

External Audit update

Summary

1. This report provides an External Audit update in relation to audit of the financial statements and value for money opinion 2025/26, plus other sector updates for Members to note.

Recommendation:

- a. **You note the External Audit update at Annex 1.**

Background

External audit plan progress 2025/26

2. External Audit is a regulatory requirement for Local Authorities. The service is provided by Grant Thornton UK LLP, procured through the Public Sector Audit Appointments (PSAA) framework.
3. A key element of the external audit approach is production of the audit plan setting out factors including anticipated timings, materiality and any key risks to be considered.
4. An update on the 2025/26 accounts audit plan, and other sector issues is presented at Annex 1 for noting.

Policy context

5. External Audit is a regulatory requirement. It is important that the Governance Committee understand the approach of the auditors. This will form the main element of independent assurance to support them in signing off the statement of accounts for 2025/26. Understanding progress to date supports the Committee by providing assurance that sufficient audit work will have been completed in time to sign the accounts within the statutory back stop date.

Links to Business Plan

6. Appropriate financial arrangements are essential in ensuring resources are properly directed towards achieving our outcomes, as set out in the Business Plan. External Audit provides independent assurance to Members that the S151 Officer has put in place suitable arrangement for managing the finances of the Authority.

Options

7. Members are presented with the External Auditor's update. Members may ask for clarification on any elements.

Proposals

8. The proposals are as per the recommendations.

Demonstrating best value

9. Suitable financial arrangements are essential in ensuring resources are properly directed towards achieving our outcomes, as set out in the Business Plan. External Audit provides independent assurance to Members that the S151 Officer has put in place suitable arrangement for managing the finances of the Authority. This includes a review of arrangements for achieving Value for Money.

Finance considerations

10. There are no direct financial considerations from this report.

Risk

11. External Audit activity is a key element of our risk management framework and is a regulatory requirement.

Legal considerations

12. There are no direct legal implications as a direct result of this report; external audit is a regulatory requirement for Local Government bodies.

Human resources

13. There are no direct HR issues as a result of this report.

Diversity implications

14. There are no specific diversity issues as a direct result of this report.

Sustainability

15. There are no significant environmental, economic or social effects as a direct result of this report.

Background papers	Audit Plan 2025/26, April 2026 Governance Committee
Author / Post	Grant Thornton UK LLP (Annex 1)
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