

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROSSENDALE BOROUGH COUNCIL (the "Authority")

Issue of audit opinion on the financial statements

In our audit report for the year ended 31 March 2015 issued on 14 February 2019 we reported that, in our opinion, the financial statements:

- give a true and fair view of the financial position of the Authority and Group as at 31 March 2015 and of its [the Authority's and Group's] expenditure and income for the year then ended; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2014/15 and applicable law.

Issue of adverse 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 2015 issued on 14 February 2019 we reported an adverse conclusion in the following terms:

Basis for adverse conclusion

In November 2015 the Council's internal audit provider published its report from its review of the Empty Homes Programme. The report highlighted widespread and serious failings in the Council's procedures, including a failure to consider and assess risk. The report highlighted that normal management controls had been overlooked or over-ridden and that there was a lack of adequate supervision of the lead officer who was responsible for the Empty Homes Programme. The issues arising from the Empty Homes Programme have delayed the completion of the audit of the Council's financial statements for 2014/15. A number of significant adjustments have been made to the initial draft financial statements to reflect the changes associated with the review of the Empty Homes Programme and the collapse of the Council's original contractor. In particular grant income has decreased by £3,058,000, expenditure has increased by £711,000 and provisions of £2,713,000 have been created to reflect the Council's ongoing liabilities. These matters are evidence of weaknesses in the Authority's arrangements for securing financial resilience and for challenging how it secures economy, efficiency and effectiveness.

Adverse conclusion

On the basis of our work, having regard to the guidance issued by the Audit Commission in October 2014, because of the significance of the matters described in the basis for adverse conclusion section of our report, we are not satisfied that, in all significant respects, the Authority put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2015.

Certificate

In our audit report dated 14th February 2019 we explained that we could not formally conclude the audit on that date until we had completed our consideration of matters brought to our attention. These matters have 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 economy, efficiency and effectiveness in its use of resources.

We certify that we have completed the audit of the financial statements of the Authority in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice 2010 issued by the Audit Commission.

Paul Dossett

Paul Dossett
Partner

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

30 Finsbury Square
London
EC2A 1RR

28 July 2022