



Draft Auditor's Annual Report

Rushcliffe Borough Council – year ended 31 March 2025

September 2025

Contents

- 01 Introduction
- 02 Audit of the financial statements
- 03 Commentary on VFM arrangements
- 04 Other reporting responsibilities
- 05 Audit fees and other services

- A Appendix A: Further information on our audit of the financial statements

Our reports are prepared in the context of the 'PSAA Statement of Responsibilities of Auditors and of Audited Bodies' and the 'Appointing Person Terms of Appointment' issued by Public Sector Audit Appointments Limited. This document is to be regarded as confidential to Rushcliffe Borough Council. It has been prepared for the sole use of the Governance Scrutiny Committee as the appropriate sub-committee charged with governance. We do not accept any liability or responsibility to any other person in respect of the whole or part of its contents.

01

Introduction

Introduction

Purpose of the Auditor’s Annual Report

Our Auditor’s Annual Report (AAR) summarises the work we have undertaken as the auditor for Rushcliffe Borough Council (‘the Council’) for the year ended 31 March 2025. Although this report is addressed to the Council, it is designed to be read by a wider audience including members of the public and other external stakeholders.

Our responsibilities are defined by the Local Audit and Accountability Act 2014 and the Code of Audit Practice (‘the Code’) issued by the National Audit Office (‘the NAO’). The remaining sections of the AAR outline how we have discharged these responsibilities and the findings from our work. These are summarised below.



Opinion on the financial statements

We issued our audit report on **[TBC]**. Our opinion on the financial statements was unqualified.



Value for Money arrangements

We did not identify any significant weaknesses in the Council’s arrangements to secure economy, efficiency and effectiveness in its use of resources. Section 3 provides our commentary on the Council’s arrangements.



Wider reporting responsibilities

At the date of reporting our work on the Council’s Whole of Government Accounts return remains incomplete whilst we wait for final instructions from the National Audit Office

Audit of the financial statements

Audit of the financial statements

Our audit of the financial statements

Our audit was conducted in accordance with the requirements of the Code, and International Standards on Auditing (UK) (ISAs). The purpose of our audit is to provide reasonable assurance to users that the financial statements are free from material error. We do this by expressing an opinion on whether the statements are prepared, in all material respects, in line with the financial reporting framework applicable to the Council and whether they give a true and fair view of the Council’s financial position as at 31 March 2025 and of its financial performance for the year then ended. Our audit report, issued on [Date TBC] gave an unqualified opinion on the financial statements for the year ended 31 March 2025

A summary of the significant risks we identified when undertaking our audit of the financial statements and the conclusions we reached on each of these is outlined in Appendix A. In this appendix we also outline the uncorrected misstatements we identified and any internal control recommendations we made.

Other reporting responsibilities

Reporting responsibility	Outcome
Narrative Report	We did not identify significant inconsistencies between the content of the annual report and our knowledge of the Council.
Annual Governance Statement	We did not identify any matters where, in our opinion, the governance statement did not comply with the guidance issued by CIPFA/LASAAC Code of Practice on Local Authority Accounting.
Wider Responsibilities	<p>Our powers and responsibilities under the 2014 Act are broad and include the ability to:</p> <ul style="list-style-type: none">• issue a report in the public interest;• make statutory recommendations that must be considered and responded to publicly;• apply to the court for a declaration that an item of account is contrary to law; and• issue an advisory notice under schedule 8 of the 2014 Act. <p>We have not exercised any of these powers as part of our 2024/25 audit.</p>

03

Our work on Value for Money
arrangements

VFM arrangements


Overall Summary





VFM arrangements – Overall summary

Approach to Value for Money arrangements work

We are required to consider whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out and sets out the reporting criteria that we are required to consider. The reporting criteria are:

- 

Financial sustainability - How the Council plans and manages its resources to ensure it can continue to deliver its services.
- 

Governance - How the Council ensures that it makes informed decisions and properly manages its risks.
- 

Improving economy, efficiency and effectiveness - How the Council uses information about its costs and performance to improve the way it manages and delivers its services.

Our work is carried out in three main phases.

Phase 1 - Planning and risk assessment

At the planning stage of the audit, we undertake work so we can understand the arrangements that the Council has in place under each of the reporting criteria; as part of this work we may identify risks of significant weaknesses in those arrangements.

We obtain our understanding of arrangements for each of the specified reporting criteria using a variety of information sources which may include:

- NAO guidance and supporting information
- Information from internal and external sources, including regulators
- Knowledge from previous audits and other audit work undertaken in the year
- Interviews and discussions with officers

Although we describe this work as planning work, we keep our understanding of arrangements under review and update our risk assessment throughout the audit to reflect emerging issues that may suggest there are further risks of significant weaknesses.

Phase 2 - Additional risk-based procedures and evaluation

Where we identify risks of significant weaknesses in arrangements, we design a programme of work to enable us to decide whether there are actual significant weaknesses in arrangements. We use our professional judgement and have regard to guidance issued by the NAO in determining the extent to which an identified weakness is significant.

We outline the risks that we have identified and the work we have done to address those risks on page 27.

Phase 3 - Reporting the outcomes of our work and our recommendations

We are required to provide a summary of the work we have undertaken and the judgments we have reached against each of the specified reporting criteria in this Auditor's Annual Report. We do this as part of our Commentary on VFM arrangements which we set out for each criteria later in this section.




We also make recommendations where we identify weaknesses in arrangements or other matters that require attention from the Council. We refer to two distinct types of recommendation through the remainder of this report:

- **Recommendations arising from significant weaknesses in arrangements** - we make these recommendations for improvement where we have identified a significant weakness in the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources. Where such significant weaknesses in arrangements are identified, we report these (and our associated recommendations) at any point during the course of the audit.
- **Other recommendations** - we make other recommendations when we identify areas for potential improvement or weaknesses in arrangements which we do not consider to be significant, but which still require action to be taken.

The table on the following page summarises the outcome of our work against each reporting criteria, including whether we have identified any significant weaknesses in arrangements, or made other recommendations.

VFM arrangements – Overall summary

Overall summary by reporting criteria

Reporting criteria		Commentary page reference	Identified risks of significant weakness?	Actual significant weaknesses identified?	Other recommendations made?
	Financial sustainability	11-15	No	No	No
	Governance	16-18	No	No	No
	Improving economy, efficiency and effectiveness	19-21	No	No	No

VFM arrangements

Financial Sustainability

How the body plans and manages its resources to ensure it can continue to deliver its services



VFM arrangements – Financial Sustainability

Overall commentary on Financial Sustainability

Significant weakness in 2023/24	Nil.
Significant weaknesses identified in 2024/25	Nil.

Position brought forward from 2023/24

As set out in the table above, there are no indications of a significant weakness in the Council’s arrangements for financial sustainability brought forward from 2023/24. The Council’s underlying arrangements in relation to financial sustainability are not significantly different in 2024/25.

Overall responsibilities for financial governance

We have reviewed the Council’s overall governance framework, including Council and committee reports, the Annual Governance Statement, and Statement of Accounts for 2024/25. These confirm the Council undertook its responsibility to define the strategic aims and objectives, approve budgets and monitor financial performance against budgets and plans to best meet the needs of the Council’s service users.

Through our review of Council and committee reports, meetings with Officers and relevant work performed on the financial statements, we are satisfied that the Council’s arrangements for budget monitoring remain appropriate, including regular reporting to Members and well-established arrangements for year-end financial reporting.

2024/25 and 2025/26 Budget Setting and Medium-Term Financial Planning

The arrangements in place for budget setting and updating the Medium-Term Financial Strategy (MTFS) are as expected for a District Council, with arrangements for: consultation, scrutiny, evaluation of financial risk, alignment to business plans and sources of funding. The budget for 2024/25 and updated medium term financial strategy to 2028/29 went to Cabinet in February 2024 and to full Council in March 2024, in line with the provisions of the Council’s constitution for financial governance. The budget for 2025/26 and updated MTFS to 2029/30 was likewise approved by Cabinet in February and Full Council in March 2025.

The MTFS sets out the overall framework on which the Council plans and manages its financial resources to align with the Council’s vision and strategic priorities. The MTFS integrates revenue allocations, savings targets and capital investment and provides the budget for the next financial year and provides indicative budgets and future council tax levels for the period covered by the strategy.

The 2024/25 MTFS was shaped by post-pandemic recovery, inflation, and geopolitical instability, with a focus on maintaining financial resilience, delivering statutory services, and supporting discretionary services like leisure and environmental initiatives. The Council remained debt-free, relying on reserves and income from council tax, business rates, and fees. A £1.6 million deficit was projected over five years, to be managed

through the Organisation Stabilisation Reserve and a Transformation and Efficiency Plan (TEP). Capital investment of £24.8 million across the five-year period was planned, focusing on leisure upgrades, vehicle replacement, and housing support.

In contrast, the 2025/26 MTFS reflects new pressures, including a change in national government, the prospect of Local Government Reorganisation (LGR), and new statutory duties like Simpler Recycling. The Council achieved a near-balanced five-year budget, aided by a £3.55 million surplus in 2025/26 from delayed business rates reset. However, deficits return from 2026/27 due to falling business rates and rising service costs. The capital programme expands to £27.1 million, with major investments in recycling infrastructure, leisure centres, and community facilities.

Reserves are projected to fall from £21.4 million to £15.3 million by 2029/30, with new earmarked funds for recycling and climate action. The Local Government Reorganisation is expected within the five-year Medium Term Financial Strategy (MTFS) period therefore there is increased uncertainty beyond year three of the plan and it is likely that significant resources will be required for the transformation.

We read the associated reports as evidence of adequate arrangements in place for budget setting and management in reflection of changes. We were satisfied that, the Budget Report for 2024/25 adequately explains revenue and capital budgets, with a sufficient link to specific business units, as well as an explanation on the impact to the general fund balance.

The Council reported its financial outturn position in the 2024/25 Statement of Accounts which highlighted an overall revenue efficiency position of £2.407m, and an underspend on the capital programme of £5.109m. There is no indication of excessive use of capital flexibilities to support revenue expenditure, nor has our work on the financial statements highlighted any concerns regarding the Council’s policy for setting the Minimum Revenue Provision. There is no indication that the Council’s Medium Term Financial Strategy and budget setting process is not aligned to supporting plans given the Council has a track record of delivering against budget.

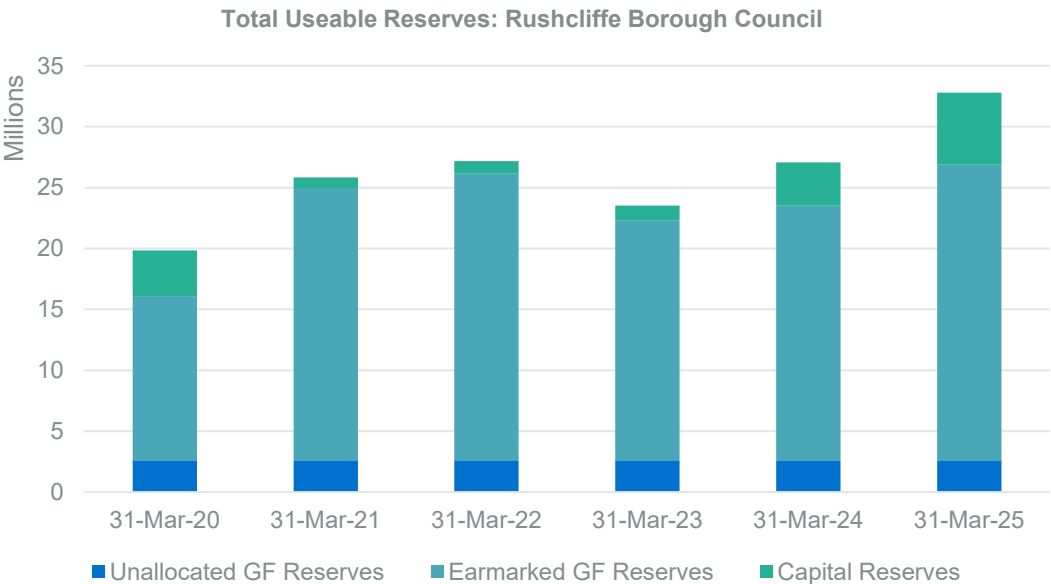
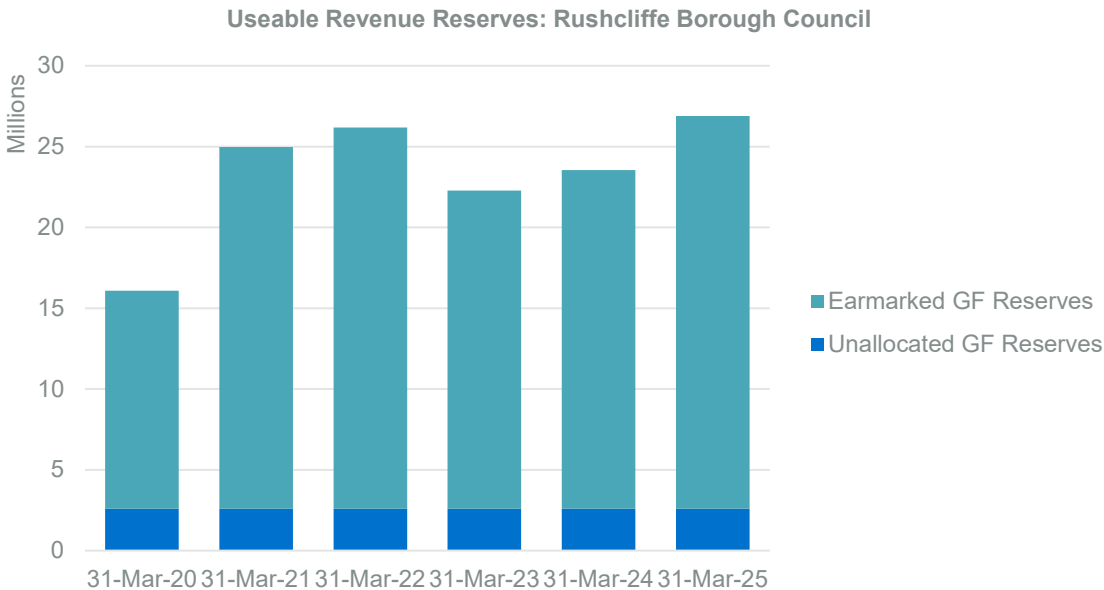
VFM arrangements – Financial Sustainability

Overall commentary on the Financial Sustainability reporting criteria – continued

Review of reserves position

The purpose of the Council's general fund reserve is to meet costs arising from any unplanned or emergency events. It also acts as a financial buffer to help mitigate against the financial risks the Council faces and can be used to a limited degree to 'smooth' expenditure on a one-off basis across years. Earmarked reserves are held so they can plan for the future and deal with known risks; unallocated reserves so that councils can respond to immediate events and emergencies.

We have reviewed the Council's General Fund and Useable Capital Reserves as illustrated by the charts below. The Council's Reserves position appears robust showing a consistent increase in overall general fund revenue and capital reserves since the year ended 31 March 2023. This does not give an indication of any significant weakness in arrangements to secure financial sustainability.

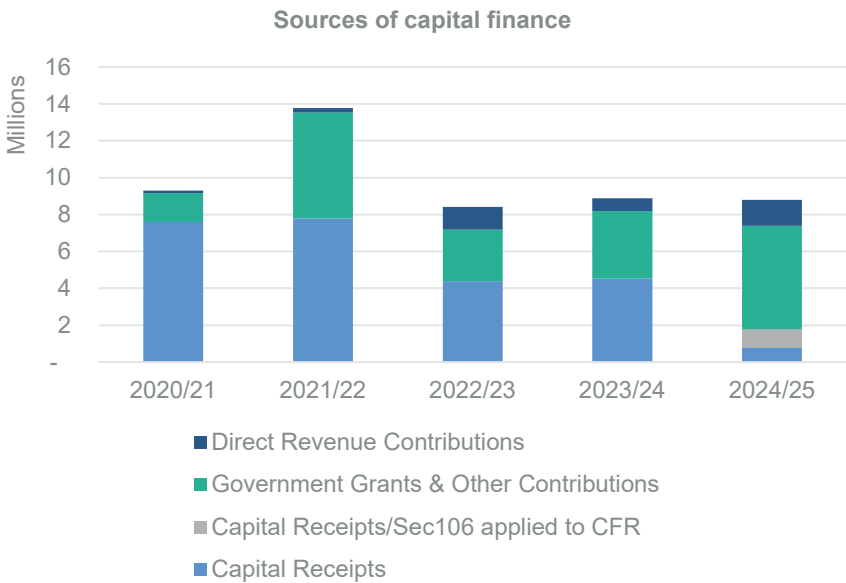
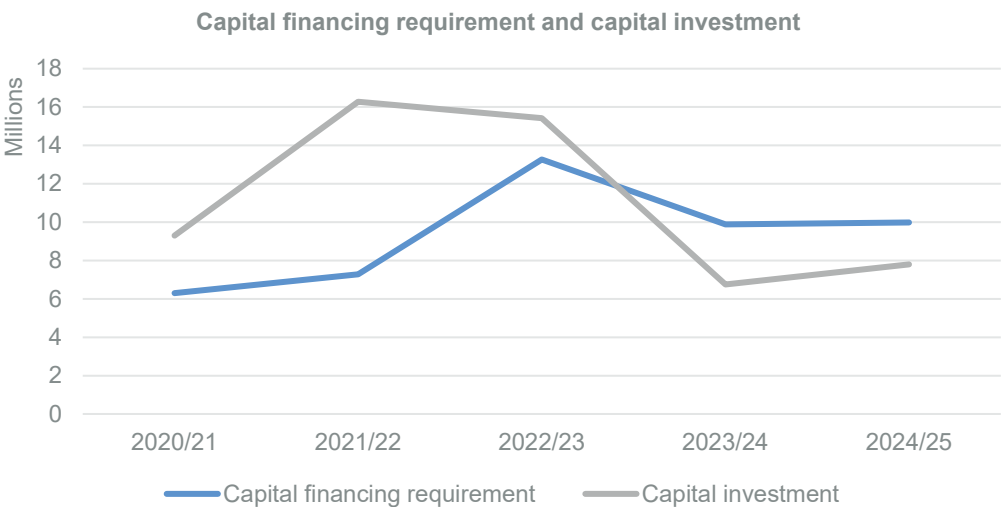


VFM arrangements – Financial Sustainability

Overall commentary on the Financial Sustainability reporting criteria – continued

Capital programme and capital financing

We also reviewed the capital programme as included within the Council's 2025/26 approved MTFS, noting that the consolidated Capital Programme for the next three years from is funded predominantly from capital receipts, capital grants and contributions, with no requirement to borrow. As shown in the chart on the following page, this is consistent with prior years. We have held regular discussions with officers regarding arrangements for the management and funding of capital programme and noted no indicators of a significant weakness in arrangements.



VFM arrangements – Financial Sustainability

Overall commentary on Financial Sustainability

Pooled investments

In 2018, a Statutory Override on IFRS9 was introduced to allow local authorities to move the impact of gains and losses on pooled investment funds into an unusable reserve rather than impact the general fund. The Override was initially due to end in March 2023, but this was extended to March 2025. This has now been extended again for existing investments made before 1 April 2024, to 1 April 2029. The table below sets out the Council's balance sheet position over the past three years. The Council currently holds a Treasury Capital Depreciation Reserve (£1.310m) to mitigate the potential impact

£'000	22/23	23/24	24/25
Fair value of investments	13,766	14,038	13,929
Pooled funds adjustment account (unusable reserve)	-1,235	-961	-1,071
General fund balance	2,604	2,604	2,604
Earmarked Revenue Reserves	19,673	20,947	24,286

Whilst the council has made a commitment to hold these funds over the long-term, as seen by the below, they have fallen in value from the original £15m invested. The extent of financial risk associated with current and future investments needs to be monitored, and alongside updates to the capital financing regime and Minimum Revenue Provision, we would encourage the Governance Scrutiny Group to seek assurance and ensure it understands the relevance and potential impact to the Council. We are aware that the Council are monitoring the risks and have provided regular updates to the Governance Scrutiny Group, through their treasury management updates.

Through our discussions with the Council, we understand the accounts include a Treasury Capital Depreciation Reserve (£1.310m), to provide funding to reduce the impact on the general fund from reductions in the capital value of treasury investments. The additions to this reserve in year are £137k. The current net loss on value of the pooled investments is £1.071m and this will be crystallised if the Council redeem its investment whilst they are holding a fair value loss. The Council has therefore appropriated funds into a

reserve to mitigate the risk of the capital loss against the general fund. From the work performed on the financial statements, we considered the Council's pooled investment funds and how an earmarked reserve of £1.3m has been set aside to go towards mitigating the current loss in value of these investments. We are satisfied this does not present a risk of significant weakness in arrangements.

	Opening	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
Net gain/ loss on pooled investments	0.121m	0.024m	-1.238m	1.143m	0.173m	-1.457m	0.273m	-0.110m	-1.071m
Treasury Capital Depreciation Reserve balance		-	-	-	-	0.973m	1.173m	1.310m	

S106 and CIL planning agreements

As at 31 March 2025, the Council's statement of accounts showed that the Council held £40.977m of S106 and £5.347m of CIL Planning Agreement contributions on its Balance Sheet. This represents an overall decrease of £3.225m from the prior year. We have not identified any issues from our main financial statements work to indicate a significant weakness in arrangements, but the Council must maintain regular review of these funds to ensure any provisions or time limits are met to avoid risk of clawback. The Governance Scrutiny Group may wish to obtain direct assurance over the risk mitigation strategy for these funds in light of Local Government Reorganisation.

Overall, we have not identified any indicators of a significant weakness in the Council's arrangements relating to the financial sustainability criteria for the year ended 31 March 2025.

VFM arrangements

Governance

How the body ensures that it makes informed decisions and properly manages its risks



VFM arrangements – Governance

Overall commentary on Governance

Significant weakness in 2023/24	Nil.
Significant weaknesses identified in 2024/25	Nil.

Position brought forward from 2023/24

As set out in the table above, there are no indications of a significant weakness in the Council’s arrangements for financial sustainability brought forward from the previous year.

The Authority’s governance structure

The Council has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of effectiveness, economy and efficiency. In doing this it is responsible for putting in place proper arrangements for the governance of its affairs, effective exercise of its functions and arrangements for the management of risk. Based on our work, we are satisfied that the Council has established governance arrangements, consistent with previous years, in place. These are detailed in the Statement of Accounts and Annual Governance Statement. We have considered both documents against our understanding of the Council as part of our audit. Our review of corporate governance arrangements confirms the Council has an agreed Constitution, setting out how it operates, how decisions are reached and what procedures are followed to ensure that these are transparent and accountable to local people. Any recommendations for amendments to the Constitution need to be approved by Full Council.

Our review of Council and Governance Scrutiny Group papers confirms that a template covering report is used for all reports, ensuring the purpose, implications, and recommendations are clear. Minutes are published and reviewed by Committees to evidence the matters discussed, challenge and decisions made.

Risk management and internal control

The Council has an established risk management strategy and systems in place which are built into the governance structure of the organisation. There is an approved Risk Management Strategy which includes the Council’s approach to managing risk, guidance, the Council’s risk appetite and roles and responsibilities. The Governance Scrutiny Group (GSG) is responsible for maintaining an independent oversight of risk management issues and considering the effectiveness of the implementation of the risk management strategy. The GSG is presented with the risk register on a regular basis and provides challenge as part of the process. These arrangements are consistent with what we would expect at a local authority and are adequate for the Council’s purposes.

The Annual Governance Statement is a critical component of the Council’s governance arrangements. It is an evidenced self assessment by the Council on the Council’s governance, assurance and internal control frameworks for the financial year. The Governance Scrutiny Group are responsible for review of the Council’s Annual Governance Statement. No significant weaknesses in internal control have been identified from our work to date and Internal Audit has not identified or raised any significant concerns. We reviewed the Annual Governance Statement as part of our work on the financial statements with no significant issues arising.

Internal audit

To provide assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud, the Council has an out of house Internal Audit function (provided by BDO). The annual Internal Audit plan is agreed with management at the start of the financial year and is reviewed by Governance Scrutiny Group prior to final approval.

We have reviewed the Internal Audit plans for 2024/25 and 2025/26 and confirmed they are consistent with the risk-based approach. Internal Audit progress reports are regularly presented to the Governance Scrutiny Group meeting including follow up reporting on recommendations from previous Internal Audit reports. From our attendance at meetings, we are satisfied this allows the Governance Scrutiny Group to adequately hold management to account. At the end of each financial year the Head of Internal Audit provides an Annual Report including an opinion, based on the work completed during the year, on the overall adequacy and effectiveness of the council’s control environment. The Annual internal audit report provides a summary of Internal Audit work undertaken during 2024/25 and provides an opinion on the organisation’s governance, risk management and internal control environment.

Overall, Internal Audit provided “Substantial assurance that there is a sound system of internal controls, designed to meet the Council’s objectives, that controls are being applied consistently across various services, with limited levels of non-compliance.”

We also confirmed that the Head of Internal Audit Opinion has been adequately reflected in the Annual Governance Statement. No issues arose from our review to indicate there is a significant weakness in the Council’s arrangements for governance

VFM arrangements – Governance

Governance Scrutiny Group

The Council has an established Governance Scrutiny Group that incorporates the functions of an Audit Committee. We have confirmed the Committee meets regularly and reviews its programme of work to maintain focus on key aspects of governance and internal control. We have attended Governance Scrutiny Group meetings and reviewed supporting documents and are satisfied that the programme of work is appropriate for the Council's requirements. Our attendance at Governance Scrutiny Group has confirmed there continues to be an appropriate level of effective challenge. Additionally we note that the Council has appointed an independent person to attend the Governance Scrutiny Group to help strengthen the functioning of that committee.

Arrangements for budget setting and budgetary control

Rushcliffe Borough Council operates under a 'Leader and Cabinet' model of executive governance. The Council consists of 44 elected councillors who serve four-year terms. The Full Council, comprising all councillors, is responsible for adopting major policies and the budget. The Council has an established set of arrangements in place for budget setting and control. We have reviewed the Council's constitution, which we note is regularly reviewed and updated, with the most recent update in March 2025. We confirmed that the constitution clearly sets out the budget setting process and includes the Council's standing orders and financial regulations. We have reviewed the budget setting arrangements through observation and discussions with Officers and no matters have been identified indicating a significant weakness in arrangements.

We read the assumptions underpinning the Medium-Term Financial Strategy (MTFS) as included in reports to the Cabinet. In our view, these include an adequate level of detail over the assumptions and cost pressures facing the council, which are consistent with our experience at similar sized authorities and not unreasonable. In addition, there is sufficient narrative to explain the rationale and key financial risks.

Local Government Reorganisation (LGR)

In February 2025, the Government wrote to local authorities formally inviting them to submit proposals to create new structures of unitary authorities – which is a single tier of local government responsible for all local services in an area. All nine Nottinghamshire councils collaborated on an interim submission, submitted to Government on 21st March, that outlined three core options:

1. A new unitary authority combining Nottingham, Broxtowe, and Gedling, with a second new unitary authority for the rest of Nottinghamshire.
2. A new unitary authority combining Nottingham, Broxtowe, and Rushcliffe, with a second new unitary authority for the rest of Nottinghamshire.
3. Nottingham city remains a unitary authority, with a new single unitary authority for the rest of Nottinghamshire.

Rushcliffe also debated a fourth option to create three unitary authorities: one being Nottingham City Council and the remaining two being made up of the Nottinghamshire districts. However, through our review of minutes and agendas we have confirmed that at the July 2025 full Council meeting, members resolved to pause this recommendation due to a lack of support from the other authorities.

We have held ongoing discussions with senior Council officers throughout the year as the situation has evolved. We do not consider LGR to represent in itself a significant weakness in arrangements for financial sustainability or governance. From our review of the above we have not identified any indication that the Council has not complied with its obligations in this respect.

It is well recognised that councils continue to deliver their services and duties until reorganisation is complete, including ensuring it maintains standards and exhibits the appropriate standards of governance.

With further announcements on LGR expected in winter 2025, the effect of LGR under our evaluation of VFM arrangements is a matter for our work in 2025/26, which includes consideration of potential transition planning risks, including:

- Financial Risks and Sustainability, including transitional costs, plans to bridge budget gaps and the impact to the capital programme
- Governance and legal complexity, such as asset ownership, contract novation and how the Council is assured over plans
- Workforce planning and retention strategies
- IT system compatibility, data protection and cyber risk protection
- Quality of post integration planning.

Overall, we have not identified any indicators of a significant weakness in the Council's arrangements relating to the Governance criteria for the year ended 31 March 2025.

VFM arrangements

Improving Economy, Efficiency and Effectiveness

How the body uses information about its costs and performance to improve the way it manages and delivers its services



VFM arrangements – Improving Economy, Efficiency and Effectiveness

Overall commentary on Improving Economy, Efficiency and Effectiveness

Significant weakness in 2023/24	Nil.
Significant weaknesses identified in 2024/25	Nil.

Position brought forward from 2023/24

As set out in the table above, there are no indications of a significant weakness in the Council's arrangements brought forward from the prior year.

Performance Monitoring

The Council's arrangements are consistent with the prior year, which were deemed adequate, with the Council's Corporate Strategy setting out what it wants to achieve for local residents and communities and is published on its website. The Council's overall financial objectives and strategy are documented in the Council's budget and Medium-Term Financial Strategy which is reviewed and updated annually.

The Corporate Overview Group reviews the performance of the Council against the approved targets. Other reports are taken to this group and include the diversity annual report, annual customer survey and the health and safety reports. Our review of minutes and reports confirms Members receive regular reporting on performance measures. We reviewed the performance outturn for 2024/25 as evidence of the Council's approach to evaluating performance. In our view, reports contain sufficient narrative, including the appendices, to demonstrate that there are adequate arrangements to assess performance and identify areas for action.

Procurement

The Council's procurement function is outsourced to Nottinghamshire County Council.

Through our work on the financial statements, our testing of expenditure, and consideration of key financial controls, has not identified any issues relating to procurement.

The Council has a Procurement Strategy and set of Contract Procurement Rules which outlines how the procurement of goods, works and services is achieved. These documents take into account latest legislative and operational changes at the Council, and provide a corporate framework for the procurement of goods, works and services. Our work on the financial statements has not identified any significant internal control deficiencies.

Partnerships

We have reviewed the Council's Transformation Strategy and Efficiency Plans for 2024-25 and 2025-26 to gain an insight into how the Council is performing within key partnerships. We have not identified any related issues from our main financial statements audit work relating to partnerships, for example payroll with Gedling Borough Council.

The Council continues to engage with the East Midlands Freeport, with the Leader serving on its Board. The decommissioning of Ratcliffe-on-Soar Power Station poses financial and environmental risks, notably reduced business rates and the potential for a prominent derelict site. Business rates for the power station have reduced from £6m to £0.23m over the course of the last few years, now only representing 0.7% of the Council's NNDR income. To help mitigate the impact, the Freeport will receive up to £25 million in government funding by 2025/26 to support investment in green technologies, infrastructure, and employment.

The East Midlands County Combined Authority (EMCCA) is now operational. The Council is actively pursuing funding opportunities in collaboration with neighbouring authorities, as demonstrated through UKSPF allocations. Current governance arrangements preserve Rushcliffe's autonomy, pending any future local government reorganisation, and reflect a strategic shift toward regional collaboration.

VFM arrangements – Improving Economy, Efficiency and Effectiveness

Overall commentary on Improving Economy, Efficiency and Effectiveness

LGA Corporate Peer Challenge Progress Review

The Council invited the LGA to conduct a CPC, which took place 15-18 January 2024. The feedback report from this visit and resulting action plan was presented to Cabinet in April 2024.

Every council that has a CPC is required to have a progress review and publish its findings within 12 months of the original CPC. The Council's progress review took place on 6 November 2024 and the associated reports were presented to Cabinet in December 2024. We have reviewed the progress review feedback report and have not identified any indications of significant weaknesses. Alongside this we also noted that a RAG-rated progress report against the nine recommendations was presented to Cabinet at the same meeting, which showed that all actions as completed or in progress. Our review of meeting minutes confirms that members reviewed and discussed the associated reports.

Local Government and Social Care Ombudsman (LGSCO) – Annual Review 24/25

Our review of the LGSCO report for 2024/25 noted that between 1 April 2024 to 31 March 2025, LGSCO dealt with 6 complaints. Of these, they assessed and closed 4 complaints and none were upheld. This is consistent with performance in the prior year. We have noted that the Corporate Overview Group discussed and approved an Annual Customer Feedback Report for 2023/24 on 19th November 2024, with the 2024/25 review due in November 2025. We consider the covering report to be sufficiently detailed to allow members to scrutinise customer feedback for the year. We are satisfied there is no indication of a significant weakness in the Council's arrangements as a result of these findings.

Overall, we have not identified any indicators of a significant weakness in the Council's arrangements relating to the Improving Economy, Efficiency and Effectiveness criteria for the year ended 31 March 2025.

Other reporting responsibilities

Other reporting responsibilities

Wider reporting responsibilities

Matters we report by exception

The Local Audit and Accountability Act 2014 provides auditors with specific powers where matters come to our attention that, in their judgement, require specific reporting action to be taken. Auditors have the power to:

- issue a report in the public interest;
- make statutory recommendations that must be considered and responded to publicly;
- apply to the court for a declaration that an item of account is contrary to the law; and
- issue an advisory notice.

We have not exercised any of these statutory reporting powers.

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. We did not receive any such objections or questions.

Reporting to the NAO in respect of Whole of Government Accounts consolidation data

The National Audit Office (NAO), as group auditor, requires us to complete the WGA Assurance Statement in respect of its consolidation data. We have been unable to conclude our work as we have not yet received confirmation from the NAO that the group audit of the WGA has been completed and that no further work is required to be completed by us.

Audit fees and other services

Audit fees and other services

Fees for our work as the Council’s auditor

We reported our proposed fees for the delivery of our work under the Code of Audit Practice in our Audit Strategy Memorandum presented to the Governance Scrutiny Group in June 2025. Having completed our work for the 2024/25 financial year, we can confirm that our fees (subject to PSAA approval) are as follows:

Area of work	2024/25 fees
Planned fee in respect of our work under the Code of Audit Practice (Scale Fee)	£142,471
Additional fees in respect of additional work from the introduction of new auditing standards - IFRS 16 Leases	Estimated £10,000-£19,000 (to be updated on conclusion of the audit)

Fees for other work

We confirm that we have not undertaken any non-audit services for the Council in the year.

Appendices

Appendix A: Further information on our audit of the Council's financial statements

Appendix A: Further information on our audit of the Council's financial statements

Significant risks and audit findings

To follow in final Auditor's Annual Report on completion of our audit of the financial statements

Appendix A: Further information on our audit of the financial statements

Unadjusted misstatements

To follow in final Auditor's Annual Report on completion of our audit of the financial statements

Appendix A: Further information on our audit of the financial statements

Internal control observations

To follow in final Auditor's Annual Report on completion of our audit of the financial statements

Appendix A: Further information on our audit of the financial statements

Follow up on previous year recommendations

To follow in final Auditor's Annual Report on completion of our audit of the financial statements

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