

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

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

In our audit report for the year ended 31 March 2017 issued on 18 September 2017 we reported that, in our opinion:

- the financial statements present a true and fair view of the financial position of the Authority and Group as at 31 March 2017 and of the Authority's and Group's expenditure and income for the year then ended; and
- the financial statements had been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 and applicable law.

### **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 2017 issued on 18 September 2017 we reported a qualified conclusion in the following terms:

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

In considering the Authority'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 Authority and the Local Safeguarding Children Board in the Manchester City Council area were judged to be "inadequate". Key areas identified by Ofsted for improvement included addressing high caseloads for social workers which was resulting in delayed assessments and potentially leaving children at risk, and quality assurance and management oversight not being robust.

The Authority has developed an Improvement Plan to address Ofsted concerns which it has continued to progress during 2016/17 pending re-inspection. Regular updates are provided to the Children's Service Improvement Board.

This ongoing action during 2016/17 in relation to the Ofsted Improvement Plan is evidence of weaknesses in proper arrangements for planning, organising and developing the workforce effectively to deliver strategic priorities during the year.

#### **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 2016, except for the effects of the matter described in the Basis for qualified conclusion paragraphs above, 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 2017.

## **Certificate**

In our report dated 18 September 2017, we explained that we could not formally conclude the audit on that date until we had completed the work necessary to issue our Whole of Government Accounts (WGA) Component Assurance statement. 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 qualified 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.

*Mark Heap*

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

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4 October 2017