



Governance Scrutiny Group

Thursday, 5 February 2026

Progress Report and Indicative Audit Plan 2025/26

Report of the Director – Finance and Corporate Services

1. Purpose of report

- 1.1. The report aims to provide the Governance Scrutiny Group with information about progress of Forvis Mazars in delivering their responsibilities as the Councils' external auditors for the 2025/26 financial year.
- 1.2. Mazars staff will be available at the meeting to answer any detailed questions arising from the report.

2. Recommendation

It is RECOMMENDED that the Governance Scrutiny Group review the Progress Report and Indicative Audit Plan for 2025/26.

3. Reasons for Recommendation

To comply with the Audit Commission's Code of Audit Practice and relevant legislation and accord with good governance.

4. Supporting Information

- 4.1. Forvis Mazars have held discussions with management to agree the timings of the audit and to agree deliverables for the interim stage.
- 4.2. Councillors will be aware that the Council has a legal requirement to produce a draft Statement of Accounts by the 30 June which is then subject to review by the Authority's external auditors, Forvis Mazars, and approval by 'those charged with governance', the Governance Scrutiny Group, by the 31 January 2027 (the 'backstop' date for 2025/26 accounts).
- 4.3. The formal Audit Plan will be presented to the Governance Scrutiny Group in June 2026, ahead of the start of the main audit.
- 4.4. The expected areas of audit focus can be found on page 3 and cover Financial Statement risks and Value for Money (VFM) risks. The key risks are expected to be: management override of controls, valuation of land, Valuation of the LGPS Defined Benefit Asset and Liability and buildings and transfer to new ledger system.

- 4.5. On page 7 of the Indicative Plan, Forvis Mazars have set the completion target as September to November. The statutory deadline for the accounts sign off of 2025/26 accounts is 31 January 2027 and therefore the approval of the completion report is expected to be presented to GSG at the November meeting. We will aim for the September meeting but this is subject to risk, not least the completion of the Pension Fund audit.
- 4.6. It should be noted that the audit fees for 2025/26 are currently set at £146,459 (2024/25 fees £157,004 including fee variations) . If any additional audit work is required beyond what is covered by the scale fee, PSAA will review the associated costs in line with their established fee variation process.
- 4.7. Management will continue to challenge any increases in fees and their reasonableness compared to audit risk particularly at a time of cost pressures across all service areas. Any future rationalisation of audit requirements could result in reduced fees although it is not known when or if this may happen.

5. Risks and Uncertainties

The Forvis Mazars report highlights relevant risks (page 6).

6. Implications

6.1. Financial Implications

The audit fee (paragraph 4.6) relating to the costs of the audit work will be met from existing budgets.

6.2. Legal Implications

The Governance Scrutiny Group plays a key role in supporting the Council's governance controls by supporting and contributing to the Council's responsibility to maintain an adequate and effective system of internal control.

6.3. Equalities Implications

There are no equalities implications.

6.4. Section 17 of the Crime and Disorder Act 1998 Implications

There are no Section 17 implications.

6.5. Biodiversity Net Gain

There are no Biodiversity Net Gain implications.

7. Link to Corporate Priorities

The Environment	There is no link to this corporate priority within this report.
Efficient Services	Undertaking an external audit of the financial accounts ensures that proper and efficient services are delivered by the Council.
Sustainable Growth	There is no link to this corporate priority within this report.
Quality of Life	There is no link to this corporate priority within this report.

8. Recommendations

It is RECOMMENDED that the Governance Scrutiny Group review the Progress Report and Indicative Audit Plan 2025/26.

For more information contact:	Peter Linfield Director - Finance and Corporate Services 0115 9148439 plinfield@rushcliffe.gov.uk
Background papers available for Inspection:	None.
List of appendices:	Appendix 1 – Progress Report and Indicative Audit Plan 2025/26