

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANCHESTER CITY COUNCIL**

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

In our audit report for the year ended 31 March 2016 issued on 30 September 2016 we reported that, in our opinion the financial statements:

- present a true and fair view of the financial position of the Council and Group as at 31 March 2016 and of the Council's and Group's expenditure and income for the year then ended; and
- had been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2015/16 and applicable law.

### **Issue of qualified conclusion on the Council's arrangements for securing value for money through economic, efficient and effective use of its resources**

In our audit report for the year ended 31 March 2016 issued on 30 September 2016 we reported a qualified conclusion in the following terms:

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

In considering the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources we identified the following matter:

An inspection report published by Ofsted in September 2014 concluded that the overall arrangements for ensuring the effectiveness of Children's Services at the Council and the Local Safeguarding Children Board in the Manchester City Council area were judged to be "inadequate". The Council has developed an Improvement Plan to address Ofsted recommendations, and has provided an update on progress in its Annual Governance Statement. At the date of our opinion, Ofsted has yet to publish a subsequent inspection report and as such the judgement from September 2014 remains extant.

This matter is evidence of weaknesses in proper arrangements for planning, organising and developing the workforce effectively to deliver strategic priorities.

#### **Qualified conclusion**

On the basis of our work, having regard to the guidance on the specified criteria issued by the Comptroller and Auditor General in November 2015, except for the effects of the matter described in the Basis for qualified conclusion paragraph, we are satisfied that in all significant respects the Council put in place proper arrangements to secure value for money through economic, efficient and effective use of its resources for the year ended 31 March 2016.

#### **Certificate**

In our report dated 30 September 2016, 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.

- The work necessary to issue our Whole of Government Accounts (WGA) Component Assurance statement for the Council for the year ended 31 March 2016. We have now completed this work.

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 Council'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 Council 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.

*Mark Heap*

Mark Heap  
Director  
for and on behalf of Grant Thornton UK LLP, Appointed Auditor

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31 July 2017