

Meeting	OLC Board	Agenda Item No.	9
		Paper No.	129.7
Date of meeting	18 October 2023	Time required	15 minutes
Title	2022/23 Annual Report & Accounts Lessons Learned		
Sponsor	Laura Stroppolo, Head of Programme Management & Assurance		
Status	OFFICIAL		

Executive summary

In line with previous years, The Executive held a Lessons Learned exercise following the publication of the 2022/23 Annual Report & Accounts.

The attached presentation sets out the areas the Executive Team have discussed and agreed in terms of what went well, learnings from the previous year and suggestions to take forward to the 2023/24 Annual Report and Accounts process.

It was important for the Executive to keep sight of the positives and what went well this year as well as reflecting on what we could look to improve next year. The key successes of the 2022/23 Annual Report & Accounts are as follows:

- Collaboration between The Programme Management & Assurance and External Affairs Team worked very well in terms of co-ordination and drafting.
- Wider project team collaboration supported the overall success of the Annual Report & Accounts in terms of contributions and responses.
- Clear, concise and constructive messaging upfront, driven by the early Board workshop in February. Open and transparent messaging both internally and externally throughout the year supported the drafting, as there were no messages that hadn't already been communicated or trailed.
- Received an unqualified report on the accounts and was managed extremely well within the Finance department.
- The management of the process allows the information and data to feed into other areas and meetings such as Performance Subgroup (Ops data), Budget & Business Plan (performance and financials) and what LeO report to Board on a quarterly basis.

Each year, The Executive always look at ways for improving and maintaining the Annual Report and Accounts process. The lessons which The Executive discussed, alongside suggestions for the 2023/24 can be found on slides 3 and 4 of the slide deck.

The Lessons Learned report was presented to ARAC in early October and the following points are inclusive of the feedback given by ARAC members.

The key areas the Executive would like Board to note are the following:

- Closer planning and working relationship between members of The Executive Team and External audit – planning meeting to be scheduled in December to outline key dates and requirements upfront.
- The ARAC Chair suggested creating an outline of the key data to be included in the 20203/24 Annual Report and Accounts, including the financials, which could then be shared with Auditors for early review once information was available. This point will be considered by the Head of Finance and will form part of the planning meeting with External Audit colleagues.
- The Business Intelligence (BI) Team are extracting raw data to support the snapshots which had been shared with auditors for this 22/23 process, which will look to reduce the number of queries relating to the front-end of the report.
- Ensure the Head of Finance / Finance team are part of the MoJ ARA Teams Channel to ensure all PES and FReM guidance is received and understood at the same time.
- The Executive are considering future approach on how LeO manages proofreading and editing, ie whether this sits internally or externally.
- Look to using the recently scheduled LeO / MoJ meetings to provide clarity and steer on printing and ministerial clearance to minimise any risk of amendments before printing.

Recommendation / action required

Board is asked to **comment**

Equality Diversity and Inclusion

EDI implications **No**

In keeping with the LeO commitment to inclusivity this paper will published on LeOs website.

Freedom of Information Act 2000 (Fol)

Paragraph reference **Fol exemption and summary**

N/A N/A

2022/23 Annual Report & Accounts

Lessons Learned

22/23 Annual Report & Accounts Lessons Learned – what went well?

Financial Accounts / External Audit

- Responded to several rigorous checks from external auditors and were able to provide all the reporting schedules when requested.
- Received an unqualified report on the accounts.

Planning and drafting process

- The planning and drafting process was managed to time with regular updates to The Executive. The collaboration between the Programme Management & Assurance Team and External Affairs Team worked very well. Understood the timing pressures and achieved sharing the drafts and final reports as per the milestones.
- Wider project team collaboration supported the overall success of the Annual Report & Accounts in terms of contributions and responses.
- Clear, concise and constructive messaging upfront, driven by the early Board workshop in February. Open and transparent messaging both internally and externally throughout the year supported the drafting, as there were no messages that hadn't already been communicated or trailed.
- The management of the process allows the information and data to feed into other areas and meetings such as Performance Subgroup (Ops data), Budget & Business Plan (performance and financials) and what LeO report to Board on a quarterly basis.
- One lead drafter enables a consistent voice and tone in narrative which is well written and structured. Business leads already invested the time in producing reports and narrative and forms the main basis of content from the outset.

22/23 Annual Report & Accounts Lessons Learned

Lessons Learned	Suggestions for 23/24
<p>Financial Accounts / External Audit</p> <ul style="list-style-type: none"> • Duplicate requests for evidence / information throughout the audit (more than one auditor) • The review of the front end of the annual report and checks on the data provided should be done as soon as the data is provided and not after the account's checks have been done. There were too many last-minute queries on the front end of the report which came in after assurance was provided to ARAC. • No internal milestones between auditors / OLC in terms of checks, progress and evidence being requested and supplementary comments. • Raw data to be evidenced to supplement screenshots as produced in the Auditor Dashboard. 	<ul style="list-style-type: none"> • Ensure there is clear protocol / single repository for information sharing, including asking and responding to audit queries to reduce the risk of repeat queries. • The ARAC Chair suggested creating an outline of the key data to be included in the 2023/24 Annual Report and Accounts, including the financials, which could then be shared with Auditors for early review once information was available. This point will be considered by the Head of Finance and will form part of the planning meeting with External Audit colleagues. • Deloitte to provide a detailed status on tracking of key comments on the Accounts with key open areas more explicitly flagged in reporting. • A weekly catch up with finance/EA/auditors should be diarised to ensure all queries and concerns are raised and discussed between all parties. • Deloitte to hold a detailed workshop with Head of Finance to go through timetable, what is achievable, ways of working and build in key milestones into the timetable. • Planning meeting with key project leads from LeO / NAO / Deloitte to be scheduled in December. • Deloitte will ensure that the timetable is detailed to ensure that it is clear when comment and responses will be provided and when note disclosures and front half disclosures will be reconciled to support. • OLC management to ensure that when updates are provided in line with the above agreed timetable there is a clear summary as to what changes have been made between versions to ensure focused and quick reviews by Deloitte and NAO. • The BI team from April 23 are extracting the raw data snapshot to match the dashboard which will match the information that is published and will be required for the 23/24 audit.
<p>Drafting process</p> <ul style="list-style-type: none"> • Key data set didn't provide the detail / evidence that originally anticipated. This was presented to external audit colleagues before the formal audit commenced. • To aid the drafting the PES paper checklist should be owned by the finance team – disclosures to be fully included • Reflecting on the onboarding of Scroll (copy editing agency) and the end product following their edit and proofread, while the intention to get an external pair of eyes on the document was reasonable, the changes delivered arguably didn't add much in terms of VfM. 	<ul style="list-style-type: none"> • Factor in evidence / information requirements as part of the planning phase with Finance and Auditors. • Include Head of Finance / Finance team as part of the MoJ ARA Teams Channel. • The Executive are considering future approach on how LeO manage proofread and editing, whether this sits internally or externally.

22/23 Annual Report & Accounts Lessons Learned

Lessons Learned	Suggestions for 23/24
External process <ul style="list-style-type: none">• Disconnect between approval to commence to print and MoJ review on the accounts ahead of ministerial clearance.• HH Global (printers) single point of failure – delayed responses to questions or concerns raised.	<ul style="list-style-type: none">• Understand timings of MoJ review before committing to print date.• Consider using another supplier from the MoJ Framework such as Design102 (noting we still require HH Global for print / distribution).
Design / production <ul style="list-style-type: none">• Practical use of Visme is easier and gives a better finished product. However, there are limitations of graphics and the use of alt text when transferred onto a word document.• As last year, design was resourced from within EA team, requiring considerable discretionary effort from staff involved.	<ul style="list-style-type: none">• Look at procuring a designer externally – already considering Design102 which is available to all government departments and ALBs.