uncommitted general fund reserve has been reviewed during the budget setting process and remains at £2 million.
- 98% of planned efficiency savings were achieved during 2023/24, the remaining 2% being deemed no longer deliverable requiring alternative savings to be identified.
- capital expenditure was lower than budget but in line with the Treasury Management