



Auditor's Annual Report

Bury Metropolitan Borough Council – year ended 31 March 2025

February 2026

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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. Reports and letters prepared by appointed auditors and addressed to the Council are prepared for the sole use of the Council and we take no responsibility to any member or officer in their individual capacity or to any third party.

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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 Bury 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.

For 2024/25 onwards, the Code requires us to issue our draft Auditor's Annual Report (AAR) to those charged with governance by 30 November each year, this includes where we have not yet issued our auditor's report on the financial statements.

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

The Council did not meet the statutory publication date of 30 June 2025 for its unaudited financial statements for the year ending 31 March 2025. The draft statements were not published until 15 October 2025.

We issued our audit report on 25 February 2026. Our opinion on the financial statements was disclaimed.



Reporting to the group auditor

In line with instructions issued by the NAO, we have undertaken work on the Council's Whole of Government Accounts (WGA) return. 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.



Value for Money arrangements

In December 2024 we issued a statutory recommendation to the Council reflecting the results of our work in respect of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources. This was because we had identified significant weaknesses in the Council's arrangements for:

- Financial sustainability
- Governance
- Securing economy, efficiency and effectiveness.

In 2024/25, we considered the risk of significant weaknesses we had previously identified had not been addressed. We have completed our procedures, and we are not satisfied arrangements were in place for the Council to secure economy, efficiency and effectiveness in its use of resources.

Section 3 provides our commentary on the Council's arrangements and a summary of our previously issued weaknesses and recommendations, including the progress that the Council is making to address the remaining weakness in 2025/26.

Audit of the financial statements

Audit of the financial statements

Our audit of the financial statements

Our audit is being 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.

We have issued a disclaimed audit opinion on the 2024/25 financial statements. This means our audit report does not express an opinion on the financial statements and no assurance is provided. It has been necessary to issue a disclaimer of opinion as amendments to the Account and Audit Regulations in 2024 introduced a statutory deadline for publication of the Council's financial statements for the 2023/24 and earlier financial years. We were unable to complete the audit procedures necessary to obtain sufficient appropriate audit evidence on which to base our opinion before the date the Council published its audited financial statements and as such we issued disclaimers of opinion in relation to the financial statements for the years ended 31 March 2022 to 2023 on 12 December 2024 and on 28 February 2025 a disclaimer of opinion was issued in relation to the financial statements for the year ended 31 March 2024.

There was insufficient time available to complete all the work required to issue an unqualified opinion on the 2024/25 financial statements ahead of the national deadline for the publication of audited accounts by the 27 February 2026.

The work to rebuild assurance following a disclaimer opinion is significant. Our focus through 2024/25 and into 2025/26 is on assessing the risks of material misstatement in the opening balances which are derived from the financial statements that have had a disclaimer opinion.

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:

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Financial sustainability - How the Council plans and manages its resources to ensure it can continue to deliver its services.
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Governance - How the Council ensures that it makes informed decisions and properly manages its risks.
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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.

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 – 14	Yes	Yes – continuing significant weakness from previous year	No
 Governance	15 – 21	Yes	Yes – continuing significant weakness from previous year	No
 Improving economy, efficiency and effectiveness	22 – 24	Yes	Yes – continuing significant weakness from previous year	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 the Financial Sustainability reporting criteria

Bury’s operating environment

During 2024/25 the Council continued to face significant operational and financial challenges. Against a backdrop of an adverse national economy and a cost-of-living crisis, the Council continued to see significant increase in demand for its services, most notably for children and young people’s services including education and social care.

In response to these pressures, it is essential the Council has timely and accurate financial reporting to members and senior management, and decision makers make prompt decisions to maintain the financial sustainability of the Council.

2024/25 Financial performance

We have undertaken a high level analysis of the financial statements for 2024/25, including the Movement in Reserves Statement and the Balance Sheet. The 2024/25 draft statements of account continues to show a declining financial position compared to prior years.

The most significant change in the balance sheet relates to movement in the Council’s Property, Plant and Equipment balance, which increased mainly due to the revaluation gains recognised in the year. However, the revaluation gains do not represent a usable reserve the Council can access.

Although the Council’s cash balance has increased by £0.7m from 31/03/24 to 31/03/25, the cash position is still much lower than previous years. Alongside this, borrowings have increased by £30m over the twelve-month period to 31/03/2025, largely to fund the capital programme.

Total general fund reserves have been declining over the last few years. General Fund and earmarked reserves reduced by £28 m, from £99.6 (31 Mar 2024) to £71.57m (31 Mar 2025). The Budget Stabilisation Reserve is now insufficient to support the funding gap forecast past 2026/27. Whilst there is a recognition the use of reserves cannot be relied on to provide a long term solution to the funding challenges, the Council now needs to take urgent action to ensure any use of these reserves is properly planned and that all options to increase income and reduce expenditure have been considered.

	31 March 2024 £m	31 March 2025 £m
Property, plant and equipment	639	731.5
Cash/ Cash Equivalents	0.5	1.2
Total Current Assets	76	94
General fund (Unallocated)	10	10
Earmarked Reserves	89.6	61.5
Total General Fund Balance	99.6	71.6
Total usable reserves	156.7	133.7

The minimum revenue provision (MRP) charge for 2024/25 year included in the draft accounts is £3.2m (2023/24 £2.5m). This equates to spreading the opening capital financing requirement of £383.5m over roughly 117 years. The statutory guidance suggests Councils should use asset lives of 50 years as a maximum, although the guidance also recognises there may be circumstances where this maximum can be prudently exceeded. Although the MRP charge has not been subject to detailed audit review in 2023/24 or 2024/25, we are concerned the current approach may not be sufficiently prudent, even allowing for the extent to which the Council’s capital programme is directed towards regeneration schemes.

VFM arrangements – Financial Sustainability

Overall commentary on the Financial Sustainability reporting criteria - Continued

Financial planning and monitoring arrangements

In February 2024 the Council set a balanced budget for the 2024/25 financial year. However, this was set with a reliance on reserves of £15.1m and a savings target of £5.3m. The total net budget for Council services was approved at £209.6m with an assumed increase in Council Tax of 2.99% excluding the Adult Social Care Levy of 2%. Whilst challenging, the Council considered this to be achievable. The budget was produced on the basis the savings and efficiencies identified to close the full gap would be delivered recurrently.

The Council reported a final overspend on the revenue budget of £4.365m for 2024/25 on a final revised budget of £224.480m. This included funding of £13.149 m from reserves (£2m lower than budgeted). A significant amount of the overspend relates to Health & Adult Care and Children and Young People services which reported a £3.7m and 2.5 overspend. The overspend in the Health & Adult Care and Children and Young People services was offset by an underspend of £2.29m in non-service specific expenditure.

During the year the Council reported its financial position to Cabinet on a regular basis. We have reviewed a sample of the reports presented for 2024/25. These contain appropriate detail of the significant variances to budget and provide an update on the delivery against savings targets. They also contain appropriate information on the delivery of the approved capital programme, including explanations for both over and under spends against the budget profile.

The budget report presented to Budget Council in February 2025 set out the Council's budget requirement for the 2025/26 financial year and provided details on the Council's reserves position. Council approved a net revenue budget of £238m for 2025/26, which included an approved use of reserves of £5.8m to balance the revenue budget. The budget report assumed an increase in Council Tax of 2.99% excluding the Adult Social Care Levy of 2%. We reviewed the forecast outturn reported to Cabinet on 3 December 2025 we noted a continuing overspend in 25/26 and a budget proposals for 26/27 show a budget gap after use of reserves of £16m (before savings proposals of 8.4m), which means again use of reserves above the level approved in budget.

Spend on the capital programme for the 2024/25 year was £59.81m. In February 2024 Council approved the 2024/25 capital budget at £146.92m, which was later increased by £23.42m to accommodate slippage from 2023/24 increasing the 2024/25 Capital Programme to £170.347m. However, subsequent in-year capital programme reviews led to the 2024/25 capital programme being

reduced to £79.17m.

In the summer of 2024, the Council declared itself to be in a state of financial distress. It established a voluntary Finance Improvement Panel, with support from CIPFA and the LGA, to review its financial position, including the systems and processes in place. The work of this panel included a review of the policy on reserves, a review of the recently approved Treasury Management strategy and saw the beginning of a zero-based budget exercise across every department. It also included a review of the staffing structures in place across the finance service.

The work of the Financial Improvement Panel identified the Council did not have a clear understanding of its financial position or of the Council's cost base. The level of usable reserves available to the Council, whilst declining, was higher than reports to members had previously indicated. As a result, leadership of the Council's finance team changed with the appointment of a new Interim Section 151 officer. A substantive appointment was made in autumn 2024. Since then, considerable further work has been undertaken to better understand the Council's financial position and challenges, and to update the medium term financial planning to ensure the Council can get to a more financially sustainable position.

Arrangements for the identification, management and monitoring of funding gaps and savings

The Medium Term Financial Strategy (MTFS) is a four year plan which sets out the resources available to deliver the Council's overall commitment to provide services that meet the needs of people locally and that represent good value for money.

A key part of the MTFS is to highlight the budget issues that need to be addressed by the Council in each of the years it covers. This includes assumptions to allow forecasting of the level of available resources from all sources together with the budget pressures relating to both capital and revenue spending. It also assesses the adequacy of reserves and the level of provisions held for past events which may impact on the Council's resources. The financial plans were developed based a number of estimates and assumptions. We have reviewed the assumptions used and are satisfied these were appropriate at the time, reflecting the professional judgement of the finance team. However, it is clear the level of reserves available to the Council was not properly understood.

VFM arrangements – Financial Sustainability

Overall commentary on the Financial Sustainability reporting criteria - Continued

The Council's 2024/25 and 2025/26 budgets were set to reflect the prevailing rate of inflation due to the Ukraine war and the cost of living crisis. However, the MTFS reflected some significant uncertainties, particularly with the funding assumptions for future years because local authorities were working with single year settlements. The 2026/27 settlement, announced in December 2025, was a multi year settlement through to 2028/29 which provides a clearer base for future decisions.

Following the independent reviews of the Council's financial position undertaken in the autumn of 2024 and spring of 2025, and the reassessment of the level of reserves available to the Council, the budget for 2025/26, presented to Council in February 2025, set out the Council's budget requirement for the 2025/26 year as a net revenue budget of £238m. This included an approved use of reserves of £5.8m. However, the 2025/26 quarter 1 position presented to September 2025 Cabinet showed a forecast overspend of £4.15m.

In the budget setting process for 2026/27, there is a recognition the Council needs to make investments in a range of areas in order to improve services for local people and also to transform the way the Council operates for the longer term. This, together with some known financial pressures arising from increasing demand and continuing pay and price inflation, means the Council knows it has a significant financial challenge to set a balanced budget. Members have been presented with a range of options to both reduce costs and increase income but rejected some. As a consequence, the delivery of the savings plans that were agreed will be essential. The Council still needs to use reserves to help to achieve a balanced position. The 2025/26 budget report recognised that although there was a significant reduction in the funding gap covered by reserves between 2024/25 and 2025/26, this is dependent on the delivery of over £16m of new savings proposals of which £8.260m needs to be delivered in 2025/26. The updated MTFS shows a structural funding gap remain that needs to be addressed through the identification of new savings proposals for 2026/27.

In January 2025, the Council introduced new assurance boards to support its governance framework in response to our formal recommendation issued in December 2024. Following this, delivery of the in-year budget together with the development of the refreshed MTFS and 2026/27 budget proposals has been overseen by the Finance Board. As a result of the significant work undertaken over the last few months, the Council now expects to be able to set balanced budgets over the life of the MTFP without recourse to exceptional financial support.

Dedicated Schools Grant (DSG) deficit – Project Safety Valve

In addition to the use of reserves to balance its general fund budget, the Council has also accumulated a large deficit balance in relation to Dedicated Schools Grant. The deficit stands at £19.04m as presented in the draft 2024/25 statements. Although the Council entered into a Safety Valve agreement with the Department for Education (DfE) in 2021, intended to eradicate the DSG deficit by the end of the 2024-25, the Council has not been able to do so. An amendment has been made to the Council's DSG Management Plan and agreed with the department which now has a timeframe for eradicating this deficit by the end of 2028/29. As part of this plan, the Council has agreed to reach a positive in-year balance on its DSG account by the end of 2028/29 and in each subsequent year. The Council has also agreed to implement the action plan agreed with the DfE, and to complete ongoing monitoring of the Council's performance in fulfilling this agreement.

The financial projection for the year end position in 2025/26 is for a £2.5m overspend and a DSG deficit of £21.5m. However, this reflects costs of the Council's investment in the Children and Young People's team and a sharp increase in demand which, because of insufficient in-borough provision, meant the Council had to increase the use, and bear the additional cost of, Independent and Non-Maintained Special School (INMSS) provision. As a result, and despite the financial plan being off trajectory, the DfE has not made further interventions and continues to monitor the Council's position closely.

In May 2024 OFSTED published the results of its inspection of the Council's SEND services. This inspection concluded there were widespread and/or systemic failings leading to significant concerns about the experiences and outcomes of children and young people with special educational needs and/or disabilities (SEND). The DfE confirmed they would work with Bury to ensure the response to the OFSTED inspection outcome and their Safety Valve activity are properly aligned.

OFSTED have continued to engage with the Council to ensure the actions taken to address the inspection findings are being put in place. However, it is too early to determine the impact of these actions.

Based on the above considerations we have identified a significant weakness in the Council's arrangements in relation to financial sustainability.

VFM arrangements

Governance

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



VFM arrangements – Governance

Overall commentary on the Governance reporting criteria

Risk management and monitoring arrangements

Bury Council has a risk management system in place which is included in the governance structure of the organisation. As part of the Council's governance framework, the Audit Committee has been responsible for ensuring that management arrangements are in place and are regularly reviewed to ensure they are working effectively.

Each department maintains and updates its own risk register, which then feeds into the Council-wide corporate risk register. We have reviewed an example department register and confirmed it is sufficiently detailed. Each risk has an assigned risk owner and a risk score based on the likelihood and impact matrix. Where mitigating actions are identified they are also assigned an owner(s) to ensure there is appropriate accountability.

The Corporate Risk Register focusses on risks that are cross cutting and strategic. These risks are defined as those with the potential to disrupt the Council's ability to meet its strategic and operational objectives. The risks are agreed by the Executive Team as warranting regular scrutiny to help minimise future adverse implications including financial challenges.

The corporate risk register is a live document subject to review by the Executive Team on a quarterly basis in alignment with the schedule of meetings for the Audit Committee. It is presented to the Committee for scrutiny with some risks then identified for a more detailed review by members. Although the Council has a documented approach to managing risks, this was not fully embedded across the Council. As a consequence, when, in August 2023 a national issue relating to the use of Reinforced Autoclaved Aeriated Concrete (RAAC) in buildings was identified, the Council was slow to react to undertake an assessment of all its buildings to ensure it had a clear picture of the extent of RAAC in its exposure, other than in schools where DfE coordinated the initial response. By the end of October 2023, the Council was aware of RAAC in the Market Hall building, which was immediately closed to ensure public safety but had made little progress in inspecting other Council buildings. By December 2024, some 15 months after first being notified of the issue, the Council still did not have a clear understanding of the potential risk. We have been told the Council has now completed its assessment of the risks in relation to RAAC. However, in our view, during 2024/25, the Council's risk management framework was not sufficiently embedded and did not necessarily drive the completion of effective mitigating action.

Internal Controls

In order to provide assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud, the Council has a team of internal auditors, led by the Head of Internal Audit. Annual Internal Audit Plans were agreed with Management at the start of each financial year and reviewed by the Audit Committee prior to final approval. The plan for 2024/25 was approved by Committee in March 2024 and the plan was amended during the year where management requested changes or deferrals, or because there was insufficient audit team capacity to deliver.

The internal audit plans were based on an assessment of the risks the Council faced and were determined to ensure assurance could be provided on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control. We have reviewed the internal audit plan for 2024/25 and confirmed it follows a risk based approach.

Internal audit progress reports are presented to each Audit Committee meeting, including follow up reporting of recommendations not implemented by agreed dates. At the end of each financial year the Head of Internal Audit provided an opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control. For 2024/25, the Head of Internal Audit concluded that Limited assurance could be given that significant risks facing the Council are addressed. A total of 27 audit reviews, making 165 recommendations, were considered as part of forming the overall opinion for the year. 17 audits were still in progress at the end of the financial year and were carried forward into 2025/26 to be finalised. The Head of Internal Audit Opinion reflects concerns about the high volume of limited assurance reports in the year, delays in the implementation of fundamental and significant recommendations and the ongoing governance and financial pressures.

The Council has in place all relevant policies which we would expect including policies on:

- Gifts and hospitality;
- Codes of conduct;
- Declarations of interest; and
- Whistle blowing.

VFM arrangements – Governance

Overall commentary on the Governance reporting criteria - Continued

Internal Controls

In respect of the main accounting system review reported in August 2024, Internal Audit reported that:

- periodic reviews of all user permissions on the Unit 4 system are not undertaken. As a result, officers may have access rights beyond those required for their role;
- bank reconciliations are undertaken on a monthly basis. However, they are not undertaken on a timely basis and there is a delay in completion. Reconciling items are not always cleared and reconciliations are not subject to review by a Senior Finance Officer; and
- no formal records exist to evidence the budget monitoring undertaken for each service.

We attended all of the Audit Committee meetings during 2024/25 and to date. From our attendance at these meetings, we confirmed the Committee receives regular updates on both internal audit progress and risk management. We have seen members engage by challenging the papers and reports which they receive from officers, internal audit and external audit. Notwithstanding this challenge, the Audit Committee's intervention is not driving management to take actions in response to either risks identified or internal control weaknesses.

From our review of internal audit update reports and our attendance at Audit Committee, we remain concerned that internal audit recommendations were not actioned on a timely basis during 2024/25.

Alongside this, in our view, this challenges the Council faces in operating its internal control framework effectively is evidenced by the impact of the finance team restructures undertaken in 2022 and 2023. The changes left the Council without the capacity, skills and experience required to operate systems and processes as required to maintain an adequate system of internal control. A further restructure and recruitment process has been launched in 2025/26 to properly resource the function. This will sit alongside a planned upgrade to the Council's financial systems.

More recently, new governance arrangements introduced as part of the council wide improvement plan established a Governance Board to oversee the implementation of Internal Audit recommendations as this had been recognised as an area requiring improvement. Reports to this Board indicate significant improvements have been made in 2025/26. The Members Assurance Group receives monthly updates with regard to outstanding audit recommendations and has asked accountable managers to attend to explain reasons for any delays and agree revised timelines. Whilst it is positive to see the Leadership Team taking steps to improve the implementation of audit recommendations and to strengthen internal controls, it is too early to assess the effectiveness of the actions.

Arrangements for budget setting and budgetary control

The Council's approach to budget setting aligns to the corporate plan and LET'S Do It! Strategy (Bury 2030). The budget setting process is a continuous process with work being undertaken to identify new savings proposals early in the new financial year before being considered by Cabinet in the Autumn. The initial budget and associated proposals go through several iterations with Executives, Policy Advisory Group, Overview and Scrutiny Finance and Performance Subgroup before budget consultation being undertaken to feed into the final budget proposals to be considered by Cabinet and Council in February each year. Regular meetings between Services and Finance Leads to discuss the financial position and emerging pressures, delivery of savings plans and opportunities for future service redesign, savings or efficiencies.

Whilst members are actively engaged in budget setting and have an understanding of the seriousness of the Council's overall position, we note that some of the policy options proposed were declined by members because they were considered difficult.

Throughout the 2024/25, budget monitoring was undertaken and reports were taken to cabinet quarterly. In 2024/25 the outturn report confirmed transfers from reserves were in excess of the planned use of reserves per the budget. This suggests that budget monitoring arrangements in year were not effective. As in previous years, budget monitoring is the responsibility of budget managers with the support of the Finance team. Monthly budget meetings are held with budget holders and departments to discuss progress against the financial forecasts. Significant variances are reported to cabinet quarterly with explanations provided.

Decision making arrangements and control framework

Bury has an established governance structure in place which is set out within its Annual Governance Statement. This is supported by the Council's Code of Corporate Governance, the Governance Framework, the Constitution and scheme of delegation. Decision Making processes are formally set out in the Council's Constitution.

The Council operated four Scrutiny Committees and 2 sub committees responsible for ensuring robust scrutiny of decisions made by Cabinet. The Committees call in decisions and hold Portfolio Holders to account for Council performance.

VFM arrangements – Governance

Overall commentary on the Governance reporting criteria - Continued

The role and responsibilities of the Audit Committee are established within the Council's Constitution. The Council's Audit Committee had responsibility for overseeing the work of the Internal and External Audit functions. It provided Full Council with assurance on the effectiveness of:

- The governance arrangements of the Council and its services.
- The Council's risk management framework and the associated control environment.
- The Council's financial management processes and the way this relates to the performance of individual services and the Council as a whole.

Following the formal recommendation we made to the Council in December 2024, a formal Council-wide improvement plan was agreed. From January 2025, the Council took steps to strengthen improvement focus by establishing six new Boards, each chaired by a member of the Executive Leadership Team to provide effective oversight of the actions required. These Boards cover:

- Commercial
- Finance
- Governance and Assurance
- Performance, Delivery and Transformation
- Property and Estates
- Regeneration

The Boards meet monthly and consider business in line with their formally agreed terms of reference. There is a direct reporting line through to members through the Members Assurance Group.

Audit of the Statement of Accounts

In 2020/21 we raised a significant weakness linked to the poor quality of the draft accounts submitted for audit and the significant difficulties encountered during the audit process because of problems with underlying records. The issues identified affected significant balances within the draft accounts published by the Council, such as Property, Plant and Equipment and the Dedicated Schools Grant (DSG) deficit. In 2021/22, as in the previous years, the draft accounts were not prepared to the required quality standard and contained a number of significant internal inconsistencies and errors. As the audit commenced, it became clear the working papers and supporting information required to support the audit were not always available and were being prepared as we requested them. A significant number of amendments, some of them material, were made to the financial

statements. Unfortunately, by late November 2024, we had still not been provided with all of the information we required to conclude our work. As a result, we were unable to complete our audit work by the statutory deadline of 13 December 2024 and therefore issued a disclaimed opinion on the financial statements.

Due to the issues with the quality of the draft financial statements, supporting working papers and underlying records in 2020/21 and 2021/22, there were significant delays in the audit process. This led to us issuing a disclaimed audit opinion on the financial statements for the 2021/22 and 2022/23 years. Furthermore, due to the previous years significant issues and delays we were unable to complete our audit of the 2023/24 financial statements by the statutory deadline of 28 February 2025 and therefore a disclaimed audit opinion was issued on the 2023/24 financial statements.

The Council's 2024/25 draft financial statements were due for publication by the statutory deadline of 30 June 2025. However, the accounts were late and were not published on the Council's website until October 2025.

Although the draft accounts were supported by an annual governance statement, this was a poorly drafted document containing typographical errors, references to the wrong year and hyperlinks to documents that did not work. Our high-level review also found the Annual Governance Statement required revision because it did not adequately reflect the scale of governance issues and risks identified through both internal and external audit and management. These issues demonstrate ongoing strain in financial governance and reporting capability in 2024/25.

The Council is required to publish its Accountability Statements for the year ended 31 March 2025, by 27 February 2026 ('the 2026 backstop date'). The National Audit Office issued guidance to auditors on rebuilding assurance following backstop-related disclaimers of opinion in June 2025. We have determined that there is not sufficient time to carry out the procedures we deem necessary to rebuild assurance before the 2026 backstop date and disclaimed opinion for 2024/25 is to be issued.

The finance restructure undertaken in 2022 and key staff turn over in finance team in following years meant loss of continuity and corporate knowledge. Interim staff were appointed to try to bridge the gaps in technical skills. The cost of such interim staff can be relatively high and the lack of corporate knowledge can make their role difficult.

VFM arrangements – Governance

Overall commentary on the Governance reporting criteria - Continued

A new Chief Accountant took up post on the 6th March 2023 and made progress in reviewing timetables, providing training and establishing model working papers. These were used for the 2023/24 closedown. A new Director of finance was appointed in June 2024, to provide more stability in the function. However, there is more to do to make sure the finance function of the Council is appropriately resourced and has the capacity, skills and technical knowledge to provide appropriate financial reporting as well as to support the wider business of the Council.

Statutory Recommendation

In December 2024 we issued the following written recommendation to the Council:

We recommend the Council should, as a matter of urgency, develop a comprehensive Council-wide improvement plan to reflect the transformation and cultural change needed across all departments, to ensure the Council can deliver the range, level and quality of services that it deems appropriate and within its statutory responsibilities in a financially sustainable way. As part of this, appropriate senior leadership and management is required to ensure the improvement plan delivers the required changes. Member oversight is needed to ensure the changes are embedded into the organisation.

Since this recommendation was issued, the Council developed and approved an improvement action plan to map out how the required organisational improvements would be taken forward. This included adopting new governance arrangements through the six new delivery boards as discussed previously. The Boards have clear accountability to the Executive Leadership Team (ELT). They operate within defined remits aligned to the Council's Service Improvement Plan, with delivery activity tracked and monitored to support effective oversight and escalation. During the initial implementation phase, the boards met at an increased frequency to establish pace and grip. These arrangements have since transitioned into a business-as-usual cycle, with meeting frequency adjusted to reflect maturity, workload and risk. The Executive Leadership Team has continued to engage with senior managers to reinforce Service Improvement Plan actions and to emphasise the importance of Council-wide cultural change in supporting sustainable improvement. While not all improvement actions were deliverable

immediately following the issuing of external recommendations, the governance arrangements are now embedded. Delivery and effectiveness continue to be monitored through ELT oversight, Audit Committee reporting and the Annual Governance Statement, demonstrating ongoing commitment to strengthening governance, financial management and organisational culture

Alongside this, the Executive Leadership Team oversight has been strengthened by establishing a Chief Office Group and a Senior Manager Group intended to support delivery of the Council's strategy and to drive the culture change needed. Notwithstanding these changes, management capacity and capability across the Council remains stretched.

Regulators

We reviewed the regulatory reports issued in respect of the Council.

Information Commissioners Office (ICO)

The ICO published a report in August 2021 following a data protection audit carried out in June 2021. The report made 79 recommendations, including seven urgent and 24 high-priority actions. The scale of the findings represented a significant weakness in the Council's internal control arrangements at that time. A follow-up review by the ICO in April 2022 identified 22 recommendations still outstanding, including some originally categorised as urgent or high priority, highlighting that progress had not been sufficient at that stage. Since 2022, the Council has undertaken sustained remedial action to address the ICO findings. The majority of recommendations have now been implemented, supported by strengthened information governance arrangements, dedicated compliance capacity, and regular oversight through the Audit Committee.

Since the ICO's follow-up review in April 2022, there have been no further ICO data-protection audits or enforcement action. During 2024/25, the ICO issued only routine FOI/EIR decision notices, which were case-specific and not indicative of systemic data-protection failings.

VFM arrangements – Financial Sustainability

Overall commentary on the Governance reporting criteria - Continued

OFSTED

A focused Ofsted visit in October 2020 found that Children's Services in Bury had deteriorated since 2016, with leadership instability and insufficient focus on improvement. A full Ofsted inspection in 2021 judged services 'Inadequate', citing serious failures leaving children at risk of harm. Although a peer review and Improvement Board had been established, these arrangements took some time to embed, not least because of leadership changes in September 2021.

Following the inspection, improvement governance was strengthened, with an DfE-appointed independently chaired Improvement Board, revised terms of reference agreed in January 2022. The Board receives reports setting out the progress against the improvement plan. This plan is organised around 3 key themes: leadership and management, quality and impact of practice on the outcomes for children, and workforce. A separate workforce board has been established to facilitate input from staff to the Improvement Board.

In January 2022, the Children and Young People's Scrutiny Committee considered both the Ofsted findings and the Council's response, and the final improvement plan was submitted to Ofsted in January 2022. The Council made available finances to invest into Children's Services in order to address the remedial actions. This investment was used to recruit additional staff, in order to reduce social worker caseloads as a step to improving the quality of practice. Externally managed teams were also been commissioned by the Council to immediately provide additional service capacity.

A six-month review was undertaken by OFSTED in February 2023. This report identified some positive progress and emerging strengths. The strengths noted were a restructured and stable leadership, a commitment to invest as evidenced by 50 new posts, and the implementation of family safeguarding model. The report concluded the Council should continue to address areas of concerns and DFE should continue to monitor progress.

A further monitoring visit was undertaken by OFSTED in November 2023. Findings from this visit noted a delay in implementing the changes. As a result, OFSTED concluded outcomes for care-experienced young people remain too inconsistent. OFSTED also found progress has been hindered by a lack of management capacity at both service manager and assistant director level to implement the improvement plans, and that a performance culture is not embedded.

In December 2024 OFSTED published their findings from an October 2024 follow up visit. This noted further progress had been made since the previous report. OFSTED noted an improvement in the

pace of actions since the appointment of a permanent Director of Social Care and Early Help in May 2024. Whilst the December report was generally positive, it noted that, in some instances, it was too early to see the impact of the actions put in place and said there was still evidence of weaknesses in some areas.

The Council had its most recent Ofsted Full Children services inspection in June 2025. While the overall outcome of the report was 'Requires improvement to be good', Ofsted acknowledges services for children and families in Bury have improved since the inspection in 2021. Ofsted noted the leadership has strengthened and is now rated Good, reflecting improved strategic grip, a more stable workforce and a stronger quality assurance framework. However, the inspection also confirms three of the four judgement areas—help and protection, children in care, and care leavers—continue to require improvement, demonstrating that improvements are not yet consistent or embedded across frontline practice. Persistent weaknesses such as drift and delay in planning, ineffective escalation by IROs and conference chairs, inconsistent quality of direct work and life story work, and delays in meeting children's emotional and mental health needs continue to undermine timely and effective outcomes for children. These issues are explicitly highlighted by Ofsted as ongoing areas requiring improvement.

Separately, and in May 2024 OFSTED published the results of an inspection of the Council's SEND services. The inspection took place between 12 and 16 February 2024. The inspection outcome concluded "there are widespread and/or systemic failings leading to significant concerns about the experiences and outcomes of children and young people with special educational needs and/or disabilities (SEND), which the local area partnership must address urgently".

Bury Council and NHS Greater Manchester Integrated Care Board (ICB) are jointly responsible for SEND services in the borough. As a result of the inspection, the local area was issued with a formal Improvement Notice in May 2024, identifying six priority actions and three areas for improvement to be addressed jointly by the Council and the ICB.

In response, the local area developed a Priority Action Plan, locally referred to as the Priority Impact Plan (PIP). The PIP was co-produced with stakeholders, including parents, carers and young people, and sets out actions, milestones and performance measures to be delivered over 18–24 months. The plan has since been approved by Ofsted and the CQC and is published on the Council's Local Offer.

VFM arrangements – Financial Sustainability

Overall commentary on the Governance reporting criteria - Continued

To oversee delivery, the SEND Improvement & Assurance Board (SIAB) was established, replacing previous SEND partnership boards. The SIAB is accountable to Cabinet and to the GM ICB via the Locality Board and is chaired independently. The Board meets monthly, with its first meeting held in June 2024, and maintains an action log and risk register to monitor progress against the PIP.

The recent “Requires improvement to be good” rating for children services and outcome of SEND service from OFSTED following their inspections, indicates a risk of significant weaknesses in proper arrangements and sufficient progress has not been made to address the findings.

Our work highlights a continued significant weakness in relation to the Council’s arrangements for ensuring there is a sound system of internal control and risk management in place.

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 – Financial Sustainability

Improving Economy, Efficiency and Effectiveness

Performance Management

In 2021 a corporate strategic planning process was established, which provided an annual, integrated strategic corporate plan for the Council and (the then) Bury Clinical Commissioning Group (CCG) partnership to guide the partnership's delivery against the Let's Do It! Vision.

The Council continues to monitor its progress against its Corporate Plan with progress being reported to the Executive team on a monthly basis and Cabinet on a quarterly basis. As reported previously the Council's Performance Management Framework sets out how the progress against the Corporate Plan is managed and reported on. Departmental performance is monitored against a set of agreed measures with each department managing performance within its own departmental processes. The departmental performance monitoring feeds upwards into the Directorate Business Plans and the Corporate Plan.

In 2021/22 the corporate plan sets out 15 council across three strategic themes grouped around the Council's 3 "Rs" of Respond; Recovery; and Renewal. In February 2022 the Council refreshed the Corporate Plan for the 2022/23 year. The plan continued to focus on the 15 priority areas but committed to "strengthening the basics" in terms of the Council's services and internal operations. Within the 2022/23 refresh the Council acknowledged the significant challenges in the delivery timeframe over which it expected to see outcomes.

Although the Council had an established and agreed corporate plan and performance monitoring framework, this has not worked effectively enough to ensure services provided by the Council are good. In recent years, there have been a number of failings within Council services most notably: services for children's and young people as assessed by OFSTED inspections, including SEND services, and the failure to deliver the service changes to support the DfE's Safety Valve programme.

Further work has been undertaken since the Council received our formal recommendation on improvement in December 2024 clarifying the Council's priorities and changes to the service planning arrangements to ensure the supporting departmental business plans are in line with these. Formal Key Performance Indicators (KPIs) have been agreed across both children and adults services. During 2026/27, other services will agree an appropriate suite of KPIs to report.

Bury has an agreed performance management framework in place. Based on our review of Draft People Strategy, which was presented through the Council's Employment Panel process in November 2025, 90% of Bury Council employees had completed a performance / employee review within 2024/25. A PowerBI Dashboard was issued to all line managers in January 2025. This provides access to individual level information on outstanding employee reviews and those due in the next three months, as well as mandatory training completion information.

Partnerships and Commissioning

The Council works in partnership with a range of third parties, both under statutory and other arrangements to provide services. These partnership arrangements are subject to review. The Team Bury Executive Board brings most of these partner organisations together to support the delivery of the Council's ambitions articulated through its community strategy and local community plans.

The Council is open to considering all models for the delivery of service. This means that some services are provided directly by the Council and others are contracted out to third parties. To support this, the Council has a Procurement Strategy and set of Contract Procurement Rules, which are part of the Constitution, and which outline how the procurement of goods, works and services is to be achieved. These documents take into account latest legislative and operational changes at the Council. Controls are designed to ensure that all procurement activity is conducted with openness, honesty and accountability.

The latest revised Contract Procedure Rules (CPRs) were approved by Full Council on 13 November 2024, and a procurement strategy in October 2022. The new strategy was written for the Council by a third party and covers the period 2022- 2026. Once approved, ownership of delivery of the strategy transferred to the Council's strategic procurement team. A further review of the Council's contract procedure rules was undertaken and approved by Council in December 2022 with an implementation date 1 February 2023.

However, the Council does not have a fully resourced procurement and contract management function. As a result, it cannot be sure the services it procures from third parties are being delivered in accordance with contract terms. Recognising the capacity gap, the Council has developed a Procurement Transformation / Future Operating Model business case (issued December 2025) to strengthen resourcing, capability and contract management arrangements over time. The Council is

VFM arrangements – Financial Sustainability

Improving Economy, Efficiency and Effectiveness

open to changing delivery models where it believes it can get a better outcome. It commissioned a review of the housing management arrangements of its wholly owned subsidiary Six Town Housing in late 2022. Following this review, and in order to address the issues raised, the Council took a decision, in June 2023, to directly manage all of its housing stock including those previously managed by Six Town Housing. Following a formal Cabinet decision, services were brought back into the Council in a transfer that was completed in February 2024.

We have identified a significant weakness in arrangements against the economy, efficiency and effectiveness reporting criteria as a result of the matters arising from the OFSTED's inspection of Children's Services.

Value for Money

Status of our work

We have completed our work in respect of the Council's arrangements for the year ended 31 March 2025 and have identified three significant weaknesses in arrangements and have made associated recommendations.

Progress against significant weaknesses and recommendations made in the prior year

As part of our 2020/21 audit work, we identified the following significant weaknesses and made recommendations for improvement in the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources. These identified weaknesses have been outlined in the table below, along with our view on the Council's progress against the recommendations made, including whether the significant weakness is still relevant in the 2024/25 year.

Previously identified significant weakness in arrangements	Reporting criteria	Recommendati on for improvement	Our views on the actions taken to date	Overall conclusions
Ofsted Inspection: Children's Services 1 The council had its most recent Ofsted Full Children services inspection in June 2025. The overall outcome of the June-25 report was 'Requires improvement to be good' Ofsted acknowledges Services for children and families in Bury have improved since the last inspection in 2021, when the overall effectiveness was inadequate. Ofsted noted the leadership has strengthened and is now rated Good, reflecting improved strategic grip, a more stable workforce and a stronger quality assurance framework. However, the inspection also confirms that three of the four judgement areas—help and protection, children in care, and care leavers—continue to be rated “Requires Improvement to be Good”, showing that improvements are not yet consistent or embedded across frontline practice. Persistent weaknesses such as drift and delay in planning, ineffective escalation by IROs and conference chairs, inconsistent quality of direct work and life story work, and delays in meeting children's emotional and mental health needs continue to undermine timely and effective outcomes for children. These issues are explicitly highlighted by Ofsted as ongoing areas requiring improvement. Separately, and in May 2024 OFSTED published the results of an inspection of the Council's SEND services. The inspection took place between 12 and 16 February 2024. The inspection outcome concluded “there are widespread and/or systemic failings leading to significant concerns about the experiences and outcomes of children and young people with special educational needs and/or disabilities (SEND), which the local area partnership must address urgently. The Council recognises that a failure to address the weaknesses identified in the Ofsted report could adversely impact upon the safety of children. In our view this is indicative of a significant weaknesses in the council's arrangements in relation to the governance and improving economy, efficiency and effectiveness reporting criteria.	Governance Improving the 3Es	We recommend the Council puts in place robust arrangements to ensure the actions identified in its improvement plan are being delivered on time and are having the required impact on the quality of service provided to, and the safety of, children in the Borough.	In December 2024 OFSTED published their findings from an October 2024 follow up visit. This noted further progress had been made since the previous report. OFSTED noted an improvement in the pace of actions since the appointment of a permanent director of social care and early help in May 2024. Whilst the December 2024 report was generally positive, it noted that, in some instances, it was too early to see the impact of the actions put in place and said there was still evidence of weaknesses in some areas. The June 2025 Ofsted report acknowledges Services for children and families in Bury have improved since the last inspection in 2021, when the overall effectiveness was inadequate. Ofsted noted the leadership has strengthened and is now rated Good, reflecting improved strategic grip, a more stable workforce and a stronger quality assurance framework.	In our view, the identified weaknesses are still present in the 2024/25 financial year.

Value for Money

Progress against significant weaknesses and recommendations made in the prior year - Continued

Previously identified significant weakness in arrangements	Reporting criteria	Recommendation for improvement	Our views on the actions taken to date	Overall conclusions
Weaknesses in Internal Control We reported several issues including the poor quality of the draft accounts submitted for audit and the significant difficulties encountered during the audit process because of problems with underlying records. The issues identified affected significant balances within the draft accounts published by the Council. The Statement of accounts of the council for 2024/25 were not published by the statutory deadline demonstrating ongoing strain reporting capability. Additionally, internal control weaknesses have been highlighted by the Internal Audit. Internal Audit's 2024/25 Annual Report issued a limited assurance opinion based on many Limited/Moderate opinions, a high volume of high-risk recommendations, and slow close out at follow up -particularly in core finance and IT/IG control areas. In our view, the totality of the issues identified indicates a significant weakness in relation to the governance reporting criteria. In our view, the totality of the issues identified indicate a significant weakness in relation to the governance reporting criteria.	Governance	With reference to the weaknesses in internal control identified, the Council should ensure it has arrangements in place for strengthening and maintaining the adequacy and effectiveness of the internal control framework.	The lessons learnt exercise completed post 2020/21 which was reported to the Audit Committee to outline how the issues identified in the 2020/21 external audit were to be addressed did not materialise. The improvements needed did not occur as the interim Chief accountant who was working with the Council and who produced the lessons learnt and plan for improvement left the Council before the end of March 2022. A replacement interim Chief accountant was engaged in March 2022 but did not see out the external audit leaving before the audit had concluded. A permanent Chief accountant took up post on the 6th March 2023. Although he has made progress in reviewing timetables, providing training and establishing model working papers, there is more to do to ensure the Finance team has the capacity, skills and experience required to support the Council. This is evidenced by the Council's failure to prepare accounts for the 31 March 2025 year end in line with the statutory timetable. Internal audit have continued to report weaknesses in internal control with a high number of limited assurance reports in the period from 2021/22 through to 2024/25, including in respect of the main financial systems including creditors, debtors, cash and bank and the main accounting system. In January 2025, the Council strengthened its governance arrangements by establishing six new delivery boards reporting up to the Executive Leadership Team. One of the boards has a focus on finance and is chaired by the Section 151 Officer. However, it is too early to tell if this board will bring around the required improvements, not least because the improvements are somewhat dependent on a significant upgrade to the Council's finance system.	In our view, the identified weaknesses are still present in the 2024/25 financial years.

Value for Money

Progress against significant weaknesses and recommendations made in the prior year - Continued

Previously identified significant weakness in arrangements	Reporting criteria	Recommendation for improvement	Our views on the actions taken to date	Overall conclusions
Financial Sustainability In 2022/23 we raised a significant weakness in relation to financial sustainability. The Council's budgets for the 2021/22 to 2023/24 and 2024/25 financial years all relied on significant use of reserves to get to a balance position. In 2022/23, 2023/24 and in 2024/25 the Council recorded a General Fund overspend requiring additional reserve draw and worsening the underlying resilience position. Further, on review of forecast outturn reported to Cabinet on 3 Dec we noted a continuing overspend in 25/26 and a budget proposals for 26/27 show a budget gap after use of reserves of £16m (before savings proposals of 8.4m) General Fund and earmarked reserves reduced by £28 m, from £99.6 (31 Mar 2024) to £71.57m (31 Mar 2025). The Council's own narrative acknowledges the Budget Stabilisation Reserve is now insufficient to support the forecast funding gap past 2026/27. 3 In addition to the use of reserves to balance its general fund budget, the council has also accumulated a large deficit balance in relation to Dedicated Schools Grant, which stands at £19.04m as presented in the council's draft 2024/25 statements. Although the council entered into a Safety Valve agreement with the Department for Education in 2021, aimed to eradicate the DSG deficit by the end of the 2024-25. Council could not eradicate its deficit by the end of 2024/25 target, and an amendment has been made to the council's DSG Management Plan and agreed with the department which has a timeframe of the end of 2028/29. The financial projection for the year end position in 2025/26 is for a £2.5m overspend and a DSG deficit of £21.5m. In summer 2023 the Council declared itself to be in a state of financial distress and established a voluntary Finance Improvement panel to review its financial systems and pressures. Although progress has been made in understanding the sources of funding available to the council, including exploring the flexible use of capital receipts, the council still faces significant inflationary pressures as a result of having historically made the decision to outsource a large proportion of the delivery of its services. To date the Council has not fully explored income generation opportunities to support the financing and continued delivery of its services.	Financial sustainability	The Council should undertake a full review of how it delivers and funds its services, including developing and implementing sustainable financial plans to ensure services can be provided within available resources. Sufficient information should be provided to Members so they can understand the position of the council and actions. Any planned use of capital receipts flexibilities should be fully supported and in-line with the statutory guidance and in the timeframe allowed by the current direction.	Since this recommendation was issued the Council has been working on a comprehensive improvement action plan to map out how the required organisational improvements will be made. The Council has proposed new governance arrangements made up of six new delivery boards reporting up to the Executive Leadership Team. One of the boards has a focus on finance and is chaired by the Section 151 Officer. The work undertaken through the latter part of 2024/25 and through 2025/26 on the zero-based budget means the Council now has a better understanding of its financial position and the reserves available to use. It also has a clearer idea of the drivers of overspends. As a result, the Council will set a budget for 2026/27 which, whilst still requiring the use of reserves to support services, avoids the need for Exceptional Financial Support. However, there is more to do to ensure both members fully understand the financial challenge and the need for difficult decisions on the options for both savings and additional income. It is also too soon to know the Council can deliver the financial plans, including savings, set given the continuing demand pressures it faces, most notably in the Children and Young People's service.	In our view, the identified weaknesses are still present in the 2024/25 financial year.

Value for Money

Progress against significant weaknesses and recommendations made in the prior year - Continued

Previously identified significant weakness in arrangements	Reporting criteria	Recommendation for improvement	Our views on the actions taken to date	Overall conclusions
Financial Sustainability – Continued 3 The issues set out above are evidence of a significant weakness in the council's arrangements for financial sustainability and governance, specifically how the council plans finances to support the sustainable delivery of services, how the Council identifies and manages risks to financial resilience and how the council approaches and carries out its annual budget setting process.				

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 powers since we issued our statutory recommendation in December 2025.

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 had not received any such objections or questions at the time of drafting this report.

Reporting to the group auditor

Whole of Government Accounts (WGA)

The National Audit Office (NAO), as group auditor, requires us to complete the WGA Assurance Statement in respect of its consolidation data. We completed the statement at the conclusion of the audit of the financial statements. 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 and we have therefore been unable to issue our Audit Certificate for 2024/25.

Audit fees and other services

Audit fees and other services

Fees for work as the Council’s appointed auditor

Our fees (exclusive of VAT and disbursements) as the Council’s appointed auditor are outlined below. Our fees are designed to reflect the time, professional experience, and expertise required to perform our audit.

	2022/23 £	2023/24 £	2024/25 * £
Scale Fee (for Info)	106,118	321,724	348,886
Planning & Reporting Disclaimed Opinion	31,712	38,539	43,335
Value for Money – core	8,000	93,461	104,671
Value for Money – additional risks	74,447	30,000	42,144
Total Fee	106,118	162,000	190,150

- The 2024/25 fee is a proposed fee, subject to review by PSAA.

We have not provided any non-audit services to the Council.

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