

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SURREY COUNTY COUNCIL (the "Authority")

Issue of audit opinion on the financial statements

In our audit report for the year ended 31 March 2018 issued on 31 July 2018 we reported that, in our opinion the financial statements:

give a true and fair view of the financial position of the group and of the Authority as at 31 March 2018 and of the group's cash flows for the year ended 31 March 2018 and of the amount and disposition of the group's assets and liabilities;

the financial transactions of the pension fund during the year ended 31 March 2018 and of the amount and disposition of the fund's assets and liabilities;

had been properly prepared in accordance with the CIPFA/ASAAC code of practice on local authority accounting in the United Kingdom 2017/18; and

had been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014

Conclusion on the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

Adverse 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 2017, we are not 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 2018

Basis for adverse conclusion

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

Children's Services

In June 2015 Ofsted published a report on services for children in need of help and protection, children looked after and care leavers in Surrey, based on their inspection visit in November 2014. The overall judgement was that children's services were inadequate.

Ofsted subsequently issued a follow up report in May 2018 based on their February 2018 inspection visit, in which the inadequate rating remained in place. Ofsted's
