

Audit Committee

29 September 2025

Part 1 - Public

Recommendation to Cabinet



Cabinet Member	Martin Coffin - Deputy Leader; and Cabinet Member for Finance, Waste and Technical Services
Responsible Officer	Management Team
Report Author	Paul Worden, Head of Finance

Annual Audit Report 2024/25

1 Summary and Purpose of Report

- 1.1 Our external auditors (Grant Thornton UK LLP) are required to satisfy themselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report on the same to those charged with governance - which for this purpose is the Audit Committee – followed by Cabinet and Full Council.

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.
- 2.2 An assessment by the Council's external auditors on the arrangements for securing economy, efficiency and effectiveness in its use of resources along with recommendations for improvement.

3 Recommendations

- 3.1 Members are RECOMMENDED to:
- 1) Consider and approve the Auditor's Annual Report [**Annex 1**] for 2024/25;
 - 2) Note the comments made in respect of the key recommendations from 2023/24;
 - 3) Note and endorse the management comments to the 2024/25 value for money recommendations raised; and
 - 4) Make any specific recommendations to Cabinet and/or Full Council as the Committee feels appropriate considering the Annual Report.

4 Introduction and Background

- 4.1 Our external auditors (Grant Thornton UK LLP) are required to satisfy themselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report on the same to those charged with governance - which for this purpose is the Audit Committee - followed by Cabinet and Full Council.
- 4.2 The last Annual Audit Report relating to the financial year 2023/24 was presented to this Committee in January 2025. Members might recall that two significant weaknesses in the Council's arrangements to improve economy, efficiency and effectiveness were highlighted relating to procurement and performance management. The Committee has been tracking progress against the action plan to remedy these over the past 12 months.

5 2024/25 Annual Audit Report

- 5.1 Grant Thornton's report is attached at **[Annex 1]**.
- 5.2 The auditors report on three distinct areas, namely:
- 1) Financial sustainability;
 - 2) Governance; and
 - 3) Improving economy, efficiency and effectiveness.
- 5.3 In terms of financial sustainability and governance it is pleasing to note that no significance weaknesses were found, albeit some improvement recommendations have been made.
- 5.4 In 2023/24, one key recommendation remained concerning the role of procurement within operational aspects of the Council's work. Members will recall that the progress related heavily within 2024/25 and as a result the Auditors consider that this recommendation has been implemented in full and no further action is required.
- 5.5 This year's report has not identified any significant weaknesses, with only one improvement recommendation being made in respect of the response to the Internal Audit recommendation on the Agile Software implementation. The Council's Management response is shown in their report, but is replicated below;

Recommendation The Council should follow through on the commitments that it has made in response to Internal Audit findings in review of the Agile software implementation. Management should ensure that progress against each improvement action is regularly reported to Members.

Relates to Economy, efficiency and effectiveness

Management actions In addition to this improvement action, Internal Audit also carried out a review, an action plan has been prepared with named officers and

regular updates both to the Cabinet Member responsible and wider Committee Membership.

Responsible Officer: Eleanor Hoyle on behalf of Corporate Management Team

Due date: March 2026

- 5.6 In prior years there were also several improvement recommendations as shown in Appendix C to the annex. Members can note that most of the recommendations have either been closed or downgraded to an 'Insight', one recommendation remains in place concerning the reserves forecast. A review of the reserves is being undertaken in line with the target under that Annual Service Delivery Plan and will be reported to Cabinet in November 2025 and will feed into the MTFS in line with the budget preparations.

6 Financial and Value for Money Considerations

- 6.1 As set out in the Auditor's Annual Report.
- 6.2 The Auditor should not need to carry out any additional work as a result of this report and therefore no additional fees should accrue.

7 Risk Assessment

- 7.1 The remaining recommendations within the report covering Reserves and Agile will need to be reported to members and officer in line with the timetables proposed.

8 Legal Implications

- 8.1 The Council's external auditor is required under s20(1)c) of the Local Audit and Accountability Act 2014 to satisfy themselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.
- 8.2 The Code of Audit Practice issued by the National Audit Office in 2020 requires us (Grant Thornton UK LLP) to report to you our commentary relating to proper arrangements.

9 Consultation and Communications

- 9.1 The Auditor's report will be available to the public through this agenda.

10 Implementation

- 10.1 To address the recommendations made, Management Team have agreed actions with anticipated timescales as set out in the report.

11 Cross Cutting Issues

11.1 Equalities and Diversity

11.1.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

Background Papers	None
Annexes	Annex 1 Annual Report from Grant Thornton