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Agenda

Audit and Procurement Committee

Time and Date

2.30 pm on Monday, 24th November, 2025

Place

Diamond Rooms 1 and 2 - Council House

Public Business

- 1. Apologies
- 2. **Declarations of Interest**
- 3. **Minutes of Previous Meeting** (Pages 5 14)

To agree the minutes of the meeting held on 22nd September 2025

4. Exclusion of Press and Public

To consider whether to exclude the press and public for the private item(s) of business for the reasons shown in the report.

5. Grant Thornton - Auditor's Annual (Value for Money) Report on Coventry City Council 2024/25 (Pages 15 - 62)

Report of the External Auditor (Grant Thornton)

6. Treasury Management Update 2025/26 - Half Year Progress Report (Pages 63 - 76)

Report of the Director of Finance and Resources

7. Internal Audit Professional Standards Update (Pages 77 - 92)

Report of the Director of Finance and Resources (Section 151 Officer)

8. **Information Governance Annual Report 2024/2025** (Pages 93 - 104)

Report of the Director of Law and Governance

9. Coventry Municipal Holdings Limited - Compliance with Group Governance Agreement (Pages 105 - 112)

Report of the Director of Finance and Resources

10. Complaints to the Local Government and Social Care Ombudsman 2024/2025 (Pages 113 - 138)

Report of the Chief Executive

11. Outstanding Issues (Pages 139 - 144)

Report of the Director of Law and Governance

12. **Work Programme 2025/2026** (Pages 145 - 146)

Report of the Director of Law and Governance

13. Any other items of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.

Private business

14. Consideration of Approval of Severance Packages (Pages 147 - 178)

Report of the Director of Law and Governance

(Listing Officer: J Newman, email: <u>Julie.newman@coventry.gov.uk</u>)

15. Any other items of private business which the Chair decides to take as a matter of urgency because of the special circumstances involved.

Julie Newman, Director of Law and Governance, Council House, Coventry

Friday, 14 November 2025

Note: The person to contact about the agenda and documents for this meeting is Lara Knight / Michelle Salmon, Governance Services, Email: michelle.salmon@coventry.gov.uk

Membership: Councillors M Ali, J Blundell, R Brown (By Invitation), Z Francis (By Invitation), A Hopkins, A Jobbar, R Lakha (Chair), P Male, B Singh (Deputy Chair) and Smith (By Invitation)

By invitation: Councillor R Brown

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Agenda Item 3

Coventry City Council Minutes of the Meeting of the Audit and Procurement Committee held at 2.30 pm on Monday, 22 September 2025

Present:

Members: Councillor R Lakha (Chair)

Councillor M Ali Councillor J Blundell Councillor A Hopkins Councillor A Jobbar

By Invitation: Councillor R Brown (Cabinet Member for Strategic Finance

and Resources)

Employees (by Directorate):

Finance and Resources B Hastie (Director of Finance and Resources), R Amor,

P Helm, K Makwavarara, T Pinks, K Tyler

Law and Governance L Knight, A West

People Services S Chilton (Director or People Services), J Pay

Apologies: Councillor P Male

Public Business

17. Declarations of Interest

There were no disclosable pecuniary interests.

18. Minutes of Previous Meeting

The minutes of the meeting held on 21st July 2025 were agreed and signed as a true record.

There were no matters arising.

19. Exclusion of Press and Public

RESOLVED that the press and public be excluded under Sections 100(A)(4) of the Local Government Act 1972 for the consideration of the following private reports on the grounds that the reports involve the likely disclosure of information defined in Paragraphs of Schedule 12A of the Act as indicated, and that in all circumstances of the cases, the public interest in maintaining the exemption outweighs the public interests in disclosing the information:

Minute Report Title Paragraph(s) of

Number		Section 12A of the Act
28	Procurement and Commissioning Progress Report	3
29	Consideration of Approval of Severance Packages	1, 2 and 3

20. **2024/25 External Audit Plan (Grant Thornton)**

The Audit and Procurement Committee considered a report of the Director of Finance and Resources (Section 151 Officer) in relation to the 2024/25 External Audit Plan.

The Audit Plan provides details of the planned scope and timing of the audit of the Council's accounts. As the focus of the audit is risk based, the external auditor, Grant Thornton, have been liaising with the Council's management update their understanding of the nature of risks that could impact on the audit plan. The findings from this work were detailed in the 'informing the risk assessment' report, set out at Appendix 2. The auditors would design an audit programme tailored to address the risks and circumstances at Coventry City Council. The key risks identified in the Audit Plan were:

- Management override of controls
- The revenue cycle includes fraudulent transactions
- The expenditure cycle includes fraudulent transactions
- Valuation of land and buildings, and investment properties
- Valuation of the pension net asset / liability
- Accounting for the Group and related disclosures
- Valuation of long-term investments
- Equal pay claims
- IRFS 16 Implementation

In support of the audit of accounts, Grant Thornton had reviewed the contents in place for the Council's key financial systems. The outcome from this work was detailed in the 2023/24 IT audit findings' report, set out at Appendix 3. Although there were some areas for improvement identified, there were no significant deficiencies in IT controls relevant to the audit of financial statements.

The Committee noted that in September 2024, the Government passed legislation designed to address the backlog in the completion of local authority accounts. The legislation specified deadlines for the completion of audit work for particular financial years. In the event of uncompleted audits by the specific deadlines, the auditors would be required to issue either qualified opinions or disclaimers, as appropriate.

Primarily due to delays in the publishing of the audited 2019/20 accounts, the publication and audit of the Council's 2020/21, 2021/22, 2022/23 and 2023/24 accounts were delayed. As the deadline for publishing of the audited accounts in relation to these years was 28th February 2025, there was not sufficient time to

carry out the full audit for these years, and the external auditor issued disclaimed opinions for these years.

As a result, the audit of the 2024/25 accounts would also need to be adapted to reflect the fact that the Council's prior four years accounts have not been audited, so reliance could not be placed on brought forward balances. The deadline for the publishing of the audited 2024/25 accounts has been set as the 27th February 2026.

RESOLVED that, the Audit and Procurement Committee:

- 1. Note the details presented in the 2024/25 Audit Plan.
- 2. Note the findings detailed in the 'Informing the audit risk assessment 2024/25' report.
- 3. Note the findings detailed in the 2024/25 IT audit findings' report.

21. Local Code of Corporate Governance 2025/26

The Audit and Procurement Committee considered a report of the Director of Law and Governance, which set out the revised Local Code of Corporate Governance following a review.

The CIPFA / Solace Framework defined governance as "the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved." The Council has a range of measures in place to ensure that governance in the organisation is managed effectively and works hard to ensure that these arrangements are robust and meet best practice. This is achieved through a range of policies, plans, procedures such as the Constitution (including codes of conduct for Members and employees), the One Coventry Plan, the Medium Term Financial Strategy and policies on whistleblowing, tackling fraud and corruption and managing risk.

The Local Code of Corporate Governance, attached as Appendix 1, was a refresh of the previous code with work undertaken with internal stakeholders to ensure it reflected the current position of the organisation and the One Coventry approach. The Local Code set out the Council's specific arrangements for putting the principles of good governance into practice. It draws on examples provided in the Framework, but also reflects systems and processes which are specific to the Council.

The principles of good governance, as detailed in the Framework, are:

- Behaving with integrity, demonstrating strong commitment to ethical values, and resecting the rule of law
- Ensuring openness and comprehensive stakeholder engagement
- Defining outcomes in terms of sustainable economic, social an environmental benefits
- Determining the interventions necessary to optimise the achievement of the intended outcomes

- Developing the entities capacity, including the capability of its leadership and individuals within it.
- Managing risks and performance through robust internal control and strong public financial management
- Implementing good practices in transparency, reporting and audit, to deliver effective accountability.

The Council adopted a Code of Corporate Governance in 2017. In 2023, the Code was reviewed in light of best practice and has this year been updated again to reflect the current governance arrangements in place within the Council's and has been reviewed by the Council's Corporate Governance Group. Consideration of the Code by the Audit and Procurement Committee supports comprehensive understanding of governance across the organisation and would assist the Committee in discharging its role in relation to the Annual Governance Statement.

The Committee noted that the report would also be considered by the Ethics Committee at its meeting scheduled for 25th September 2025.

RESOLVED that the Audit and Procurement Committee considered the Local Code of Corporate Governance 2025/26 and confirmed its satisfaction that the Code accurately represents the Council's governance arrangements.

22. 2025/26 First Quarter Financial Monitoring Report (to June 2025)

The Audit and Procurement Committee considered a report of the Director of Finance and Resources (Section 151 Officer), which set out the forecast outturn position for revenue and capital expenditure and the Council's treasury management activity as at the end of June 2025.

The report had previously been considered by the Cabinet at its meeting on 26th August 2025 (their minute 22/25 refers).

The Cabinet had approved the Council's revenue budget of £296.7m and a capital programme of £171.6m on 25th February 2025. The current 2025/26 revenue forecast was for net expenditure to be £1.6m over budget (after management action). The reported forecast at the same point in 2024/25 was an overspend of £7.1m which reflected pressures relating primarily to social care activity and price.

The report indicated that the Council continued to face budget pressures within Adults' Social Care, with overspends also being reported in Property Services and Development, Regeneration and Economic Development and City Services. These financial pressures were being caused by a combination of continued service demand, complexity and market conditions in social care, legacy inflation impacts, and income shortfalls due largely to the economic climate.

The Council's capital spending 2025/26 was projected to be £187.6m and included major schemes progressing across the city. The size of the programme and the nature of the projects within it continued to be fundamental to the Council's role within the city. Although prevailing inflation rates looked to be stabilising, legacy inflationary pressures continued to affect capital projects. The position would continue to be monitored to ensure projects are delivered within available resources.

The report also indicated that, whilst it was not unusual to experience a forecast overspend at this point, it was essential that the Council maintain strict financial discipline to operate within approved budgets. The revenue budgets and forecast positions were detailed in the report and were analysed by service area.

An explanation of the major forecast variances was detailed in the report and further details provided in Appendix 1 to the report. The report also outlined details of movement in the capital budget, the Treasury Management position and the Commercial Investment Strategy.

RESOLVED that, the Audit and Procurement Committee note the content of the report and confirms that it has no recommendations for the Cabinet.

23. Annual Fraud & Error Report 2024/2025

The Audit and Procurement Committee considered a report of the Director of Finance and Resources (Section 151 Officer), that provided a summary of the Council's anti-fraud and error activity undertaken by the Internal Audit Service for the financial year 2024/25.

The report documented the Council's response to fraud and error during 2024/25 and was presented to the Audit and Procurement Committee in order to discharge its responsibility, as reflected in its terms of reference 'to monitor Council polices on whistle blowing and the fraud and corruption strategy.

The work of the team had focused on four main areas:

- Business Support Grants
- National Fraud Initiative
- Referrals and investigations considered through the Council's Fraud and Corruption Strategy
- Fraud awareness

A summary of the key activity that had taken place in the four main areas, including the cases that had been identified and their outcomes, was set out in the report together with details of the work undertaken for the National Fraud Initiative and the number of referrals by source in 2024/25 which included figures from the previous three financial years. The Committee noted that one of the investigations carried out had identified a significant fraud, amounting to £17k and that a criminal prosecution had been undertaken, resulting in a custodial prison sentence and the recovery of the £17k.

The report indicated that the Local Government Transparency Code required local authorities to publish information in relation to fraud on an annual basis and in 2024/25:

- The number of occasions powers under the Prevention of Social Housing Fraud Regulations 2014 (or similar) had been used was nil as the Council does not own its own housing stock;
- The total number of employees undertaking investigations of fraud was 1 (estimated FTE 0.25);

- The total number of professionally accredited counter fraud specialists was 1 member of the Internal Audit Service who held the CIPFA Certificate in Investigatory Practice;
- The total amount spent by the authority on the investigation and prosecution of fraud was £4,823.43 (direct costs only, not including salary costs);
- The total number of fraud cases investigated was 12 (this only included corporate fraud investigations, not investigations linked to the National Fraud Initiative or business grants.

RESOLVED that, having considered the Annual Fraud and Error Report 2024/25, the Audit and Procurement Committee noted the report.

24. Corporate Risk

The Audit and Procurement Committee considered a report of the Director of Finance and Resources (Section 151 Officer), which provided the Committee with the outcome of the review of the Corporate Risk Register 2025/26. This provided the Committee with an overview of the Council's corporate risk profile and the controls in place to address these risks.

The Audit and Procurement Committee's Terms of Reference requires the Committee to monitor the effective development and operation of risk management within the Council. It was agreed on 18th March 2024, that the Committee would received the Corporate Risk Register twice a year, in line with the Grant Thornton value for money report.

The Corporate Risk Register should identify the risks that threaten the successful implementation of the One Coventry Plan.

The Committee noted that the Corporate Risk Register at Appendix 1 to the report had been reviewed in consultation with the Leadership Board and the allocated Risk Owner. It identified the main risks facing the Council, the impact of the risk, the inherent risk score before risk mitigation, the risk mitigations, the risk score after the mitigations are applied and where responsibility lies for the Council's response. In addition, the final column identified the risk score when the Committee last received the report in March 2025.

There were some changes to the Corporate Risk Register from the previous report to the Committee.

Risks Added:

There were no new risks added in the August 2025 register.

Risks Removed:

- Risk 5 Workforce Delivery of Council Priorities
- Risk 21 Business Growth and Investment
- Risk 22 Children's Workforce Stability
- Risk 24 Climate Change and Sustainability
- Risk 34 Investments in Companies
- Risk 38 Illegal Migration Act 2023

Risk 41 – Sufficiency of homes for Children in Care

Risks where the residual risk score has decreased:

There were no new risks where the residual score had reduced.

Risks where the residual risk score had increase:

 Risk 35 – The threat of Cyber-attack to the delivery of One Coventry priorities

RESOLVED that the Audit and Procurement Committee:

- Notes the current Corporate Risk Register, indicating that they had satisfied themselves that corporate risks were being identified and managed.
- 2. Confirms that they have not identified any areas where they require additional information.
- 3. Approves the bringing of a further risk management report to the Audit and Procurement Committee in March 2026.

25. Outstanding Issues

The Audit and Procurement Committee considered a report of the Director of Law and Governance that identified issues on which a further report/information had been requested or was outstanding so that the Committee were aware of them and could manage their progress.

Appendix 1 to the report provided details of an issue where a report had been requested to a meeting along with the anticipated date for consideration of the matter.

Appendix 2 of the report provided details of an item where information had been requested outside the formal meeting.

RESOLVED that the Audit and Procurement Committee notes the Outstanding Issues report.

26. Work Programme 2025/2026

The Audit and Procurement Committee considered a report of the Director of Law and Governance that detailed the Work Programme of scheduled issues to be considered by the Committee during the Municipal Year 2024/2025.

RESOLVED that the Audit and Procurement Committee notes the Work Programme for 2025/26.

27. Any other items of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.

There were no other items of public business.

28. Procurement and Commissioning Progress Report

The Audit and Procurement Committee considered a report of the Director of Law and Governance that provided an update on the procurement and commissioning undertaken by the Council since the last report to Committee on 17th March 2025. Details of the latest positions in relation to individual matters were set out in the Appendices to the report.

The report contained information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972 as amended. The grounds for privacy were that it contained information relating to the financial and business affairs of a particular person (including the authority holding that information). The public interest in maintaining the exemption under Schedule 12A outweighed the public interest in disclosing the information.

The report indicated that since the last Committee when the procurement report had been presented, the Procurement Panel had received 47 reports and the Procurement Board 41 reports.

In addition, there had been a total of 48 exceptions. An exception to the Contract Procedure Rules may be granted subject to conditions, such as urgency, single source availability, technical nature etc. An exception could not be granted where a breach of any UK legislation would be incurred.

Members asked questions and received assurances at the meeting from officers on individual matters.

RESOLVED that the Audit and Procurement Committee:

- 1. Notes the current position in relation to the Commissioning and Procurement Services.
- 2. Agrees that no recommendations are to be made to the Cabinet Member for Strategic Finance and Resources, Cabinet or Council, on any of the matters reported.

29. Consideration of Approval of Severance Packages

The Audit and Procurement Committee considered a private report of the Director of Regeneration and Economy that sought approval of a severance package which had occurred due to changes in the Regulatory Service that has had to review the way in which the service operated in response to an expanded remit and responsibilities arising from new statutory obligations.

Part 2I of the Council's constitution required that any severance package for an employee of the Council which exceeds £100,000 should be determined by the Audit and Procurement Committee. The calculation of the value of an exit package included the costs to the Authority, as well as payments / benefits to the employee.

RESOLVED that the Audit and Procurement Committee approves the severance payment on early retirement as calculated.

30.	Any other items of private business which the Chair decides to take as a matter of urgency because of the special circumstances involved.
	There were no other items of private business.

(Meeting closed at 4.35 pm)

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Public report

Report to

Audit and Procurement Committee

24 November 2025

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources – Councillor R Brown

Director approving submission of the report:

Director of Finance and Resources

Ward(s) affected:

City Wide

Title:

Grant Thornton – Auditor's Annual (Value for Money) Report on Coventry City Council 2024/25

Is this a key decision?

No – this is a performance report

Executive summary:

The purpose of this report is for the Council's external auditor, Grant Thornton to provide Audit and Procurement Committee with an independent formal report on the Council's arrangements for securing Economy, Efficiency and Effectiveness in its use of resources for the financial year 2024/25. The report demonstrates a positive direction of travel and assurances regarding arrangements in place.

Recommendations:

Audit and Procurement Committee is recommended to:

1) Note the Auditor's Annual report for the year ending 31 March 2025 appended to this document, including the improvement recommendations contained within.

List of Appendices included:

Appendix - Grant Thornton - Auditors Annual Report Year ending 31 March 2025

Background papers:

None.

Has it or will it be considered by scrutiny?

No other scrutiny consideration other than the Audit and Procurement Committee

Has it, or will it be considered by any other council committee, advisory panel or other body?

No.

Will this report go to Council?

No.

Report title:

Auditor's Annual Report on Coventry City Council 2024/25

1. Context (or background)

- 1.1 In addition to the external audit of the statutory statement of accounts, the Councils external auditor are required, under the National Audit Office (NAO) Code of Audit Practice, to carry out an annual audit which tests arrangements that the Council has in place to ensure economy, efficiency and effectiveness in its use of resources.
- 1.2 The appendix sets out the Auditors report for 2024/25, including recommendations where they consider improvements may be made, and a management response for each. It also presents progress on previously made recommendations.
- 1.3 The equivalent report for 2023/24 was considered and noted by this committee at its meeting on 29 January 2025.

2. Options considered and recommended proposal

The appended report is an independent review of the Councils performance, and as such, there are no other options.

2.1 Auditors are required to prepare their report based on the following specified criteria:

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.

2.2 The auditors report for the 2023/24 financial year was reported to this committee in January 2025, which assessed the Council as having no significant weaknesses in relation to its financial sustainability, or how it secures economy, efficiency and effectiveness. It did however report on the delays around publishing of audited accounts, and although the Council had made significant progress towards recovery, a significant weakness was identified by GT under the governance criteria. A single 'key' recommendation was made on this matter, summarised as follows:

'For 24/25, the Council will need strong arrangements in place to ensure it can publish unaudited accounts by 30 June 2025 and to support the external audit process that allow for publication of audited accounts by February 2026...'

2.3 The Government had set out deadlines (or 'backstops') for all Council's to meet regarding publication of accounts. For financial years up to an including 2022/23, this was December 2024, and for 2023/24 and 2024/25, the deadlines are February 2025 and February 2026 respectively. As previously reported to this Committee, Coventry has addressed the key weaknesses identified by Grant Thornton as the causal factors in the delay of prior years and made significant improvements in its processes for completing statements of accounts, such that all dates thus far have been achieved, including draft accounts for 2024/25 being published by 30 June 2025. Members of the Committee are also referred to page 9 of

Grant Thorntons report which indicates that the SoA audit process is progressing, and that they consider us to be on target to achieve the February 2026 date for issuing an audit opinion in respect of the 2024/25 Accounts.

- 2.4 As a result, Grant Thornton have formerly removed the key recommendation and have assessed the Council as no longer having any weaknesses in this regard.
- 2.5 Most of the other improvement recommendations from 2023/24 and prior years have also now been resolved or superseded, with only 2 now identified as still 'in progress' within the 2024/25 report. It is expected that these will also be addressed prior to the next annual audit for 2025/26.
- 2.6 Grant Thornton have identified as part of the 2024/25 audit report, 4 new improvement recommendations which have been accepted, and a management response and implementation timeline has been included in the document attached.

3. Results of consultation undertaken

- 3.1 None
- 4. Timetable for implementing this decision
- 4.1 This report is in line with normal reporting timelines
- 5. Comment from the Director of Finance & Resources and the Director of Law and Governance

5.1 Financial Implications

There are no direct financial implications of this report, however the Council's performance against NAO set criteria including financial sustainability are reflected in the appended external auditor's report.

5.2 Legal implications

None

6. Other implications

6.1 How will this contribute to achievement of the Council's plan?

(https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan)

One of the key priorities for the Council set out in the One Coventry Plan is to ensure continued financial sustainability of the Council. The external auditors' report for 2024/25 provides independent assurance that proper arrangements are in place to support the achievement of this objective.

6.2 How is risk being managed?

The external auditors' report for 2024/25 provides independent assurance that proper governance arrangements are in place to support the management of risk across the organisation.

6.3 What is the impact on the organisation?

No direct impact

6.4 Equalities / EIA

None

6.5 Implications for (or impact on) Climate Change and the environment

No direct impact

6.6 Implications for partner organisations?

No direct impact

Report authors:

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Enquiries should be directed to the above person.

Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
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Names of approvers: (officers and members)				
Barry Hastie	Director of Finance and Resources	Finance	7/11/25	10/11/25
Councillor R Brown	Cabinet Member for Strategic Finance and Resources	-	7/11/25	10/11/25

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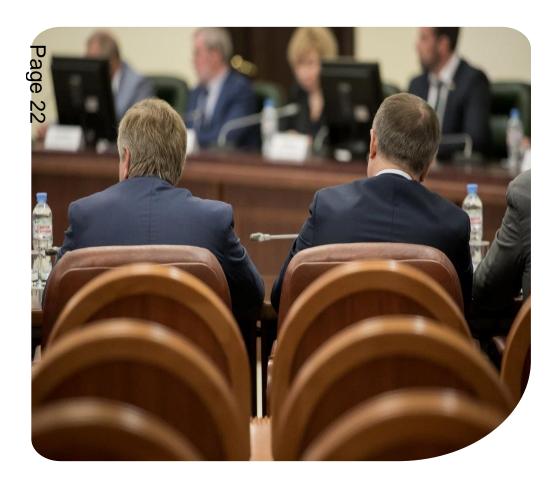
Coventry City Council

Auditor's Annual Report Year ending 31 March 2025

11 November 2025







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The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting, on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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01 Introduction and context

Introduction

This report brings together a summary of all the work we have undertaken for Coventry City Council during 2024/25 as the appointed external Auditor. The core element of the report is the commentary on the value for money (VfM) arrangements. The responsibilities of the Council are set out in Appendix A. The Value for Money Auditor responsibilities are set out in Appendix B.

Opinion on the financial statements

Auditors provide an opinion on the financial statements which confirms whether they:

- give a true and fair view of the financial position of the Council as at 31 March 2025 and of its expenditure and income for the year then ended
- have been properly prepared in accordance with the CIPFA/LASAAC Code of practice on local authority accounting in the United Kingdom 2024/25
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014

We also consider the Annual Governance Statement and undertake work relating to the Whole of Government Accounts consolidation exercise.

Auditor's powers

Under Section 30 of the Local Audit and Accountability Act 2014, the auditor of a local authority has a duty to consider whether there are any issues arising during their work that indicate possible or actual unlawful expenditure or action leading to a possible or actual loss or deficiency that should be referred to the Secretary of State. They may also issue:

- Statutory recommendations to the full Council which must be considered publiclu
- A Public Interest Report (PIR).

Value for money

Under the Local Audit and Accountability Act 2014, we are required to be satisfied whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources (referred to as Value for Money). The National Audit Office (NAO) Code of Audit Practice ('the Code'), requires us to assess arrangements under three areas:

- financial sustainability
- governance
- improving economy, efficiency and effectiveness.

Our report is based on those matters which come to our attention during the conduct of our normal audit procedures, which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. The NAO has consulted on and updated the Code to align it to accounts backstop legislation. The new Code requires auditors to share a draft Auditor's Annual Report (AAR) with those charged with governance by a nationally set deadline each year, and for the audited body to publish the AAR thereafter. This new deadline requirement is introduced from November 2025.

Local government – context

Local government has remained under significant pressure in 2024/25

National

Past

Present

Future



Funding Not Meeting Need

The sector has seen prolonged funding reductions whilst demand and demographic pressures for key statutory services has increased; and has managed a period of high inflation and economic uncertainty.



Financial Sustainability

Many councils continue to face significant financial challenges, including housing revenue account pressures. There are an increasing number of councils in receipt of Exceptional Financial Support from the government.



Workforce and Governance Challenges

Recruitment and retention challenges in many service areas have placed pressure on governance. Recent years have seen a rise in the instance of auditors issuing statutory recommendations.



External Audit Backlog

Councils, their auditors and other key stakeholders continue to manage and reset the backlog of annual accounts, to provide the necessary assurance on local government finances.



Funding Reform

The UK government plans to reform the system of funding for local government and introduce multiannual settlements. The state of national public finances means that overall funding pressures are likely to continue for many councils.



Reorganisation and Devolution

Many councils in England will be impacted by reorganisation and / or devolution, creating capacity and other challenges in meeting business as usual service delivery.

Local

service delivery, and embedding innovation. A key element of this strategy is investment in digital technology and AI, including a pilot to improve outcomes in children's services, demonstrating a commitment to technology-enabled transformation and long-term financial sustainability. However, the Council operates in a challenging environment with significant financial pressures, rising demand for services, and local risks such as an actual result. settlements. These challenges, alongside inflationary pressures and ethical considerations around Al adoption, have emphasised the need for robust governance and strategic resilience. It is within this context that we set out our commentary on the Council's value for money arrangements in 2024/25.

02 Executive Summary

Executive Summary – our assessment of value for money arrangements

Our overall summary of our Value for Money assessment of the Council's arrangements is set out below. Further detail can be found on the following pages. Since the last Value for Money assessment, the overall direction of travel from the Council has been positive, with the removal of a significant weakness.

Criteria 2023/24 Assessment of arrangements		3/24 Assessment of arrangements	2024/25 Risk assessment 2024/25 Assessm		4/25 Assessment of arrangements
Financial sustainability	Α	No significant weaknesses in arrangements identified for 2023/24. Three improvement recommendations made to support the Council in improving financial sustainability.	No risks of significant weakness identified.	A	No significant weaknesses in arrangements identified, but one improvement recommendation made to support the Council in improving arrangements for 2025/26 in terms of monitoring and reporting savings to ensure ongoing financial sustainability.
Governance	R	The Council has caught up with reporting deadlines, however, in all cases the original due dates were missed. Timescales for accounts going forward will need to be complied with.	No risks of significant weakness identified.	A	No significant weaknesses in arrangements identified, but two improvement recommendations made to support the Council in improving arrangements for 2025/26 in terms of governing company arrangements and following up on Internal Audit recommendations.
Improving economy, efficiency and effectiveness	A	No significant weaknesses identified for 2023/24, but one new improvement recommendation made to support the Council in improving arrangements for 2023/24.	No risks of significant weakness identified.	A	No significant weaknesses in arrangements identified, but one improvement recommendation made to support the Council in improving arrangements around the implementation of procurement strategies and policies.

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No significant weaknesses or improvement recommendations.

No significant weaknesses, improvement recommendation(s) made.

Significant weaknesses in arrangements identified and key recommendation(s) made.

Executive Summary

We set out below the key findings from our commentary on the Council's arrangements in respect of value for money. 28

Financial sustainability

The Council delivered a positive financial result in 2024/25 with an overall underspend of £1.8m, which was helped by windfall income from two of the Council's investments.

The Council presented a forecast deficit of £7m at Q3, in large part due to under delivery of an ambitious savings target - with £22m of savings delivered of a target of £30m. As a result, and due to the underlying budget position, we have raised one improvement recommendation and include further detail on the following pages.

The Council ensures its financial plan is consistent with other plans and policies, and is diligent in identifying and managing risks to financial resilience. The Council plans to increase the use of demographic data in financial planning and has made progress in detailing assumptions behind financial plans.



Governance

The Council has established strong governance arrangements to support informed decision-making and effective risk management, with sufficient detail reported to Members. The Council demonstrates good compliance with evolving legislative and regulatory requirements and has improved in the timeliness of accounts production, such that the prior year significant weakness has been lifted and no improvement recommendation is required.

The Council benefits from an effective Internal Audit (IA) function, which has received positive feedback from LGA reviews, but the implementation of IA recommendations could be improved. Additionally, there is further opportunity to improve governance relating to company arrangements and as such we have raised two improvement recommendations in these areas.



Improving economy, efficiency and effectiveness

The Council makes effective use of financial and performance information to evaluate service delivery and identify opportunities for improvement. Regular assessments of service performance, including KPI evaluation, are undertaken to ensure alignment with the One Coventry Plan and to drive continuous improvement.

The Council actively engages with key stakeholders and plays a constructive role within strategic partnerships, using feedback to assess its effectiveness in meeting shared goals. The procurement team have taken steps to improve through implementing training and around new procurement legislation, however there is still further work required to ensure there is alignment across the Council on the application of these to drive value from procurement processes.

Executive summary – auditor's other responsibilities

This page summarises our opinion on the Council's financial statements and sets out whether we have used any of the other powers available to us as the Council's auditors.

Auditor's responsibility

2024/25 outcome

Opinion on the Financial **Statements**

Our audit of your financial statements is ongoing at this time.

We anticipate issuing our audit opinion at the Audit Committee meeting during February 2026.

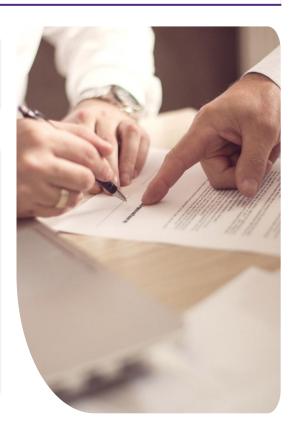
Use of auditor's powers

As of November 2025, we have not made written statutory recommendations under Schedule 7 of the Local Audit and Accountability Act 2014.

As of November 2025, we have not made an application to the Court or issue any Advisory Notices under Section 28 of the Local Audit and Accountability Act 2014.

As of November 2025, we have not made an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014.

As of November 2025, we have not identified any issues that required us to issue a Public Interest Report (PIR) under Schedule 7 of the Local Audit and Accountability Act 2014.



03 Opinion on the financial statements and use of auditor's powers

Opinion on the financial statements

These pages set out the key findings from our audit of the Council's financial statements, and whether we have used any of the other powers available to us as the Council's auditors.

Audit opinion on the financial statements

Our audit of your financial statements is ongoing at this time.

We anticipate issuing our audit opinion at the Audit Committee meeting during February 2026.

The full opinion will be included in the Council's Annual Report for 2024/25, which will be obtainable from the Council's website.

Grant Thornton provides an independent opinion on whether the Council's financial statements:

- give a true and fair view of the financial position of the Council as at 31 March 2025 and of its expenditure and income for the year then ended
- have been properly prepared in accordance with the CIPFA/LASAAC Code of practice on local authority accounting in the United Kingdom 2024/25
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

We conducted our audit in accordance with: International Standards on Auditing (UK), the Code of Audit Practice (2025) published by the National Audit Office, and applicable law. We are independent of the Council in accordance with applicable ethical requirements, including the Financial Reporting Council's Ethical Standard.

Findings from the audit of the financial statements

Our audit of your financial statements is ongoing at this time.

Audit Findings Report

We will report our findings from the audit of the financial statements at the earliest Finance and Audit Committee following our substantive fieldwork phase, which is expected to be the February 2026 Committee.

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Other reporting requirements

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Annual Governance Statement

Under the Code of Audit Practice published by the National Audit Office we are required to consider whether the Annual Governance Statement does not comply with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting, or is misleading or inconsistent with the information of which we are aware from our audit.

We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

Our review of your Annual Governance Statement is on going at this time.



Use of auditor's powers

We bring the following matters to your attention:

Statutory recommendations

Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors can make written recommendations to the audited body.

As of November 2025, we have not issued any statutory recommendations to the Council in 2024/25.

Public Interest Report

Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors have the power to make a report if they consider a matter is sufficiently important to be brought to the attention of the audited body or the public as a matter of urgency, including matters which may already be known to the public, but where it is in the public interest for the auditor to publish their independent view.

As of November 2025, we have not issued a report in the Public Interest with regard to arrangements at Coventry City Council for 2024/25.

04 Value for Money commentary on arrangements

Value for Money – commentary on arrangements

This page explains how we undertake the value for money assessment of arrangements and provide a commentary under three specified areas.

All Councils are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Council's report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.

Under the Local Audit and Accountability Act 2014, we are required to be satisfied whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The National Audit Office (NAO) Code of Audit Practice ('the Code'), requires us to assess arrangements under three areas:



Financial sustainability

Arrangements for ensuring the Council can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years).



Governance

Arrangements for ensuring that the Council makes appropriate decisions in the right way. This includes arrangements for budget setting and budget management, risk management, and making decisions based on appropriate information.



Improving economy, efficiency and effectiveness

Arrangements for improving the way the Council delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.

Page

Financial sustainability – commentary on arrangements We considered how the Council: Commentary on arrangements

Rating

identifies all the significant financial pressures that are relevant to its short and mediumterm plans and builds these into them

The Council reported a £1.8m underspend for 2024/25, which was due to additional windfall on dividends received from commercial investment companies of £6.5m above the budgeted amounts. This was an improvement on a prior year overspend of £1.8m and represented a turnaround from a forecast overspend of £7m at Q3. There are underlying budget pressures moving into 2025/26 with respect to Adult and Children's Social Care that the Council is aware of and has planned around. The Council has set a balance budget for 2025/26, although at Q1 2025/26, this forecast position reflects a deficit of £1.6m, recognising the financial pressures on the Council. The Council is also forecasting deficits for 2026/27 and 2027/28, having delivered a deficit in 2023/24. Reserves are of a sufficient level to cover overspends, with a reserves balance of £207m (of which £149.1m is earmarked). Whilst we do not consider there to be a significant weakness in arrangements for managing financial pressure at present, the Council should seek to put arrangements in place to deliver a consistently balanced budget position, without reliance on one-off windfall income. Without addressing ongoing budget gaps, the unallocated reserves balance would see a decline in coming years. This is reflected in the row below.

Overall, the Council demonstrates strong financial planning arrangements in a challenging fiscal environment. The Council is increasingly seeking to utilise data to improve the identification of financial pressures and financial planning processes, and it is diligent in setting financial plans. Reporting arrangements on the budget and budgetary pressures are strong.

plans to bridge its funding gaps and identify achievable savings Savings delivery remains a challenge, which is evidenced by the Council delivering £22m of savings against its target of £30m in 2024/25. For 2025/26, the Council has a savings target of £31m with forecast savings of £25.6m. Savings plans are discussed with the CEO and senior officers monthly and undelivered savings from previous years are tracked. The Council utilises learnings from the prior year to set prudent saving plans. Due to the underlying budget position, we have raised an improvement recommendation on page 19 to assist the Council in improving its arrangements around savings delivery.

G

- No significant weaknesses or improvement recommendations.
- No significant weaknesses, improvement recommendations made.
- Significant weaknesses in arrangements identified and key recommendation(s) made.

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Financial sustainability – commentary on arrangements

We considered how the Council: Commentary on arrangements

Rating

plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities

The Council's Medium-Term Financial Strategy (MTFS) incorporates demand, income and cost assumptions. Scenario and sensitivity analysis was utilised when developing the strategy. The MTFS is critical to the delivery of the Council's financial strategy, and the Council involves service line leaders in budget planning processes to assess the impact of savings on service delivery. Additional budget is allocated to service lines such as Adult and Children's social care, where there are known cost pressures, indicating prudent budget planning. Through discussions with senior leaders, it is evident that service delivery is a key consideration in any savings plans.

G

Page 37 (

No significant weaknesses or improvement recommendations.

No significant weaknesses, improvement recommendations made.

Significant weaknesses in arrangements identified and key recommendation(s) made.

Financial sustainability – commentary on arrangements (continued)

We considered how the Council:	Commentary on arrangements	Rating
ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning which may include working with other local public bodies as part of a wider system	The Council's financial planning and investment decisions align to the corporate plan and other relevant policies and strategies. No inconsistencies have been uncovered as part of our fieldwork. The Executive was regularly engaged in the development of the Council's financial planning assumptions, including agreeing savings, before going to Full Council for the decision to agree the 2025/26 budget. The Council's transformation plan aligns directly with its medium-term financial planning estimates. The Council accepts that slippage in the capital programme will always remain a possibility, but the reasons for slippage are well understood by the Council and have not had a significant impact on service delivery. Wherever slippage occurs in the capital programme, reporting to Members is clear and accessible as part of quarterly financial reporting.	G
identifies and manages risk to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions in underlying plans	The Council is actively addressing financial risks and has a well structured medium-term financial plan, including risks to delivery and assumptions. The Council has focused plans to address the funding gaps across the medium term and ensure ongoing medium-term financial sustainability. The Executive receives monthly reports on the revenue and capital position, including risks to delivery of planned savings. The Council has included discussion of wider contextual data such as inflation and social care needs in the area within the plan. This remains an area of improvement for the Council and ways to increase the use of demographic data in budget planning are being pursued, as evidenced by the appointment of a new director to lead planning and performance.	G

- G No significant weaknesses or improvement recommendations.
 - No significant weaknesses, improvement recommendations made.
- R Significant weaknesses in arrangements identified and key recommendation(s) made.

Financial sustainability (continued)

Area for Improvement identified: identifying and delivering recurrent savings

Key Finding: In 2024/25, the Council set a savings target of £30.4 million but achieved £22.2 million, leaving a shortfall of £8.2 million – 27% below the target. In Quarter 3, the Council forecasted a deficit of £7 million; however, this was offset by an unexpected income windfall, resulting in a final underspend of £1.8 million. For comparison, the Council reported a deficit of approximately £1.8 million in 2023/24.

Delivering savings is a critical component of achieving a balanced budget, and the Council's monitoring and reporting in this area requires improvement.

Evidence: The delivery of savings significantly below target results in a deficit for the Council. Whilst savings are discussed with SLT on a monthly basis, this is not sufficiently tracked, with limited minutes (and actions) taken during these meetings. The monitoring of savings implementation could be strengthened by more active reporting to leadership beyond the current arrangements. This includes scrutinising where savings have been underdelivered and quantifying the impact on the budget where this is the case.

Per the Council's outturn savings tracker for 2024/25, 24 of the 75 savings programmes did not deliver against their target. However, 84% of the £8.2m gap in savings delivery was made up of just five programmes, demonstrating that this is not a widespread inability to achieve savings but instead driven by a handful of items that have a large impact on achievement of savings.

mpact: A lack of adequate savings planning and an inability to deliver planned savings that are recurrent puts the Council's Medium Term Financial Strategy (MTFS) at risk, which would lead to a eduction in reserve balances.

Improvement Recommendation 1

IR1: We recommend the Council strengthens its processes for monitoring and achieving the delivery of savings. This could include:

- building in additional headroom to the savings target as a buffer to better secure the Council's financial position;
- introducing more active scrutiny of savings plans by SLT as part of the regular reporting processes;
 and
- retrospectively assessing the reasons why large savings programmes have been unsuccessful, to ensure early warning signs are recognised more effectively in future.

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Grant Thornton insights — learning from others

The Council has the arrangements we would expect to see in respect of budget setting and financial planning, but could challenge itself to go further particularly regarding scenario planning, based on the best arrangements we see across the sector



What the Council is already doing

- The Council include contextual data and narrative around assumptions to provide context to budget setting and financial strategy.
- The Council discusses a 'baseline position' and potential movement above and below this position, commenting on potential cost drivers that could impact the position.



What others do well

- Develop comprehensive scenario planning to inform strategic decision-making and risk management by identifying critical cost drivers and stress-testing assumptions against external factors (e.g. demographic trends, policy changes, inflation).
- Integrate scenario planning into long-term financial resilience strategies by linking scenarios to contingency plans, investment priorities, and service delivery models, ensuring adaptability under different economic and policy conditions.



The Council could consider

- Implementing best/worst case scenarios analysis on variables in key service areas which are subject to budget and cost pressures.
- Enhancing scenario planning by incorporating sensitivity analysis that includes data from councilowned companies and key partnerships, to better anticipate the impact of potential windfall income or financial shocks.

Governance – commentary on arrangements

We considered how the Council:	Commentary on arrangements	Rating		
monitors and assesses risk and how the Council gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud	The Council has a robust Risk Management Framework that is integrated into governance processes. Quarterly budget monitoring reports provide Cabinet with financial insights and highlight emerging risks, while the Annual Governance Statement summarises governance risks. The Audit Committee regularly reviews the Head of Audit's annual plan and tracks progress on agreed actions. In the year, the Internal Audit function received confirmation that it fully conforms with Public Sector Internal Audit Standards. Annual Internal Audit Recommendation Tracking Reports are taken to Audit Committee on an annual basis and of the 266 actions followed up in the latest report, 65% have been implemented. Due to this low implementation rate, we have raised an improvement recommendation to improve arrangements around implementation of internal audit recommendations.	/\		
approaches and carries out its annual budget setting process	The budget setting process includes adequate time for consultation with budget holders, elected members, the public and other appropriate external stakeholders. Budget plans are completed in a timely manner, and Members are provided with detailed briefings on the key trends impacting the budget. The annual budget is subject to a high degree of challenge and scrutiny from Cabinet before the budget is set. Medium term financial planning estimates for 2025/26 and 2026/27 were prepared by the Council and shared with Cabinet in February 2025.			
ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information; supports its statutory financial reporting; and ensures corrective action is taken where needed, including in relation significant partnerships	Budget monitoring data is shared with Cabinet regularly, with quarterly monitoring reports taken to Cabinet at the end of each quarter. Budget variances are shown in these reports and a clear position of in-year revenue is provided, broken down by service line. Quarterly reporting also includes treasury management updates including narrative on prudential indicators and any new arrangements that the Council has entered. Preparing and publishing accounts within statutory deadlines is an area where the Council has previously faced challenges. The Council was three years behind schedule for the accounts and audit timetable. However, the Council's finance team has worked hard to address the backlog and the 2024/25 unaudited accounts were published on time. The draft accounts have been of a good standard and the Council are now deemed to have sufficient resource to meet financial reporting deadlines moving forward. It remains an area of focus for the Council to ensure that the finance team continues to be sufficiently resourced to publish good quality annual accounts to statutory deadlines.	G		

No significant weaknesses or improvement recommendations.

No significant weaknesses, improvement recommendations made.

Significant weaknesses in arrangements identified and key recommendation(s) made.

Covernance – commentary on arrangements (continued)

► We considered how the Council:		Commentary on arrangements	Rating
ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency, including from audit committee		The Council's Constitution provides a framework that supports effective and efficient governance, ensuring decisions align with corporate objectives and priorities. Decision-making is subject to multiple layers of scrutiny, including oversight by the Senior Management Board and review through Scrutiny Committees. Where decisions are required, supporting documentation is comprehensive to allow an informed, evidence-backed decision. Leadership demonstrates an appropriate 'tone from the top', consistent with the standards expected of a well-managed authority. The Council continues to promote accountability through its focus on 'owning and improving performance' and is making greater use of data to drive evidence-based decisions. The Audit and Procurement Committee met eight times in the year in total and was also quorate with minimal absentees. The Committee is well attended and demonstrates engagement in healthy discussion with documentation via sufficient minuting.	
		The Council currently requires more comprehensive governance arrangements to effectively oversee all subsidiary and commercial interests. This gap is most evident in Joint Ventures and minority shareholdings, where oversight is limited and inconsistent. As such, we have raised an improvement recommendation in the following pages.	
	monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of staff and board member behaviour	There are Member and Officer Codes of Conduct in place and the Council has arrangements for making declarations of interest and recording gifts and hospitality. The Council demonstrates compliance with these arrangements, with gifts, values, recipient and reason for gift all documented, and there were no significant weaknesses in arrangements identified from our work. Additionally, the Council has strong arrangements in place surrounding ethics and regulatory compliance and was well prepared for legal changes around procurement with all training completed and documentation updated prior to commencement of the act. Member and officer relationships at the Council are generally strong, characterised by mutual respect, clear roles, and a shared commitment to delivering the Council's strategic priorities.	G

- G No significant weaknesses or improvement recommendations.
 - No significant weaknesses, improvement recommendations made.
- R Significant weaknesses in arrangements identified and key recommendation(s) made.

Governance (continued)

Area for Improvement identified: Increasing the Implementation Rate for Internal Audit Recommendations

Key Finding: The Council has a relatively low level of implementation for Internal Audit recommendations, with an implementation rate of 65% based on the latest Internal Audit Recommendations Tracking report.

Evidence: The latest tracking report, shared with Audit Committee in March 2025, shows that of 266 recommendations, only 65% have been implemented (53% based on formal follow-up and 72% via self-assessment). Whilst this is an improvement from the prior year (53% implementation across 104 recommendations), it is still below best practice expectations. The Council have also acknowledged that the implementation rate has been lower than would be ideal since COVID pandemic. We note that the Council are aware of this issue, and trackers have now been put in place for each Director to aid in monitoring progress independently, with the aim of increasing the implementation rate.

Impact: Failure to implement agreed Internal Audit recommendations in a timely manner means that identified governance and control gaps remain unresolved, increasing the risk of financial misstatements, operational inefficiencies, and non-compliance with statutory requirements. This is particularly pertinent where high-risk recommendations are raised.

age

Improvement Recommendation 2

IR2: The Council should ensure that due management consideration is given to recommendations raised by the Internal Audit function, and these are implemented where appropriate. Management should ensure that high-risk recommendations are implemented in a timely manner.

Grant Thornton insight

Strengthening Recommendation Implementation

- The most efficient Councils ensure that high risk actions are implemented first and in a timely manner. High risk recommendations are held to mandated timelines whilst lower risk recommendations are given increased timelines if necessary.
- Where timelines cannot be complied with, adequate comment is given as to why this has not been implemented and the alternate governance arrangements that have been in place in the interim.

Governance (continued)

Page 44

Area for Improvement identified: Governance over Commercial Arrangements

Key Finding: The Council currently requires more comprehensive governance arrangements to effectively oversee all subsidiary and commercial interests. This gap is most evident in Joint Ventures and minority shareholdings, where oversight is limited and inconsistent.

Evidence: The Council operates a Shareholder Committee that provides governance for some commercial arrangements. However, not all entities fall under this committee's remit, leaving some commercial arrangements, notably the Friargate Joint Venture, without adequate oversight. A Commercial Board was introduced last year, but its Terms of Reference indicate that it serves primarily as an advisory body rather than a governance authority, and the remit and powers of this Board are limited. The Council often appoints directors to subsidiary and JV boards, but without robust governance structures, these appointments can create conflicts of interest between directors' fiduciary duties to the entity and their responsibilities to the Council.

Impact: Insufficient governance reduces the Council's ability to exercise effective control over its commercial arrangements. This can lead to strategic misalignment, increased risk exposure, and potential conflicts of interest.

Improvement Recommendation 3

IR3: All subsidiaries and commercial arrangements - including Joint Ventures and minority shareholdings - should have appropriate governance through a Shareholder Committee (or an equivalent level of governance).



Grant Thornton insight

Strengthening Commercial Arrangements

Councils with strong governance frameworks ensure that all commercial arrangements report into the Shareholder Committee, providing consistent oversight and accountability.

Significant commitments, such as land contributions to Joint Ventures or loans to subsidiaries, are subject to the same governance standards as other commercial interests. Governance structures clearly define roles and responsibilities to prevent conflicts of interest and maintain transparency.

Improving economy, efficiency and effectiveness – commentary on arrangements

We considered how the Council: Commentary on arrangements		Rating
uses financial and performance information to assess performance to identify areas for improvement	The Council has clear arrangements to use information to assess performance and identify improvement areas. This has been an area of focus for the Council and has been implemented from the top down. The Council utilise benchmarking (using LG Inform Plus) and other external governance reviews such as a Local Government Association Peer Review and the Local Government and Social Care Ombudsman's reports. The Council reports information to the SLT and the Executive bi-annually for key corporate performance indicators and has recently introduced a live KPI dashboard. The performance report covers 73 metrics and highlights where metrics are underperforming against Council targets. Typically, where the Council has underperformed against its own target, it was still in line with national standards. The Council takes data quality seriously and has improved both the quality and the use of data across the Council over the past year.	G
assess performance and identify areas for improvement	The Council did not receive a new external inspection or review during the 2024/25 financial year, however it regularly participates in external reviews. The Council hired a Director of Planning and Performance in the year with the aim of implementing an improvement plan centred around the use of KPIs and underlying performance data. Where recommendations are raised, suitable plans for improvement are implemented. The Council regularly benchmarks its performance against other authorities in the region, utilising Local Government benchmarking data to inform areas for improvement.	G

No significant weaknesses or improvement recommendations.

No significant weaknesses, improvement recommendations made.

Significant weaknesses in arrangements identified and key recommendation(s) made.

Improving economy, efficiency and effectiveness – commentary on grrangements

We considered how the Council: Commentary on arrangements Rating There are adequate arrangements in place for engagement with stakeholders and public engagement is something the Council regularly undertakes when implementing budgets or key service changes. The Council actively engages in partnership working and this is regularly reported through the Council's Cabinet and Committees structure. Notably, the Council has a strategic partnership with EON which has created strong opportunities for public involvement in the city's energy transition over the past few years. ensures it delivers its role within significant partnerships and engages The Council also engages effectively with other public sector bodies, including the police through the Community with stakeholders it has identified, in Safety Partnership Plan, and NHS organisations through well-established collaborations in adult health and social G order to assess whether it is meeting care. its objectives Governance arrangements for group undertakings have been modernised and embedded over the past two years, for example with the introduction of a Shareholder Committee. The Council also undertook an Internal Audit exercise on the effectiveness of company arrangements which gave reasonable assurance of arrangements, although noted some improvement recommendations. We have raised an improvement recommendation relating to this under the

No significant weaknesses or improvement recommendations.

No significant weaknesses, improvement recommendations made.

Significant weaknesses in arrangements identified and key recommendation(s) made.

Governance section of this report.

Improving economy, efficiency and effectiveness – commentary on arrangements (continued)

We considered how the Council: Commentary on arrangements

Ratina

The Council have a contracts register which includes all contracts over £5,000. The contracts register has been updated in the past year to include KPIs (where applicable) on how contacts are performing. In the previous year, the Council implemented a Contracts Board which review contractual arrangements for revenue contracts and assess the risk of contracts. The Contracts Board undertake regular contract review meetings both to review how a contract is performing and to understand areas for efficiencies.

Quarterly Financial Monitoring reports are presented to Cabinet, which include updates on the Capital Programme. The reporting of project status is sufficient and none of the delays appear to be significant, with movement typical by a guarter or two and where further, without impact on service delivery.

commissions or procures services, assessing whether it is realising the expected benefits

In the past year, the Council have entered a strategic collaboration with Palantir to explore the use of Al across the Council, and there has been notable successful application of this in social services. This project reflects the Council's commitment to innovation and improved service outcomes. However, the collaboration with Palantir has been subject to public concern and the Council have responded to this by confirming that a review of its contract is under way.

The Council have responded to previous improvement recommendations by increasing training for Officers with the view of reducing waivers and exemptions. Whilst this has seen waivers decrease on the previous year, this is a recent trend and therefore further work is required to ensure this trend continues. Within 2024/25, the Council has made progress with a new procurement strategy, contracts board, revised contract management framework and reduction in the number of tender waivers and exemptions. The Council has undertaken a large amount of change in the procurement department in the past year and have made progress against previous improvement recommendations. It is important to ensure that these various initiatives are joined up and align well with each other. Some arrangements surrounding the tracking of procurement strategy objectives and Member/Officer training had not been finalised at the time of review.

No significant weaknesses or improvement recommendations.

No significant weaknesses, improvement recommendations made.

Significant weaknesses in arrangements identified and key recommendation(s) made.

Improving economy, efficiency and effectiveness

₱age 48

Area for Improvement: Reducing waivers and exemptions in procurement

Key Finding: Within 2024/25 the Council has made progress on procurement strategy, contracts board, revised contract management framework and reducing the number of tender waivers and exemptions. However, at the time of review, the Council had limited arrangements in place for tracking the progress of items within the procurement strategy, or for implementing training with regards to the contract management framework.

Evidence: The Council has made significant progress in the procurement department in the past year, particularly in the context of Procurement Act 2023 implementation, and has made progress against previous improvement recommendations.

However, through discussions with senior officers, it was evident that some arrangements had not been consolidated into business as usual activity at the time of review, notably the implementation of tools to track the 15 objectives in the procurement strategy action plan and Officer/Member training around the revised contract management framework. It is pivotal that the Council ensures there is alignment with current processes and these new initiatives.

Impact: The Council currently risks not realising value for money from the delivery of its contracts if the application and management of strategies and policies is not embedded promptly.

Improvement Recommendation 4

IR4: The Council should continue to implement training for Officers on the public procurement guidelines and the most efficient routes to procurement available in different scenarios. We recommend that when procurement documents are updated and revised, such as the procurement strategy and contract management framework, a suite of tools and training is made available at the same time to ensure effective usage and implementation by officers.

- 💆 Grant Thornton insight

Strengthening Contract Management and Procurement

Our national report on procurement and contract management sets out lessons learned from our VfM audits. Key findings include:

- Align contracts with priorities and the procurement strategy and include relevant performance indicators so that the corporate plan and procurement strategy can be measured and monitored.
- Maintain high level controls over the whole life of a contract, including supplier health checks and internal management resilience checks.
- Consider how contract management arrangements can protect against and identify potential fraud.

Grant Thornton insights — learning from others

The Council has the arrangements we would expect to see in respect of data usage, but could challenge itself to go further, based on the best arrangements we see across the sector

What the Council is already doing



- The Council use integrated performance dashboards to provide a holistic view of performance against One Coventry Plan goals.
- There is evidence of strong and effective leadership by the Executive and a drive to be a dataled Council, and data being embedded within the Council's culture.
- The Council have implemented AI usage and associated governance quickly and are using it to generate efficiencies and savings in areas with budgetary pressures (notably transcription for Social Workers in Children's Social Care).

What others do well



- Implement predictive analytics and trend analysis to anticipate risks and opportunities, rather than relying solely on historical data.
- Ensure data quality and consistency through robust governance frameworks, so decisionmaking is based on accurate and timely information.

The Council could consider



- Embedding data-driven scenario modelling to assess the impact of different performance outcomes on financial sustainability, particularly around demographic data and the changing demographics of Coventry residents.
- Establishing clear accountability for data governance and strengthening data-sharing arrangement across to Council to enable better, more complete performance data.



05 Summary of Value for Money Recommendations raised in 2024/25

Improvement recommendations raised in 2024/25 (1/2)

We recommend the Council strengthens its processes for monitoring and achieving the delivery of savings. This could include: • building in additional headroom to the savings target as a buffer to better secure the Council's financial position; • introducing more active scrutiny of savings plans by SLT as part of the regular reporting processes; and Actions: The Council agrees the need to deliver savings in full and on time and is acutely aware of its importance regarding the setting of a balanced budget. For this reason, a dedicated tracker report has been produced monthly and periodically reported to Leadership Board for some time. To further increase delivery performance and resilience, this tracker report will in future be presented to Leadership Board each month as part of a wider performance management agenda. Underperformance will be challenged and require an explanation from the owner, including actions and any decisions required. In addition, learning will be taken from those areas where under delivery has been experienced to understand the reasons for slippage.		Recommendation	Relates to	Management Actions
 retrospectively assessing the reasons why large savings programmes have been unsuccessful, to ensure early warning signs are recognised more effectively in future. retrospectively assessing the reasons why large savings programmes have been realistic profile of the expected delivery timescale. Responsible Officer: Barry Hastie Due Date: March 2026 	IR1	 processes for monitoring and achieving the delivery of savings. This could include: building in additional headroom to the savings target as a buffer to better secure the Council's financial position; introducing more active scrutiny of savings plans by SLT as part of the regular reporting processes; and retrospectively assessing the reasons why large savings programmes have been unsuccessful, to ensure early warning signs 	Financial sustainability (pages 16-19)	time and is acutely aware of its importance regarding the setting of a balanced budget. For this reason, a dedicated tracker report has been produced monthly and periodically reported to Leadership Board for some time. To further increase delivery performance and resilience, this tracker report will in future be presented to Leadership Board each month as part of a wider performance management agenda. Underperformance will be challenged and require an explanation from the owner, including actions and any decisions required. In addition, learning will be taken from those areas where under delivery has been experienced to understand the reasons for slippage. In the setting of future years budgets, we will endeavour to reflect a realistic profile of the expected delivery timescale. Responsible Officer: Barry Hastie

Improvement recommendations raised in 2024/25 (1/2)

52	Recommendation	Relates to	Management Actions
IR2	The Council should ensure that due management consideration is given to recommendations raised by the Internal Audit function, and these are implemented where appropriate. Management should ensure that high-risk recommendations are implemented in a timely manner.	Governance (pages 21-24)	Actions: The recommendation is accepted. When internal audit recommendations are agreed, a defined date for implementation for each recommendation is documented within the final report and as such all recommendations have mandated timelines. Agreed dates take account of the risk level assigned to the recommendation, alongside practical considerations for implementation. We will amend the follow up template to ensure that reasons for non-implementation are fully captured and the alternative arrangements that have been in place (including where risks have been accepted in the interim.) The Council's planned leadership dashboard also includes a KPI linked to improving implementation rates. We will look at strengthening Directorate reporting where high risk actions have not been implemented by the agreed timeline. Responsible Officer: Karen Tyler Due Date: July 2026
IR3	All subsidiaries and commercial arrangements - including Joint Ventures and minority shareholdings - should have appropriate governance through a Shareholder Committee (or an equivalent level of governance).	Governance (pages 21-24)	Actions: The recommendation is accepted. Arrangements have been put in place for Shareholder Committee to provide oversight over all of the Council's portfolio of companies as per the existing governance calendar. Whilst it was originally intended that this would commence in October 2025 with performance reporting to Shareholder Committee / Scrutiny, it is now planned that this will commence in March 2026 when both business plans and performance updates will be presented Responsible Officer: Julie Newman Due Date: March 2026

Improvement recommendations raised in 2024/25 (2/2)

	Recommendation	Relates to	Management Actions
IR4	The Council should continue to implement training for Officers on the public procurement guidelines and the most efficient routes to procurement available in different scenarios. We recommend that when procurement documents are updated and revised, such as the procurement strategy and contract management framework, a suite of tools and training is made available at the same time to ensure effective usage and implementation by officers.	Improving economy, efficiency and effectiveness (pages 25-28)	Actions: The recommendation is accepted. Launch of the Contract Management Framework is targeted for December 2025 with both an Intranet article and 'Vlog', with a rollout of training to follow in the subsequent months up to March 2026. Training will be targeted to identify Contract Managers and Contract Users in the first instance, before wider Council rollout. This training will be provided in addition to the training provided on an ad-hoc basis in relation to the use of the Council's e-tendering system and KPI module, which has been delivered to over 160 officers to date. Responsible Officer: Rob Amor / Oluremi Aremu Due Date: March 2026
			·

06 Follow up of previous **Key Recommendations**

Follow up of 2023/24 Key recommendations

	Prior Recommendation	Raised	Progress	Current status	Further action
KR1	For 2024/25, the Council will need strong arrangements in place to ensure that it publishes unaudited accounts by 30 June 2025 and to support the external audit processes that allow for publication of audited accounts by 27th February 2026. The Council will need to be mindful that 30 June will remain the deadline for publishing unaudited accounts until the end of 2027/28, but that the deadline will then move forward to 31 May. The deadline for publishing audited accounts will move progressively forward. For 2025/26, the deadline will be 31 January 2027. For 2026/27 and the years thereafter, the deadline will be 30 November. All local authorities will be required to comply with the new arrangements, which will require planning to prepare for.		The Council has resolved the backlog of unaudited accounts and published unaudited 2024/25 accounts in a timely manner. Whilst reporting deadlines for 2024/25 have been met, the Council maintain that resource within the finance team is an ongoing challenge and is having to be monitored moving forwards.	Complete	Continue to monitor resource within the finance team to ensure that all future reporting deadlines continue to be achieved. This key recommendation has been lifted in 2024/25 due to the significant progress that the Council has made, and the quality of accounts provided warrants that an improvement recommendation is not required either.

07 Appendices

Appendix A: Responsibilities of the Council

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

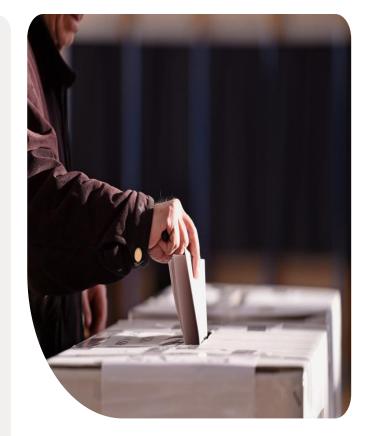
Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the carrangements are operating, as part of their annual governance statement.

The Council's Chief Finance Officer is responsible for preparing the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Finance Officer is required to comply with CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom. In preparing the financial statements, the Chief Financial Officer is responsible for assessing the Council's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the Council will no longer be provided.

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.



Appendix B: Value for Money Auditor responsibilities

Dur work is risk-based and focused on providing a commentary assessment of the Council's Value for Money arrangements 58

Phase 1 – Planning and initial risk assessment

As part of our planning, we assess our knowledge of the Council's arrangements and whether we consider there are any indications of risks of significant weakness. This is done against each of the reporting criteria and continues throughout the reporting period.

Phase 2 – Additional risk-based procedures and evaluation

Where we identify risks of significant weakness in arrangements, we will undertake further work to understand whether there are significant weaknesses. We use auditor's professional judgement in assessing whether there is a significant weakness in arrangements and ensure that we consider any further guidance issued by the NAO.

Phase 3 – Reporting our commentary and recommendations

The Code requires us to provide a commentary on your arrangements which is detailed within this report. Where we identify weaknesses in arrangements we raise recommendations.



A range of different recommendations can be raised by the Council's auditors as follows:

Statutory recommendations – recommendations to the Council under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014.

Key recommendations – the actions which should be taken by the Council where significant weaknesses are identified within arrangements.

Improvement recommendations – actions which are not a result of us identifying significant weaknesses in the Council's arrangements, but which if not addressed could increase the risk of a significant weakness in the future.

Information that informs our ongoing risk assessment

Cumulative knowledge of arrangements from the prior uear

Key performance and risk management information reported to the Executive or full Council

Interviews and discussions with key stakeholders

External review such as by the LGA, CIPFA, or Local Government Ombudsman

Progress with implementing recommendations

Regulatory inspections such as from Öfsted and COC

Findings from our opinion audit

Annual Governance Statement including the Head of Internal Audit annual opinion

Appendix C: Follow up of 2023/24 improvement recommendations

Prior Recommendation	Raised	Progress	Current position	Further action
The Council should turn its focus to the skills and capacity supporting transformation plans. As plans for 2025/26 and 2026/27 rely on high value savings and still anticipate budget gaps, the Council will need to be in a robust position for managing challenge. To protect reserves going forward, the Council will need to focus on achieving the transformational changes planned around placements, services and digital connectivity. Future financial modelling within the Medium-Term Financial Strategy should disclose the full impact and risk of any possible changes in assumptions around demographic change, inflation, and policy on issues such as real living wage. Possible changes to income from commercial investment properties should also be included. This is an improvement recommendation at present but could become a key recommendation in future years if financial performance does not improve.	2023/24	The Council included discussion of demographic factors and economic factors within the medium term-financial strategy. It is clear that this has formed part of thinking during budget setting periods but there is limited evidence of modelling. The Council have acknowledged that it is has been a difficult budgetary setting environment in recent years but do well to discuss policy issues and changes within the financial strategy. The Council display prudence in budgeting when it comes to commercial investments.		To go further, the Council should demonstrate specifically how demographic data is included within the medium-term financial strategy. Specific examples of this could include population growth, age distribution changes, net migration or poverty rates. These factors impact Council services and should be reflected clearly in the financial strategy.

Appendix C: Follow up of 2023/24 improvement ecommendations

0	Prior Recommendation	Raised	Progress	Current position	Further action
IR2	Budget setting should anticipate the impact of children with special educational needs and disability growing up and entering the adult sector whilst still having support needs. The Council should develop appropriate forecasting tools so that it can anticipate how and when current spending on children will need to be replaced with spending on adults.	2023/24	Through discussions with the Council, this is something that the Council are considering and have acknowledged. The Council is focussed on delivering savings in both the Adult and Children's Social Care service line.	In progress	The Council should develop appropriate forecasting tools so that it can anticipate how and when current spending on children will need to be replaced with spending on adults.
IR3	The Council should explore formal reporting to the Leadership Board on savings progress against target for those elements of planned savings not covered by the Transformation arrangements. In total, technical and service savings of £30.3 million were absorbed into the budget for 2024/25. Transformation Plan highlight reports cover some £12.2 million. Other savings are regularly discussed and reviewed at Leadership Board but minutes of this are not taking.	2023/24	The Council do not take detailed minutes at Leadership Boards, however have provided agendas and summaries of actions (alongside savings trackers) that demonstrate that savings is a key point of discussion at Leadership Board meetings	Superseded	Per IR1 – Provide more detail around savings tracking and progress towards target. Continue to minute leadership boards and ensure outcomes are documented effectively.
IR4	In addition to training around use of the procurement portal, the Council should continue training and awareness around legal and regulatory requirements for procurement. To demonstrate best value, the Council needs to reduce the number and value of tender waiver requirements. Increased awareness of legal and regulatory requirements may help to achieve this reduction.	2023/24	Tender waivers have fallen on prior year. Council recognise that there are always reasons for waivers but have been working to reduce them as much as possible. Training on procurement regulations and the best route to procurement has been increased in the previous year.	Complete	Continue to closely monitor tender waivers to ensure that the reduction in number and value is sustained.

Appendix C: Follow up of improvement recommendations

Please note that from this point forwards, only improvement recommendations marked as 'In progress' or 'No' in the 2023/24 report have been included.

	Prior Recommendation	Raised	Progress	Current position	Further action
IR1	The Council should continue to address the weaknesses in the preparation of its financial statements, as addressed in our financial statements audit work, that have caused delays to the publication of accounts.	2022/23	The Council have resolved backlog of financial statements and met the deadline for 2024/25 accounts.	Complete	N/A
IR3	When corporate key performance indicator reporting is re- introduced to Cabinet, the Council should consider an increase in the frequency of reporting in addition to embedding the changes already planned.	2022/23	The Council report performance on a quarterly basis and have implemented a live KPI dashboard	Complete	N/A
IR4	The Council should review training arrangements for service line staff who are responsible for monitoring contracts.	2022/23	The Council have implemented additional training.	Superseded	Further training based on IR3 2024/25.
IR7	An independent assurance review of the revised governance structure for the Council's subsidiaries should be undertaken at the earliest opportunity.	2021/22	The Council have completed the review.	Complete	Carry out the IR's raised in the internal audit of Council's subsidiaries.
IR8	The Council should consider how to further avoid high placement costs and ensure the investment in its own children's home delivers the anticipated savings in placement costs.	2021/22	The Council have consider options for savings with respect to Social Care and have formed specific task groups for Children's.	Complete	Continue to seek savings in this area, noting the challenging environment.
Page 61	Procurement Tender Waivers should be reported to the Audit and Procurement Committee on a quarterly basis. The Council should ensure that the new Procurement Strategy is aligned to the Council's Digital Transformation Strategy.	2021/22	Alignment between the two strategies and regular reporting of tender waivers.	Complete	N/A



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Public report

Report to

Audit and Procurement Committee

24th November 2025

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources – Councillor R Brown

Director approving submission of the report:

Director of Finance and Resources

Ward(s) affected:

City Wide

Title:

Treasury Management Update 2025-26 – Half Year Progress Report

Is this a key decision?

No

Executive summary:

The purpose of this report is to provide the Audit and Procurement Committee with an update on the Council's Treasury Management activity for 12 months to the end of September 2025.

Recommendations:

Audit and Procurement Committee is recommended to:

1) Note the update against the Treasury Management Strategy 2025-26 at 30th September 2025.

List of Appendices included:

Appendix One - Short-term Borrowing and Investment Summary at 30th September 2025.

Appendix Two - UK and Foreign Counterparty Lending List at 30th September 2025.

Background papers:

None.

Has it or will it be considered by scrutiny?

No other scrutiny consideration other than the Audit and Procurement Committee

Has it, or will it be considered by any other council committee, advisory panel or other body?

No

Will this report go to Council?

No

Report title:

Treasury Management Update 2025-26 – Half Year Progress Report

1. Context (or background)

- 1.1 The Council adopts the Chartered institute of Public Finance and Accountancy's "Treasury Management in the Public Services: Code of Practice (the CIPFA code). This requires the Council to approve an annual Treasury Management Strategy and a mid-year update report. Treasury Management performance is reported as part of regular budget monitoring reports to this Committee.
- 1.2 The Council's Treasury Management activity is undertaken in line with the Treasury Management and Commercial Investment Strategy and Policy for 2025/26, which was agreed by Cabinet as part of the Budget Report 2025/26 at its meeting on 25th February 2025. There are no breaches of the strategy and policy to report.
- 1.3 The Council is supported in the Investment Strategy and Policy by its Treasury Management Advisors Arlingclose. The advisors provide economic analysis and specialist advice. A key element of this is the provision of advice on credit risk and the supply of information on credit ratings. Regular review meetings with the advisors continue to be held.
- 1.4 Staff with involvement in treasury issues continue to attend weekly update and other events focused on treasury management issues to ensure knowledge and economic awareness is up to date.
- 1.5 **Appendix 1** details short-term borrowing and investments that the Council holds as at 30th September 2025.

2. Options considered and recommended proposal

2.1 Borrowing Update

There has been no short-term borrowing in 2025/26, although £20m of short-term borrowings taken out at the end 2024/25 was repaid. It is anticipated that due to variables in the cashflow forecast for the remainder of 2025/26, that some short-term borrowings may need to be sourced in Quarter 4. It is important to emphasise that this is a snapshot of the Council's cashflow, it does not represent the Council's overall financial situation.

Other than an £18m loan from WMCA on behalf of UKBIC, no new long-term borrowing has been undertaken since 2009, due in part to the level of investment balances available to the Council. The Council has no immediate plans to take any new long-term borrowing, as long term borrowing rates are particularly high, however this will be kept under review.

In March 2025 the Council repaid the £12m stock issue closely followed by a repayment of £10m Lender Option Borrower Option (LOBO) debt in May 2025. The Council's long-term liabilities are detailed in the table below, which is mainly made

up of long-term borrowing sourced from the Public Works Loan Board (PWLB); Liabilities arising from the LOBO's and Private Finance Initiative (PFI) borrowing.

	30/09/2024 £m	30/09/2025 £m
Public Works Loan Board (PWLB)	180.7	180.7
LOBO - Market Loans	38.0	28.0
Stock Issue	12.0	0.0
UKBIC/Other	21.0	19.9
PFI	58.6	63.4
Total	310.3	292.0

The Public Works Loan Board (PWLB) remains the main source of loan finance for funding local authority capital investment. In August 2021 HM Treasury significantly revised guidance for the PWLB lending facility with more details and 12 examples of permitted and prohibited use of PWLB loans. Authorities that are purchasing or intending to purchase investment assets primarily for yield will not be able to access the PWLB except to refinance existing loans or externalise internal borrowing. Under the Treasury Management Strategy 2022/23 approved by Cabinet on 22nd February 2022 it was agreed the Council will not purchase investment assets primarily for yield.

This increase shown for PFI in the borrowing table above is a result of the technical accounting treatment changes required by IFRS16 (Leases), adopted into public sector accounts in 2024-25 and does not represent new borrowing.

2.2 Investments Update

The table at Appendix 1 details investments held at 30th September 2025 and identifies a total investment of £79.8m (2024/25 £87.0m). These balances are a snapshot at a point in time which move daily and do not reflect the Council's overall financial situation.

The table below shows a comparison of investments held at 30th September for both 2024 & 2025:

	30/09/2024 £m	30/09/2025 £m
Banks and Building Societies	0.0	0.0
Local Authorities	26.0	39.0
Debt Management Office	0.0	0
Money Market Funds	31.0	10.8
Collective Investment Funds	30.0	30.0
Corporate Bonds	0.0	0.0
Registered Providers	0.0	0.0

Total	87.0	79.8
-------	------	------

The table below details the Council's return on investments as at 30th September 2025. This is against a backdrop of the current Bank of England base rate of 4% (2024/25 5%). Base rates have reduced steadily over the last 12 months.

Туре	2024/25	2025/26
All	5.11%	4.50%
MMF/LA	5.02%	4.28%
Collective funds	5.30%	5.17%

Whilst the Council's Collective Investment Funds have continued to provide a healthy annualised return their capital value at 30th September 2025 was £28.2m (2024/25 £27.5m) which remains below the original sum invested (£30.0m) although the value has increased compared to last year. Whilst all seven funds are showing a capital value loss, they continue to show signs of recovery. As interest rates continue to fall the capital value of these funds should increase. In addition to the capital value, income received from these investments exceed any returns offered by banks or money market funds.

The capital value would not normally be an issue unless the Council intended to disinvest from the funds (the intention is that the Council keeps these for the long term). However, there was a statutory override for gains and losses on pooled investment funds held outside of a pension fund being taken to revenue. This was introduced in 2018 following a change to International Financial Reporting Standards (IFRS). At the time, the government felt it was inappropriate for revaluations to "impact on the balanced budget requirement of Local Authorities or on the quantum of funds available to support delivery of services." This override was time-limited and was due to expire in April 2023, the Government then extended the override to March 2025 when a final decision was made which enabled the decrease in value to be held on the balance sheet for existing investments.

Appendix 2 details the Council's Lending List as at 30th September 2025. This list shows those banking and government institutions that the Investment Strategy allows the Council to invest cash balances with. The list is taken using specialist advice from Arlingclose and is split between UK and foreign institutions. The Council does not hold any funds with counterparties that are not on this list. Duration limits for counterparties on the Council's lending list are under regular review and will continue to reflect economic conditions and the credit outlook.

2.3 National issues

Financial markets had been in a state of flux following the Budget announcement by the Chancellor of the Exchequer on 30th October 2024 and the election of President Trump on 5th November 2024. Events in the Middle East, Ukraine and Russia also continue to add to this uncertainty to the global economy. The first quarter of the year was dominated by the fallout of the US trade tariffs and their impact on financial markets. Equity markets declined sharply, which was subsequently

followed by bond markets as investors were increasingly concerned about US fiscal policy. The second quarter is still rife with uncertainty, equity markets made gains and a divergence in US and UK government bond yields started to occur, which had been moving relatively closely together. From late June, amid a UK backdrop of economic uncertainty, concerns around the government's fiscal position and speculation around the autumn Budget, yields on medium and longer-term gilts pushed higher, including the 30-year which hit its highest level for almost 30 years.

Initial thoughts following the Budget announcement 2024 was that inflation would increase and thus restrict the Bank of England Monetary Policy Committee's (MPC) ability to reduce interest rates; the Bank of England has been cautious in lowering rates over the last 12 months. Base rate was lowered in August 2025 to 4.0% over the last 12 months rates have reduced on 4 occasions by 0.25bpts increments (Sept 2024: 5.0%). The latest forecast from the Council's Treasury Management Advisors, Arlingclose, is for the Bank Interest Rate to reduce another 0.25bpt potentially in December or quarter 4 to 3.75%. They are predicting more drops over the long term but are predicting that base rate will level out at 3.75%.

UK headline annual consumer price inflation (CPI) increased over the period, rising from 2.6% in March to 3.8% in September (unchanged from August), still well above the Bank of England's 2% target. Core inflation also rose, from 3.4% in March to 3.5% in September, slightly down from the August reading of 3.6%. Services' inflation also fell from July to September, to 4.7% from 5.0%.

The UK economy expanded by 0.7% in the first quarter of the calendar year and by 0.3% in the second quarter although it is expected to reduce in quarter 3 by 0.1%.

3. Results of consultation undertaken

3.1 None

4. Timetable for implementing this decision

4.1 There is no implementation timetable as this is a monitoring report.

5. Comment from the Director of Finance and Resources and the Director of Law and Governance

5.1 Financial Implications

The financial implications are discussed in the body of this report.

5.2 Legal implications

Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services; Code of Practice 2017 Edition* (the CIPFA code) which requires the Council to approve a treasury management strategy before the start of each financial year. The Council's treasury management activity must be carried out in

accordance with the requirements of the *Local Government Act 2003* which gives legal obligation to have regard to the CIPFA Code.

6. Other implications

6.1 How will this contribute to achievement of the Council's plan?

Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rate. The successful identification, monitoring and control of financial risk is therefore central to the Council's prudent financial management.

6.2 How is risk being managed?

In terms of risk management, there are two main focuses:

- Credit Risk This is the risk of an investment counterparty defaulting and any subsequent loss of funds or delay in making returns. The risk is mitigated through investment counterparties being subject to a minimum credit rating limit (A-) as determined by the Fitch crediting rating agency. Credit ratings are obtained and monitored by the Council's treasury advisors, who will notify changes in ratings as they occur. The Lending List at Appendix 2 identifies the credit rating for each counterparty on 30th September 2025. The minimum credit rating and funding limits on counterparty investment levels are agreed by the Council as part of the Treasury Management Strategy.
- Liquidity Risk This is the risk of not having access to cash when needed.
 Detailed forecasts on future daily cashflows are made and based on known
 outgoings and incomings (e.g. cost of salaries and government funding).
 Surplus funds are invested in counterparties (e.g. Money Market Funds as
 shown in Appendix 1) with high liquidity so there is quick access to cash to
 cover payments.

6.3 What is the impact on the organisation?

None

6.4 Equalities / EIA

None

6.5 Implications for (or impact on) Climate Change and the environment

No impact

6.6 Implications for partner organisations?

None

Report author:

Name and job title:

Tina Pinks

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Finance and Resources

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Enquiries should be directed to the above person.

Contributor/approver name	Title	Service area	Date doc sent out	Date response received or approved
Contributors:				
Lara Knight	Governance Services Officer	Law and Governance	13/11/25	13/11/25
Elaine Hughes	Lead Accountant Control and Treasury Management	Finance and Resources	01/10/25	13/11/25
Names of approvers: (officers and members)				
Barry Hastie	Director of Finance and Resources (Section 151 Officer)	-	13/11/25	13/11/25
Councillor R Brown	Cabinet Member for Strategic Finance and Resources	-	13/11/25	13/11/25

This report is published on the council's website: www.coventry.gov.uk/council-meetings

Appendix 1 - Short-term Investment Summary at 30th September 2025

Investment Type	Loan Ref.	<u>Lender Name</u>	Broker	Principal	Start Date	Maturity Date
				•	-	
TEMP. DEPOSITS	200004465	LONDON BOROUGH OF BARKING & DAGENHAM	ICAP	5,000,000.00	30/07/2025	08/10/2025
	200004467	CENTRAL BEDFORDSHIRE COUNCIL	ICAP	10,000,000.00	21/08/2025	21/10/2025
	200004468	LUTON BOROUGH COUNCIL	IMP	10,000,000.00	27/08/2025	03/10/2025
	200004471	LINCOLNSHIRECOUNTYCOUNCIL	INSTI	5,000,000.00	25/09/2025	24/10/2025
	200004472	LEEDSCOUNTYCOUNCIL	BGC	5,000,000.00	26/09/2025	10/10/2025
	200004474	SURREYCOUNTYCOUNCIL	BGC	4,000,000.00	26/09/2025	10/10/2025
				39,000,000.00		
MMF DEPOSITS	2400000002	ABERDEEN LIQUIDITY FUND	N/A	0.00		
	2400000004	FEDERATED PRIME RATE	N/A	10,780,000.00		
				10,780,000.00		
COLLECTIVE INVESTMENT FUNDS	2600000006	CCLA INVESTMENT MGT LTD	N/A	12,000,000.00	28/11/2013	
	2600000013	COLUMBIATREADNEEDLE	N/A	1,500,000.00	16/08/2018	
	2600000014	M&GINVESTMENTS	N/A	1,500,000.00	20/08/2018	
	2600000015	M&GINVESTMENTS	N/A	3,000,000.00	20/08/2018	
	2600000016	M&G INVESTMENTS - UKINCOME DISTRIBUTION FUND	N/A	3,000,000.00	20/08/2018	
		INVESTEC ASSETMANAGEMENT/ NINETY ONE				
	2600000012	DIVERSIFIED INCOME FUND	N/A	4,500,000.00	10/08/2018	
	2600000011	SCHRODERSUNITTRUSTSLTD	N/A	4,500,000.00	01/08/2018	
				30,000,000.00		
GRAND TOTAL				79,780,000.00		

Complete Credit List as at:	30/09/2025						
Counterparty	Country of Domicile	Maximum Deposit/CD Duration	Fitch Longterm	MoodysLong term	Standard & PoorsLongterm	Banking Group	Lir
UNITED KINGDOM: BANKS					<u>'</u>		
BANK OF SCOTLAND PLC	GB	6 months	AA-	A1	A+		£1
LLOYDS BANK PLC	GB	6 months	AA-	A1	A+	Lloyds Banking	£1
LLOYDS BANK CORPORATE MARKET	GB	100 days	AA-	A1	Α	- Group -	£1
BARCLAYS BANK PLC	GB	6 months	A+	A1	A+	Barclays Group	£1
BARCLAYS BANK UK PLC	GB	6 months	A+	A1	A+		£1
CLYDESDALE BANK	GB	100 days	A +	A1	Α	Nationwide	£1
HANDELSBANKEN PLC	GB	6 months	AA		AA-	Svenska HB	£1
HSBC BANK PLC	GB	6 months	AA-	A1	A+	HSBC Group	£1
HSBC UK BANK PLC	GB	6 months	AA-	A1	A+	Пэвс огоар	£1
NATIONAL WESTMINSTER BANK	GB	6 months	AA-	A1	A+	<u> </u>	£1
NATWEST MARKETS PLC	GB	6 months	AA-	A1	Α	NatWest Group	£1
ROYAL BANK OF SCOTLAND PLC/T	GB	6 months	AA-	A1	A+		£1
SANTANDER UK PLC	GB	6 months	A+	A1	A	Santander	£1
STANDARD CHARTERED BANK	GB	6 months	A+	A1	A+		£1
UK: BUILDING SOCIETIES							
NATIONWIDE BUILDING SOCIETY	GB	6 months	A+	A1	A+	Nationwide	£1
UK: OTHER INSTITUTIONS							
LCR FINANCE PLC	EN	10 years	AA-	Aa3	AA		£1
NETWORK RAIL INFRASTRUCTURE	GB	10 years	AA-	Aa3			£1
UNITED KINGDOM	GB	50 years	AA-u	Aa3	AAu		£1
WELLCOME TRUST FINANCE PLC	GB	15 years		Aaa	AAA		£1
AUSTRALIA	AU		AAAu	Aaa	AAAu		
AUST AND NZ BANKING GROUP	AU	6 months	AA-	Aa2	AA-		£
COMMONWEALTH BANK OF AUSTRAL	AU	6 months	AA-	Aa2	AA-		£
NATIONAL AUSTRALIA BANK LTD	AU	6 months	AA-	Aa2	AA-		£1
WESTPAC BANKING CORP	AU	6 months	AA-	Aa2	AA-		£1

AUSTRIA	AS		AAu	Aa1	AA+	
OESTERREICHISCHE KONTROLLBANK	AS	10 years		Aa1	AA+	£10n
CANADA	CA		AA+u	Aaa	AAA	
BANK OF MONTREAL	CA	6 months	AA	Aa2	A+	£10r
BANK OF NOVA SCOTIA	CA	6 months	AA	Aa2	A+	£10ı
CAN IMPERIAL BK OF COMMERCE	CA	6 months	AA	Aa2	A+	£10ı
EXPORT DEVELOPMENT CANADA	CA	10 years		Aaa	AAA	£10
NATIONAL BANK OF CANADA	CA	100 days	AA-	Aa2	A+	£10
ROYAL BANK OF CANADA	CA	6 months	AA	Aa1	AA-	£10
TORONTO-DOMINION BANK	CA	6 months	AA	Aa1	A+	£10
DENMARK	DE		AAA	Aaa	AAAu	
COMMUNEKREDIT	DE	10 years		Aaa	AAA	£10
FINLAND	FI		AA	Aa1	AA+u	
MUNICIPALITY FINANCE PLC	FI	10 years		Aa1	AA+	£10
NORDEA BANK ABP	FI	6 months	AA	Aa3	AA-	£10
OP CORPORATE BANK PLC	FI	100 days		Aa3	AA-	£10
GERMANY	GE		AAAu	Aaau	AAAu	
BAYERISCHE LANDESBANK	GE	6 months	AA-	Aa2	NR	£10
DZ BANK AG DEUTSCHE ZENTRAL	GE	6 months	AA	Aa2	A+	£10
MS WERTMANAGEMENT	GE	25 years		Aaa	AAA	£10
(REDITANSTALT FUER WIEDERAUFBRAU (KFW)	GE	25 years	AAAu		AAA	£10
ANDESBANK BADEN-WUERTTEMBER	GE	6 months	AA-	Aa2	NR	£10
ANDESBANK HESSEN-THURINGEN	GE	6 months	AA-	Aa2	NR	£10
ANDESKRED BADEN-WUERTT FOER	GE	25 years	AAA	Aaa	AA+	£10
ANDWIRTSCHAFTLICHE RENTENBA	GE	25 years	AAA	Aaa	AAA	£10
IETHERLANDS	. NE		AAAu	Aaa	AAAu	
ING BANK NV	NE	5 years	AAA	Aaa	AAA	£10
OOPERATIEVE RABOBANK UA	NE	6 months	AA-	Aa2	A+	£10
IEDERLANDSE WATERSCHAPSBANK	NE	5 years		Aaa	AAA	£10
IORWAY	NO		AAAu	Aaa	AAAu	
OMMUNALBANKEN AS	NO	5 years		Aaa	AAA	£10
INGAPORE	SI		AAAu	Aaa	AAAu	
DBS BANK LTD	SI	6 months	AA-	Aa1	AA-	£10

OVERSEA-CHINESE BANKING CORP	SI	6 months	AA-	Aa1	AA-		£10m
INITED OVERSEAS BANK LTD	SI	6 months	AA-	Aa1	AA-		£10m
SWEDEN	SW		AAAu	Aaa	AAAu		
SVENSKA HANDELSBANKEN-A SHS	SW	6 months	AA+	Aa1	AA-	Svenska HB	£10m
SVENSK EXPORTKREDIT AB	SW	5 years		Aa1	AA+		£10m
UNITED STATES OF AMERICA	US		AA+u	Aa1	AA+u		
NORTHERN TRUST CO	US	100 days	AA	Aa1	AA-		£10m
SUPRANATIONAL							
AFRICAN DEVELOPMENT BANK (AfDB)	IV	5 years	AAA	Aaa	AAA		£10m
ASIAN DEVELOPMENT BANK	PH	5 years	AAA	Aaa	AAA		£10m
COUNCIL OF EUROPE DEVELOPMENT BANK (CEDB)	FR	15 years	AAA	Aaa	AAA		£10m
EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (EBRD)	GB	25 years	AAA	Aaa	AAA		£10m
EUROPEAN INVESTMENT BANK (EIB)	LX	25 years	AAA	Aaa	AAA		£10m
INTER-AMERICAN DEVELOPMENT BANK (IADB)	US	25 years	AAAu	Aaa	AAA		£10m
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (THE WORLD BANK)	US	25 years	AAAu	Aaa	AAA	World Bank	£10m
INTERNATIONAL FINANCE CORP	US	5 years		(P)Aaa	AAA	Group	£10m
NORDIC INVESTMENT BANK (NIB)	FI	25 years		Aaa	AAA		£10m
		•					
Manay Madak Sunda an Adianalasa Lisk	Country of Dominila	-	Fish	Managhala	Standard		
Money Market Funds on Arlingclose List ABERDEEN ASSET MANAGEMENT	Country of Domicile	Overnight	Fitch AAAmmf	Moody's Aaa-mf	Standard & Poor's		£20m
		Overnight			& Poor's		£20m
		Overnight Overnight			& Poor's		£20m
ABERDEEN ASSET MANAGEMENT	LX	<u> </u>	AAAmmf	Aaa-mf	& Poor's AAAm		
ABERDEEN ASSET MANAGEMENT AVIVA INVESTORS	LX IR	Overnight	AAAmmf -	Aaa-mf	& Poor's AAAm AAAm		£20m
ABERDEEN ASSET MANAGEMENT AVIVA INVESTORS BLACKROCK	IR IR	Overnight Overnight	- AAAmmf	Aaa-mf Aaa-mf Aaa-mf	& Poor's AAAm AAAm AAAm		£20m £20m
ABERDEEN ASSET MANAGEMENT AVIVA INVESTORS BLACKROCK BNP PARIBAS ASSET MANAGEMENT	IR IR LX	Overnight Overnight Overnight	- AAAmmf - AAAmmf	Aaa-mf Aaa-mf Aaa-mf Aaa-mf	& Poor's AAAm AAAm AAAm		£20m £20m £10.8m
ABERDEEN ASSET MANAGEMENT AVIVA INVESTORS BLACKROCK BNP PARIBAS ASSET MANAGEMENT CCLA - PSDF	IR IR LX GB	Overnight Overnight Overnight Overnight	- AAAmmf - AAAmmf - AAAmmf	Aaa-mf Aaa-mf Aaa-mf Aaa-mf Aaa-mf	AAAm AAAm AAAm		£20m £20m £10.8m £8.2m
AVIVA INVESTORS BLACKROCK BNP PARIBAS ASSET MANAGEMENT CCLA - PSDF DWS	IR IR LX GB IR	Overnight Overnight Overnight Overnight Overnight	AAAmmf - AAAmmf AAAmmf AAAmmf	Aaa-mf Aaa-mf Aaa-mf Aaa-mf Aaa-mf Aaa-mf	AAAm AAAm AAAm AAAm AAAm AAAm AAAm		£20m £20m £10.8m £8.2m £20m
ABERDEEN ASSET MANAGEMENT AVIVA INVESTORS BLACKROCK BNP PARIBAS ASSET MANAGEMENT CCLA - PSDF DWS FEDERATED INVESTORS (UK)	IR IR LX GB IR GB	Overnight Overnight Overnight Overnight Overnight Overnight	- AAAmmf - AAAmmf - AAAmmf - AAAmmf - AAAmmf	Aaa-mf Aaa-mf Aaa-mf Aaa-mf Aaa-mf Aaa-mf Aaa-mf	AAAm AAAm AAAm AAAm AAAm AAAm AAAm AAA		£20m £20m £10.8m £8.2m £20m
ABERDEEN ASSET MANAGEMENT AVIVA INVESTORS BLACKROCK BNP PARIBAS ASSET MANAGEMENT CCLA - PSDF DWS FEDERATED INVESTORS (UK) FIDELITY INTERNATIONAL	IR IR IR LX GB IR GB IR	Overnight Overnight Overnight Overnight Overnight Overnight Overnight	AAAmmf AAAmmf AAAmmf AAAmmf AAAmmf	Aaa-mf Aaa-mf Aaa-mf Aaa-mf Aaa-mf Aaa-mf Aaa-mf Aaa-mf Aaa-mf	AAAm AAAm AAAm AAAm AAAm AAAm AAAm AAA		£20m £20m £10.8m £8.2m £20m £20m £10.1m
ABERDEEN ASSET MANAGEMENT AVIVA INVESTORS BLACKROCK BNP PARIBAS ASSET MANAGEMENT CCLA - PSDF DWS FEDERATED INVESTORS (UK) FIDELITY INTERNATIONAL GOLDMAN SACHS ASSET MANAGEMENT	IR IR IR LX GB IR GB IR IR IR	Overnight Overnight Overnight Overnight Overnight Overnight Overnight Overnight	- AAAmmf	Aaa-mf	AAAm AAAm AAAm AAAm AAAm AAAm AAAm AAA		£20m £20m £10.8m £8.2m £20m £20m £10.1m
ABERDEEN ASSET MANAGEMENT AVIVA INVESTORS BLACKROCK BNP PARIBAS ASSET MANAGEMENT CCLA - PSDF DWS FEDERATED INVESTORS (UK) FIDELITY INTERNATIONAL GOLDMAN SACHS ASSET MANAGEMENT HSBC ASSET MANAGEMENT	IR IR IR LX GB IR GB IR IR IR IR	Overnight	AAAmmf AAAmmf AAAmmf AAAmmf AAAmmf - AAAmmf	Aaa-mf	AAAm AAAm AAAm AAAm AAAm AAAm AAAm AAA		£20m £20m £10.8m £8.2m £20m £20m £10.1m £20m
ABERDEEN ASSET MANAGEMENT AVIVA INVESTORS BLACKROCK BNP PARIBAS ASSET MANAGEMENT CCLA - PSDF DWS FEDERATED INVESTORS (UK) FIDELITY INTERNATIONAL GOLDMAN SACHS ASSET MANAGEMENT HSBC ASSET MANAGEMENT INSIGHT INVESTMENTS	IR IR LX GB IR GB IR IR IR IR	Overnight	AAAmmf	Aaa-mf	AAAm AAAm AAAm AAAm AAAm AAAm AAAm AAA		£20m £20m £10.8m £8.2m £20m £20m £10.1m £20m £20m
ABERDEEN ASSET MANAGEMENT AVIVA INVESTORS BLACKROCK BNP PARIBAS ASSET MANAGEMENT CCLA - PSDF DWS FEDERATED INVESTORS (UK) FIDELITY INTERNATIONAL GOLDMAN SACHS ASSET MANAGEMENT HSBC ASSET MANAGEMENT INSIGHT INVESTMENTS INVESCO AIM	IR IR IR LX GB IR GB IR IR IR IR IR	Overnight	AAAmmf AAAmmf AAAmmf AAAmmf AAAmmf AAAmmf AAAmmf AAAmmf AAAmmf	Aaa-mf	AAAm AAAm AAAm AAAm AAAm AAAm AAAm AAA		£20m £20m £10.8m £8.2m £20m £20m £10.1m £20m £20m £20m £20m

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NORTHERN TRUST ASSET MANAGEMENT	IR	Overnight A	AAmmf	Aaa-mf	AAAm	£20m
ROYAL LONDON STERLING LIQUIDITY FUND	IR	Overnight A	AAmmf	Aaa-mf	AAAm	£20m
STATE STREET GLOBAL ADVISORS ASSET MANAGEMENT	IR	Overnight A	AAmmf	Aaa-mf	AAAm	£20m
UBS ASSET MANAGEMENT	IR	Overnight A	AAmmf	Aaa-mf	-	£6.3m
AVIVA INVESTORS GOV	IR	Overnight	-	Aaa-mf	-	£20m
BLACKROCK GOV	IR	Overnight A	Aaa-mf	AAAm	•	£20m
GOLDMAN SACHS ASSET MANAGEMENT GOV	IR	Overnight A	Aaa-mf	AAAm		£11m

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Public report

Report to

Audit and Procurement Committee

24th November 2025

Name of Cabinet Member:

Cabinet Member for Policy and Leadership – Councillor G Duggins

Director approving submission of the report:

Director of Finance and Resources

Ward(s) affected:

City Wide

Title:

Internal Audit Professional Standards Update

Is this a key decision?

No

Executive summary:

The purpose of this report is to provide the Audit and Procurement Committee with a summary of the new professional standards for internal audit which came into effect on the 1st April 2025, including the essential conditions which apply to the Committee and to seek approval for the Internal Audit Service's performance objectives for 2025-26.

Recommendation:

The Audit and Procurement Committee is recommended to:

- 1. Note and consider the new professional standards for internal audit, including the essential conditions applicable to the Committee. This should include consideration of whether there are any areas where, in the view of the Committee, arrangements will not be sufficient to meet the essential conditions.
- 2. Approve the performance objectives for internal audit for 2025-26.

List of Appendices included:

Appendix One – Audit and Procurement Committee Essential Conditions for Governing the Internal Audit function

Background papers:

None

Other useful documents:

None

Has it or will it be considered by scrutiny?

No other scrutiny consideration other than the Audit and Procurement Committee.

Has it, or will it be considered by any other council committee, advisory panel or other body?

No

Will this report go to Council?

No

Report title:

Internal Audit Professional Standards Update

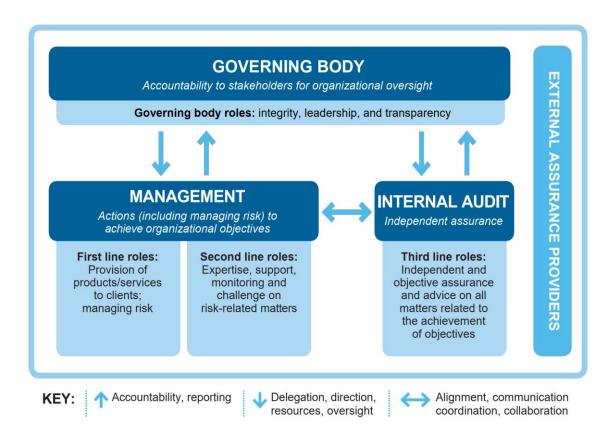
1. Context (or background)

- 1.1 In April 2025, new professional standards for internal audit came into effect. The "Global Internal Audit Standards in the UK Public Sector" consist of the Global Internal Audit Standards of the Institute of Internal Auditors and the Application Note: Global Internal Audit Standards in the UK public sector issued by CIPFA. In addition, CIPFA have issued a "Code of Practice for the Governance of Internal Audit in UK Local Government" which is designed to work alongside the new internal audit standards.
- 1.2 The Global Internal Audit Standards in the UK Public Sector are split into five domains, each with a number of principles and standards which underpin them:
 - Domain I Purpose of Internal Auditing
 - Domain II Ethics and Professionalism
 - Domain III Governing the Internal Audit Function
 - Domain IIIV Managing the Internal Audit Function
 - Domain V Performing Internal Audit Services
- 1.3 Whilst many of the principles and standards are similar to the previous professional standards for internal audit, one of the key differences is the inclusion of "essential conditions" under Domain III for the Governance of Internal Audit. When the Institute of Internal Auditors published the Global Internal Audit Standards, it recognised that in the public sector, governance structures or other laws or regulations may impact on how the essential conditions can be applied. The Code of Practice therefore provides the route to satisfying the essential conditions, but in a way that is appropriate for UK local government.
- 1.4 Under Domain III the standards require the Chief Internal Auditor to discuss:
 - The purpose of internal auditing
 - The essential conditions required for Governing the Internal Audit Function
 - The potential impact on the effectiveness of the internal audit function if the board or senior management does not provide the support outlined in the essential conditions.
- 1.5 In addition, under the essential conditions for the governance standard on quality, new requirements have been introduced linked to internal audit's performance objectives, which requires the Audit and Procurement Committee to approve the performance objectives for the Internal Audit Service on an annual basis.

2. Options considered and recommended proposal

2.1 <u>Purpose of Internal Auditing</u> - Internal auditing is defined in the Global Internal Audit Standards in the UK Public Sector as "an independent, objective assurance and advisory service designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management

and control processes." Internal audit is part of the Council's governance framework, which follows the principles of the Three Lines Model, illustrated below:



The purpose of internal audit is defined in the Global Internal Audit Standards in the UK Public Sector as:

"Internal auditing strengthens the organisation's ability to create, protect and sustain value by providing the board and management with independent, risk-based and objective assurance, advice, insight and foresight. It enhances the organisation's:

- Successful achievement of its objectives.
- Governance, risk management and control processes.
- decision making and oversight.
- Reputation and credibility with stakeholders.
- Ability to serve the public interest.

Internal auditing is most effective when:

- It is performed by competent professionals in conformance with the Global Internal Audit Standards, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the board.
- Internal auditors are free from undue influence and committed to making objective assessments."

- 2.2 The primary mandate for internal audit in UK local government is the Accounts and Audit Regulations 2015 which requires "a relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance." The Regulations also include internal audit's rights of access to information and explanations necessary to achieve their intended purpose.
- 2.3 <u>Essential Conditions</u> The table attached at Appendix One provides a summary of the essential conditions relating to the Audit and Procurement Committee required for Domain III Governing the Internal Audit Function and the arrangements in place to fulfil these. Where appropriate, the Code of Practice has been relied upon to interpret the conditions in the context of the local authority environment. Whilst a number of the essential conditions are already in place or only require minor amendments to existing arrangements, some areas will need specific new actions to be taken. These are:
 - Development of a resource strategy for the Internal Audit Service. This will need to be linked to the scope of internal audit activities as defined in the Internal Audit Charter.
 - In the event that the job description for the Chief Internal Auditor is amended (or there is a recruitment exercise for a new Chief Internal Auditor), feedback will be sought from the Audit and Procurement Committee on the job description. Feedback will also be sought from the Chair of the Committee on the Chief Internal Auditor's performance as part of the annual appraisal process.
 - Audit and Procurement Committee approval of the performance objectives of the Internal Audit Service on an annual basis. This is expanded upon in 2.4 below.
- 2.4 <u>Performance Objectives</u> The Audit and Procurement Committee must satisfy itself on the effectiveness of the Internal Audit Service. Receiving reports on the performance of the Service against defined performance objectives is a key way in which the Audit and Procurement Committee meets this responsibility and is included in the Terms of Reference for the Committee. Under the new essential conditions for the governance standard on quality, this has been expanded upon to include the requirement that the Audit and Procurement Committee approve the performance objectives for the Internal Audit Service on an annual basis.

It is recognised that the performance measures which are currently used in reporting to the Audit and Procurement Committee are solely linked to the delivery of the audit plan and do not reflect the expectations within the new standards that the performance objectives should be those which are most impactful to advance the outcomes stated within the standards, the Internal Audit Charter and the Internal Audit Strategy. As such, the Chief Internal Auditor has determined a revised set of performance objectives and measurements for 2025-26, which are detailed in Table One overleaf. It should be noted that all existing performance indicators will continue to be maintained as part of the administrative arrangements for managing the Internal Audit Service.

Table One - Internal Audit Performance Objectives and Measures 2025-26

Performance Objective	Measure	Target	Frequency
The Internal Audit Service delivers it's mandate and charter through completion of a risk-based programme of work which supports delivery of the annual conclusion on the Council's effectiveness of its risk management, control and governance processes.	% of the Annual Internal Audit Plan (as adjusted and approved) completed.	90%	Quarterly
The Internal Audit Service advances it's vision, mission and objectives outlined in the Internal Audit Strategy.	Average customer feedback score.	4.8 out of 5	Quarterly
	Audit initiatives as outlined in the Internal Audit Strategy 2025-2028 are delivered as planned.	All initiatives delivered by March 2028	Annual review of progress
	% of agreed audit recommendations implemented as planned. (This measure is not exclusively a reflection of Internal Audit performance as management are responsible for completing agreed actions.)	70%	Quarterly
Internal Audit is performed by competent professionals in conformance with the Global Internal Audit Standards in the UK Public Sector.	All internal auditors are supported in undertaking CPD.	No target set (qualitative)	Annual review
	Improvement actions identified from the Quality Assurance and Improvement Program are delivered as planned.	All actions delivered as planned	Annual review of progress

It is believed that these objectives / measures will support the Audit and Procurement Committee to satisfy itself on the overall effectiveness of the Internal Audit Service. However, these will be subject to annual review and approval by the Committee.

- 2.5 As the Internal Audit Service works towards it's implementation of the new professional standards, further updates may be brought to the attention of the Audit and Procurement Committee in due course.
- 2.6 Options considered in the event that no action is taken to implement the Global Internal Audit Standards in the UK Public Sector, the Council will not meet it's statutory obligations to provide an effective internal audit function.

3. Results of consultation undertaken

None

4. Timetable for implementing this decision

The Global Internal Audit Standards in the UK Public Sector came into force on the 1st April 2025. Internal Audit teams are not expected to demonstrate full compliance on this date. Instead, they will work towards compliance with the new standards, building up conformance over time during the 2025-26 period.

5. Comments from the Director of Finance and Resources and the Director of Law and Governance

5.1 Financial Implications

There are no specific financial implications associated with this report. Internal audit work has clear and direct effects, through the recommendations made, to help improve value for money obtained, the probity and propriety of financial administration, and / or the management of operational risks.

5.2 Legal implications

The Accounts and Audit Regulations 2015 requires "a relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance." The Global Internal Audit Standards in the UK Public Sector came into effect on the 1st April 2025 and replaced the Public Sector Internal Audit Standards which previously applied. Implementation of the Global Internal Audit Standards in the UK Public Sector also ensures that the Council meets it's statutory obligations in respect in maintaining an effective internal audit function, which is a key part of the Council's governance framework.

6. Other implications

6.1 How will this contribute to achievement of the One Coventry Plan? https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan)

Internal Auditing is defined in the Global Internal Audit Standards as "an independent, objective assurance and advisory service designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes". As such the work of Internal Audit is directly linked to the Council's key objectives / priorities with specific focus agreed on an annual basis and reflected in the annual Internal Audit Plan.

6.2 How is risk being managed?

Failure to implement the Global Internal Standards in the UK Public Sector will create risks to the effectiveness of the Council's governance framework as outlined in the Local Code of Governance. Risk is being managed through maintaining the Internal Audit Quality Assurance and Improvement Programme which requires both internal and external assessments to be carried out of Internal Audit's conformance with the Standards and develop action plans to address deficiencies and opportunities for improvement.

6.3 What is the impact on the organisation?

None

6.4 Equalities / EIA

None

6.5 Implications for (or impact on) Climate Change and the environment

No impact

6.6 Implications for partner organisations?

None

Report author(s):

Name and job title:

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Chief Internal Auditor

Service:

Finance

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Enquiries should be directed to the above person.

Contributor/approver name	Title	Service	Date doc sent out	Date response received or approved
Contributors:				
Lara Knight	Governance Services Officer	Law and Governance	5/11/25	10/11/25
Tina Pinks	Finance Manager Corporate Finance	Finance	5/11/25	5/11/25
Names of approvers: (officers and members)				
Oluremi Aremu	Head of Legal and Procurement Services	Law and Governance	5/11/25	10/11/25
Barry Hastie	Director of Finance and Resources (S151 Officer)	-	5/11/25	12/11/25
Councillor G Duggins	Cabinet Member for Policy and Leadership	-	5/11/25	13/11/25
Councillor R Lakha	Chair of Audit and Procurement Committee	-	5/11/25	5/11/25

This report is published on the council's website: www.coventry.gov.uk/meetings

Appendix One – Audit and Procurement Committee Essential Conditions for Governing the Internal Audit function

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Principle	Standard	Essential Conditions for the Audit & Procurement Committee	How will conditions be satisfied
The board establishes, approves and supports the mandate of the internal audit function	Internal Audit Mandate	Discuss with the Chief Internal Auditor and senior management the appropriate authority, role and responsibilities of the internal audit function.	Included within the Internal Audit Charter.
		Approve the Internal Audit Charter which includes the mandate and the scope and type of internal audit services.	The Charter will be included in the Internal Audit Annual Report and subject to annual approval by the Audit and Procurement Committee.
	Internal Audit Charter	Discuss with the Chief Internal Auditor and senior management other topics that should be included in the Internal Audit Charter to enable an effective internal audit function.	As above
		Approve the Internal Audit Charter.	As above
		Review the Internal Audit Charter with the Chief Internal Auditor to consider changes affecting the organisation, or changes in risks to the organisation.	As above, the Charter will be subject to annual approval by the Audit and Procurement Committee.
	Board and Senior Management Support	Champion the internal audit function to enable it to fulfil its purpose and pursue its strategy and objectives.	Through meetings with the Audit and Procurement Committee and other ad hoc communications.

	Work with senior management to enable the internal audit function's unrestricted access to the data, records, information, personnel and physical properties necessary.	
	Support the Chief Internal Auditor through regular, direct communications.	Through meetings with the Audit and Procurement Committee and other ad hoc communications.
	Demonstrate support by: - Specifying that the Chief Internal Auditor reports to a level within the organisation that allows internal audit to fulfil its mandate.	
	- Approve the Internal Audit Charter and Internal Audit Plan and consider the resource strategy.	The Internal Audit Charter and Internal Audit Plan are subject to approval by the Audit and Procurement Committee. A resource strategy will be developed and included in the Charter.
	- Make enquiries of management and the Chief Internal Auditor to determine whether any restrictions limit the function's ability to carry out its responsibilities effectively.	
Page 87	- Meeting at least annually with the Chief Internal Auditor without senior management	Not explicitly in place, but the Internal Audit Charter provides for the opportunity to do this if required.

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	The board establishes and protects the internal audit function's independence and qualifications	Organisational independence	Establish a direct reporting relationship with the Chief Internal Auditor to enable the internal audit function to fulfil its mandate.	Included within the Internal Audit Charter.
			In local government, matters around the appointment, removal, remuneration and performance evaluation of the Chief Internal Auditor will be undertaken by senior management. The Audit Committee should provide feedback on the proposed job description, and the performance evaluation of the Chief Internal Auditor should include feedback from the Chair of the Audit Committee.	If and when changes occur, feedback on the job description will be sought. Feedback to be sought as part of the annual appraisal process.
			Provide the Chief Internal Auditor with opportunities to discuss significant and sensitive matters with the board, including without senior management present.	The Internal Audit Charter provides the opportunity to do this if required.
			Require the Chief Internal Auditor to be positioned at a level in the organisation that enables internal audit to be performed without interference from management.	Whilst not directly in the remit of the Audit and Procurement Committee, requirements are already fulfilled. Supporting statement to be included in the Internal Audit Charter.
			Acknowledge the actual or potential impairments to the internal audit functions independence when approving roles or responsibilities for the Chief Internal Auditor that are beyond the scope of internal auditing.	Included within the Internal Audit Charter.
			Engage with senior management and the Chief Internal Auditor to establish appropriate safeguards if internal audits roles and responsibilities impair their independence.	Included within the Internal Audit Charter.

		Engage with senior management to ensure that the internal audit function is free from interference when determining its scope, performing engagements and communicating results.	Included within the Internal Audit Charter.
	Chief Audit Executive qualifications	Review the requirements necessary for the Chief Internal Auditor to manage the Internal Audit function.	Forms part of the Quality Assurance and Improvement Programme which is included in the Internal Audit Annual Report.
		The Chief Internal Auditor holds the CMIIA qualification, or a CCAB qualification or an equivalent professional qualification which includes training on the practice of internal audit. The Chief Internal Auditor has suitable internal audit experience.	Requirements form part of the job description for the post. The current Chief Internal Auditor holds the CMIIA qualification, MSc in Audit Management and Consultancy and has 30 years internal audit experience in local government.
The board oversees the internal audit function to ensure the function's effectiveness	Board interaction	Communicate with the Chief Internal Auditor to understand how Internal Audit is fulfilling its mandate.	Through meetings with the Audit and Procurement Committee and other ad hoc communications.
		Communicate the board's perspective on the organisation's strategies, objectives and risks to assist the Chief Internal Auditor with determining internal audit priorities.	The Internal Audit Plan is subject to approval by the Audit and Procurement Committee.
		Set expectations with the Chief Internal Auditor for: - The frequency with which the board wants to receive communications from them. - The criteria for determining which issues should be escalated to the board. - The process for escalating matters of importance to the board.	Forms part of the annual work programme for Audit and Procurement Committee. Included within the Internal Audit Charter.

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Page 90	Gain an understanding of the effectiveness of the organisations governance, risk management and control processes based on the results of internal audit engagements and discussions with senior management.	reports to the Audit and
	Discuss with the Chief Internal Auditor disagreements with senior management or other stakeholders and provide support as necessary to enable the Chief Internal Auditor to perform their responsibilities.	Through meetings with the Audit and Procurement Committee and other ad hoc communications.
Resource	the Chief Internal Auditor to review whether internal audit's financial, human and technological resources are sufficient to meet internal audit's mandate and achieve conformance with the	developed and included in the Charter.
	standards.	Included in the Internal Audit Annual Plan.
		Significant changes to the Plan are reported to the Audit and Procurement Committee.
Quality	Discuss with the Chief Internal Auditor the quality assurance and improvement programme.	Included in the Internal Audit Charter and Annual Internal Audit Report.
	Approve the internal audit functions performance objectives at least annually.	Included in this report for 2025- 26 and will be included in the Internal Audit Annual Plan.
	Assess the effectiveness and efficiency of the internal audit function. This includes: - Reviewing the internal audit functions performance objectives, including its conformance with the standards,	Included in regular monitoring reports to the Audit and Procurement Committee and the Internal Audit Annual Report.

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	 laws and regulations, ability to meet the mandate and progress towards completion of the internal audit plan. Considering the results of the internal audit function's quality assurance and improvement program. Determining the extent to which the internal audit functions performance objectives are being met. 	
External Quality Assessment (EQA)	Senior management must ensure that Internal Audit has an EQA at least once every five years. Senior management and the Chief Internal Auditor should discuss the timing of the review and report the options and their recommendation to the Audit Committee. The proposals for the scope, method of assessment and assessor should be brought to the Audit Committee for agreement.	Subject to a separate report to the Audit and Procurement Committee. The last EQA took place in May 2024.
	The Audit Committee must receive the complete results of the EQA and consider the Chief Internal Auditor's action plan to address any recommendations. Progress should be monitored.	Subject to a separate report to the Audit and Procurement Committee and included in the Internal Audit Annual Report.

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Agenda Item 8



Public report

Audit and Procurement Committee

24 November 2025

Name of Cabinet Member:

Cabinet Member Policy and Leadership - Cllr G Duggins

Director approving submission of the report:

Director of Law and Governance

Ward(s) affected:

N/A

Title:

Information Governance Annual Report 2024/2025

Is this a key decision?

No

Executive summary:

Information is one of the Council's greatest assets and its correct and effective use is a major responsibility and is essential to the successful delivery of the Council's priorities. Ensuring that the Council has effective arrangements in place to manage and protect the information, both personal and business critical, it holds is a priority.

Data protection legislation sets out the requirements on organisations to manage information assets appropriately and how they should respond to requests for information. The Information Commissioner's Office (ICO) is the UK's independent supervisory authority set up to uphold information rights in the public interest, promote openness by public bodies and data privacy for individuals, and monitors compliance with legislation.

This report provides a summary of the Council's performance during 2024/2025 in responding to requests for information received under the above-mentioned legislation. It also reports on the management of data protection security incidents and/or those reported to the ICO and data protection training.

Recommendations:

The Audit and Procurement Committee is recommended to:

- 1) Note the Council's performance on Freedom of Information, Subject Access and other Data Protection Act requests, including the outcomes of internal reviews and the number and outcome of complaints made to the ICO.
- 2) Note the reporting and management of data security incidents.
- 3) Note data protection training compliance.
- 4) Identify any comments or recommendations.

List of Appendices included:

None

Background papers:

None

Other useful documents

None

Has it or will it be considered by Scrutiny?

No

Has it or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Information Governance Annual Report 2024/2025

1. Context (or background)

- 1.1 Information Governance (IG) is the strategy or framework for handling personal information in a confidential and secure manner while ensuring compliance with the relevant statutory and regulatory requirements. IG within the Council is delivered through a distributed model of responsibility rather than through the sole responsibility of the IG Team, with key roles identified and assigned to ensure appropriate oversight and accountability:
 - Information Governance Manager
 - Information Governance Team
 - Senior Information Risk Officer (SIRO)
 - Data Protection Officer (DPO)/DPO Team
 - Caldicott Guardian
 - Information Asset Owners (IAO)
 - Information Asset Managers (IAM)
 - Information Management Strategy Group
- 1.2 The function of Information Governance supports the Council's compliance with data protection legislation including the UK General Data Protection Regulations GDPR (UK GDPR), Data Protection Act (DPA) 2018, the Data (Use and Access Act) 2025, Freedom of Information Act 2000 (FOIA) and Environmental Information Regulations (EIR). The Council has a statutory obligation to comply with the IG framework by responding appropriately to requests and managing personal data lawfully. The IG Team assist the organisation by monitoring internal compliance, informing and advising on data protection obligations, providing advice and guidance and raising awareness on data protection matters.
- 1.3 The FOIA and EIR impose a statutory obligation on the Council to respond to requests for information within 20 working days, subject to relevant exemptions. The Code of Practice, issued by the Secretary of State for Constitutional Affairs under Section 45 of the FOIA, requires public authorities to have a procedure in place to deal with complaints in regard to how their requests have been handled. This process is handled by the Information Governance Team as an FOI or EIR internal review. After an internal review has been completed an applicant has a right to complain to the Information Commissioner's Office (ICO) for an independent ruling on the outcome. Based on the findings of their investigations, the ICO may issue a Decision Notice. The ICO may also monitor public authorities that do not respond effectively and in a timely manner to the FOI/EIR requests they receive and may take enforcement action or issue reprimands accordingly.
- 1.4 The DPA 2018 provides individuals with the right to ask for information that the Council holds about them. These are also known as Subject Access Requests (SARs). The Council should be satisfied about the individual's identity and have enough information about the request. The timescale for responding to these requests is one month, starting on the day of receipt. Authorities can extend the time taken to respond by a further two months if the request is complex or a number of requests have been received from the individual, e.g. other types of requests relating to individuals' rights.

- 1.5 There is no requirement for the Council to have an internal review process for SARs. However, it is considered good practice to do so. Therefore, the Council informs applicants of the Council's internal review process. However, individuals may complain directly to the ICO if they feel their rights have not been upheld.
- 1.6 The Council also receives one-off requests for personal information from third parties including the police and other government agencies. The IG Team maintains a central log that includes exemptions relied on when personal data is shared with third parties. They provide advice and assess whether the Council can lawfully disclose the information or not.
- 1.7 The Council's management of data protection security incidents is undertaken by the Data Protection Officer Team, they record, investigate and where necessary, recommend actions to be taken based on the impact risk level.
- 1.8 The Data Protection Officer Team supports the Council in understanding the impact of plans, projects and activities on data protection through a process of impact assessments to support decision-making. The Council also has arrangements in place to support the sharing of data where appropriate and the team provide support in the preparation and sign off of on-going and one-off data sharing agreements.

2. Information Governance Annual Report 2024-2025

2.1 Context

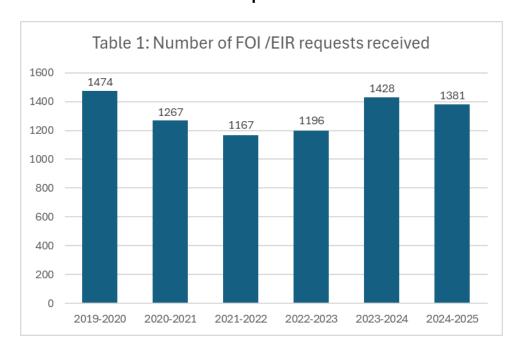
- 2.1.1 The landscape in which public authorities are now operating has continued to change since the introduction of the GDPR and subsequently UK GDPR and the Data Protection Act 2018 (DPA 2018) in 2018.
- 2.1.2 This landscape will continue to change. Good information governance has an important part to play as the introduction of integrated care systems to plan and deliver joined up health and care services continue to develop, the use of AI to transform service delivery develops and the cyber security landscape becomes more challenging.
- 2.1.3 Since 2023, successive governments have proposed legislation to reflect the changing context in which personal data is managed. The Data Use and Access Act 2025 (DUAA) received Royal Assent in June 2025 and introduces targeted reforms to the UK's data protection framework. While retaining the core principles of the UK GDPR and Data Protection Act 2018, the DUAA aims to simplify compliance, promote innovation, and enable responsible data sharing. The Act complements and does not replace existing legislation. As with the introduction of previous data protection legislation, most elements are awaiting commencement orders, regulations and guidance from ICO and the Information Governance Team will continue to ensure the organisation responds appropriately.
- 2.1.4 The ICO continues to apply its revised approach to working more effectively with public authorities initially introduced in June 2022. This approach has seen an increased use of the ICO's wider powers under data protection law, including warnings, enforcement notices and reprimands as well as changing its approach to the application of fines in the public sector. The DUAA establishes a new strategic

framework for the ICO to focus on public trust, innovation and competition as well as upholding data protection, changing its governance model to become the Information Commission with an executive and board of directors and expanded powers and regulatory oversight.

2.2 Requests for Information

- 2.2.1 The number of Freedom of Information Requests received by the Council in 2024/25, 1,381, was a small reduction on the number of requests received in the previous year. The Council responded to 87% of FOIA/EIR requests within the target time of 20 working days in 2024/25 which was an increase on the previous year (see table 2). This is just below the 90% threshold set by the ICO.
- 2.2.2 The Council received 37 requests for internal reviews in the year 2024/25 (up from 30 the previous year). The Council responded to these with the following outcomes:
 - 8 Not upheld, advice/clarification given;
 - 10 Not upheld, exemption/exception maintained
 - 6 were partially upheld some further was information provided;
 - 9 were upheld information was provided;
 - 3 were upheld no information was provided;
 - 1 was withdrawn.
- 2.2.3 The City Council already publishes a significant amount of information and is identifying opportunities to increase the volume and type of information published (subject to legal compliance). This will increase transparency and help to reduce the number of FOI's the Council receives because the information will already be available.
- 2.2.4 Three complaints were made to the ICO during 2024/25 (compared to none the previous year).

Table 1. Number of FOI/EIR requests received



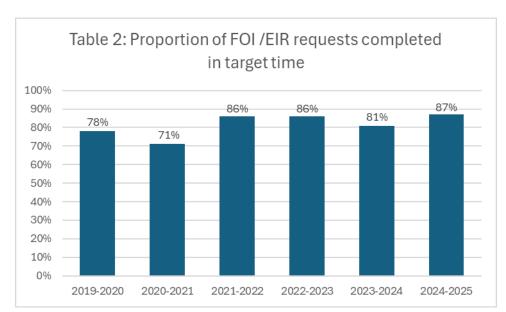


Table 2. Proportion of FOI/EIR requests completed within target time

- 2.2.5 282 valid Subject Access Requests (SARs) were received during 2024/25, similar to the number received in the previous year (see table 3). While the Council receives fewer SARs than other information requests, many of these are complex and can involve managing significant amounts of sensitive information. The number of requests relating to Children's Social care, as well as the number of SARs to which extensions were applied due to their size and/or complexity both increased significantly. The completion rate within the target time reduced to 71% in 2024/25 (down from 84 the previous year (see table 4).
- 2.2.6 The Council received 19 requests to carry out an internal review into a SAR application during 2024/25, up from 12 the previous year. In 8 cases, further information was provided which was located through further searches based on information provided by the requester or by reviewing the information which had originally been redacted. Where information was not provided, this was due to the original exemptions being upheld or information not being held by the Council.
- 2.2.7 Three complaints were made to the ICO related to Subject Access Requests in 2024/25, compared to none the previous year.

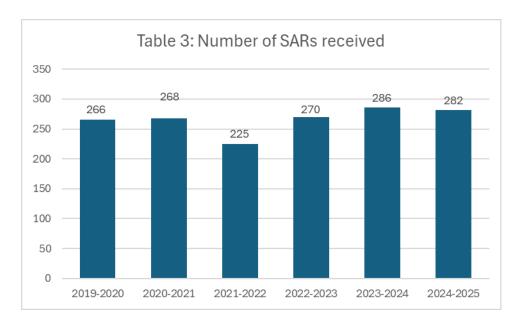
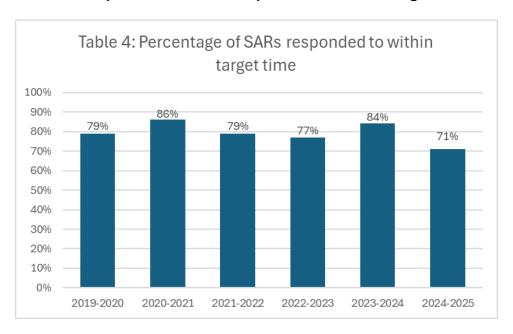


Table 3. Number of SAR's received





2.3 Data Security Incidents

- 2.3.1 Protecting information from theft, loss, unauthorised access, abuse and misuse is crucial in order to reduce the risk of data breaches or financial loss incurred through non compliance with key legislation.
- 2.3.2 The IG data protection security incident reporting process supports the Council's objective that breaches are managed promptly, and outcomes of investigations are

- used to inform reviews of the control measures in place to keep personal information secure.
- 2.3.3 In addition, the Council actively encourages the reporting of near misses and potential breaches to identify learning, promote awareness and reduce the likelihood of a serious breach to information even though not all reported incidents will have resulted in a breach. Even where there is no breach, incidents can provide valuable insight into training requirements and processes and procedures which may need to be strengthened as a preventative measure. When investigating data protection security incidents, the Data Protection Team routinely consider resultant training needs and provide advice and guidance as required. Messages continue to be provided to staff alerting them to the need to protect personal data and use it appropriately.
- 2.3.4 In 2024/25, 166 reports of information security incidents were sent to the Data Protection Team, a slight decrease from 176 in the previous year. Of these, 101 did not involve a breach of personal data. These included for example near misses, loss or theft of equipment, cases where technical measures prevented access to data and incidents where a breach was contained. Of the incidents where a breach of personal data was identified, 62 were identified as low risk, 0 medium and 0 high. The majority of reports were classified as information being disclosed in error (64) with 70 reports relating to technical/procedural errors, 24 reports relating to loss or theft of hardware and three to unauthorised access.
- 2.3.5 The GDPR introduced requirements for personal data breaches that meet certain thresholds to be reported to the ICO. No self-reports were made to the ICO during 2024/2025.
- 2.3.6 3 complaints were made to the ICO during 2024/2025 related to the council's Data Protection Obligations. One complaint had already been completed prior to the ICO correspondence being received. The ICO confirmed that they did not intend to take regulatory action on the two other complaints and provided guidance to the council on measures to implement to avoid future incidents.

2.4 Training and Awareness

- 2.4.1 Data Protection training is key to ensuring staff are aware of their responsibilities. Training is currently delivered through the Council's e-learning platform and annual completion of the data protection course is mandatory for all staff with access to personal data. Staff who do not have access to a computer in their role (not office based) and those with minimal personal data involved in their role are provided with appropriate level training. This ensures that an appropriate level of understanding and awareness is reached that is relevant to their role/responsibilities.
- 2.4.2 The data protection training strategy is kept under review and updated as required. New cyber security training is being introduced to replace the existing information security training and reflect the changing environment in which the Council operates. Other information and awareness raising is undertaken throughout the year in response to local and national issues. For example, ICT have delivered awareness sessions specifically relating to cyber security and regular cyber security messages

- are issued by ICT to staff. This has included a programme of awareness raising during cyber security month.
- 2.4.4 For the 2024/25 year, the Council reported a completion rate of the Council's mandatory data protection training of 86%. The Elected Member Training and Development Strategy, introduced for the 2022/2023 year and being reviewed during the current year, also includes data protection training.

2.5 Data Security and Protection and Toolkit

- 2.5.1 The Data Security and Protection Toolkit is an online tool that allows relevant organisations that process health and care data to measure their performance against data security and information governance requirements which reflect legal rules and Department of Health policy. This self-assessment tool enables the Council to demonstrate that it can be trusted to maintain the confidentiality and security of personal information, specifically health and social care personal records.
- 2.5.2 All organisations that have access to NHS patient data and systems use this Toolkit to provide assurance that they are practicing good data security and that personal information is handled correctly.
- 2.5.3 For the 2024/25 reporting period, the Council met all bar one of the mandatory requirements and was assessed as approaching standards. (By September 2025 the Council was able to report that it had competed the outstanding requirement having achieved a data protection training completion rate of 95% and its assessment updated to Standards met.)

3. Options considered and recommended proposal

- 3.1 The recommended proposal is that Audit and Procurement Committee consider and note the Annual Report. In addition, the Committee is recommended to forward any comments or recommendations to the Cabinet Member Policy and Leadership.
- 3.2 The only other option is to "Do Nothing" which is not recommended as it is essential that the Council continues to monitor and report on its performance in relation to access to information requests, information security incidents and training completed in order to promote best practice information governance and drive continuous improvement in the Council's ability to comply with the laws relating to information.

4. Results of consultation undertaken

4.1. None

5. Timetable for implementing this decision

5.1. Not Applicable

6. Comments from Director of Finance and Resources and Director of Law and Governance

6.1. Financial Implications

There are no specific financial implications resulting from the issues within this report although it is worth noting that the Information Commissioner's Office is able to levy significant fines for serious non-compliance with the legislation surrounding the management of information.

6.2. Legal Implications

There are no specific legal implications arising out of the recommendations. However, the Council's performance is subject to external scrutiny by the ICO, who have the authority to impose sanctions upon the Council for non-compliance. The monitoring and reporting on the outcomes of ICO complaints represents good practice and promotes good governance and service improvement.

7. Other implications

7.1. How will this contribute to the One Coventry Plan?

The monitoring and reporting of the Council's performance regarding responding to, and handling access to information requests under FOIA and DPA 2018, including any complaints made to the ICO will enable continuous improvement, raise awareness and promote high standards of information governance, fostering a culture of openness and transparency within the Council and demonstrating our commitment to best practice information governance, security, and protection.

7.2. How is risk being managed?

The reporting and monitoring on the Council's performance to information laws and outcomes of ICO complaints will help protect information and reduce the risk of the ICO upholding complaints and taking enforcement action against the Council.

7.3. What is the impact on the organisation?

Operating best practice Information Governance and Security will support public confidence in the Council, offering assurance to service users of the council's commitment to Data Protection and Transparency. Partner and client organisations will have the assurance they required in order to engage with the Council and share data. The risks of serious breaches of personal Data/Information Assets should be reduced, protecting information and reducing the likelihood of action by the ICO.

7.4. Equalities / EIA?

The Council's responsibilities under Section 149 of the Equality Act 2010 are supported by UK GDPR/DPA 2018, requiring that Special Category Data is afforded extra measures of security to protect that data.

- 7.5. Implications for (or impact on) climate change and the environment?

 None
- 7.6. Implications for partner organisations?

As set out in paragraph 7.3 above.

Report author(s):

Adrian West

Head of Governance / Data Protection Officer

Service Area:

Information Governance

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Enquiries should be directed to the above person

Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
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Gemma Harris	Information Governance Manager	Law and Governance	24/10/25	28/10/25
Sue Gilbert	Information Governance Officer	Law and Governance	24/10/25	28/10/25
Preeti Mistry	Information Governance Officer	Law and Governance	24/10/25	28/10/25
Rebecca Newstead	Information Governance Officer	Law and Governance	24/10/25	28/10/25
Names of approvers for submission: (officers and members)				
Finance: Richard Shirley		Finance	24/10/25	24/10/25
Legal: Syeda Ahmed	Regulatory Services Team Leader	Law and Governance	24/10/25	03/11/25
Director: Julie Newman	Director of Law and Governance	-	24/10/25	05/11/25
Members: Cllr G Duggins	Leader and Cabinet Member for Policy and Leadership	-	24/10/25	24/10/25

This report is published on the council's website: www.coventry.gov.uk/meetings

Agenda Item 9



Public report

Audit and Procurement Committee

24 November 2025

Name of Cabinet Member:

N/A

Director approving submission of the report:

Managing Director for Coventry Municipal Holdings Limited – G McKelvie

Ward(s) affected:

None

Title:

Compliance with the Group Governance Agreement

Is this a key decision?

No

Executive summary:

Coventry Municipal Holdings (CMH) and the trading subsidiaries signed a Deed of Adherence which confirmed their agreement to meet the requirements under the Group Governance Agreement (GGA). This legal document is the framework that each entity complies with in relation to company governance with information on the make-up and role of the Board of Directors, Coventry Shareholder Committee and the delegations for decisions at the various levels in the structure. In addition to this, the GGA also covers the reporting requirements and information for Business Planning and budgets and the Annual

This report focuses on the companies and their compliance to the GGA and included policies.

Recommendations:

Performance Report.

Audit and Procurement Committee is recommended to:

- (1) Consider the Compliance to the Group Governance Agreement as detailed in this report for 2024-25.
- (2) To make any comments/recommendations to the Coventry Shareholder Committee arising from this meeting.

List of Appendices included:
None
Background papers:
None
Other useful documents
None
Has it or will it be considered by Scrutiny?
No
Has it or will it be considered by any other Council Committee, Advisory Panel or other body?
No
Will this report go to Council?
No

Report title: Compliance with the Group Governance Agreement

1. Context (or background)

- 1.1. The Coventry Municipal Holdings Limited (CMH) group includes the following companies:
 - Tom White Waste Limited (TW) and subsidiaries: A&M Metals, TW(LACo) (the Teckal company)
 - Coombe Abbey Park Limited (CAPL) and subsidiaries: No Ordinary Hospitality Management (NOHM), Coombe Abbey Park (LACo) (the Teckal company)
 - Coventry Technical Resources Limited (CTR)
 - Coventry Regeneration Limited (CR)
 - No Ordinary Hotels Limited (effectively a dormant company)
- 1.2. CMH and the trading subsidiaries signed a Deed of Adherence which confirmed their agreement to meet the requirements under the Group Governance Agreement (GGA). This legal document is the framework that each entity complies with in relation to company governance with information on the make-up and role of the Board of Directors, Coventry Shareholder Committee and the delegations for decisions at the various levels in the structure. In addition to this, the GGA also covers the reporting requirements and information for Business Planning and budgets and the Annual Performance Report. Appended to the GGA are the following policies:
 - Delegations Policy
 - Conflicts Policy
 - New Subsidiary Policy
 - Council Contracting Policy
 - Procurement Policy
 - HR Risk Policy
- 1.3. This report focuses on the companies and their compliance to the GGA and included policies. The CIPFA (Charter Institute of Public Finance Accountants) guidance on Audit Committees recommends that Audit Committees review the governance arrangements of council owned trading companies, which this report supports.
- 2. Compliance with the Group Governance Agreement
- 2.1. Adherence to the Group Governance Agreement Each of the trading entities has adhered to the requirements under the GGA. Decisions which have required escalation to CMH Board or Coventry Shareholder Committee have been taken to the respective Boards for approval. Each of the entities have complied with the Council Contracting Policy and Procurement Policy.
- 2.2. Completion of statutory accounts and the audit of the accounts for the year ended 31st March 2025 - Each of the entities produce their own accounts and then a consolidated set of accounts is created for each parent company (Tom White Waste

- Limited, Coombe Abbey Park Limited) and at the CMH group level at the year end. The accounts for the year ending 31st March 2025 for all companies were presented to Coventry Shareholder Committee on the 4th November 2025.
- 2.3. The accounts for all active companies have been reviewed by LDP Luckmans, the auditor for the group of companies. All accounts received an unqualified (clean) audit opinion, which supports that the auditors believe the financial statements represent a true and fair view of the company and have been prepared in accordance with applicable accounting standards. The auditor's statement in each company also supports that the companies are of going concern in that they have sufficient resources to continue to operate for at least 12 months from the date of signing the accounts.
- 2.4. **Reporting to Coventry Shareholder Committee (CSC)** In line with the GGA, there are two key points for reporting to CSC. A backward look at the prior financial year, which takes place in Autumn following the end of the financial year and a forward look with the request for Business Plans and Budgets to be approved for the coming financial year in March. Both of these reporting dates have been met by the Group. The Business Plans and budget for 2025/26 were approved by CSC on 26th March 2025. The accounts for the year ended 31st March 2025, were presented to CSC on the 4th November 2025.
- 2.5. In addition to reporting to CSC, these same reports were presented to Scrutiny Co-Ordination Committee prior to CSC with any recommendations being send to CSC for consideration.
- 2.6. CMH group presented at an informal briefing open to all members on the 13th October 2025. This was an opportunity for members to hear from Tracy Bryan, Director of Operations at Tom White Waste and Richard Harrison, Managing Director of Coombe Abbey Park Limited.
- 2.7. Internal Audit Review Management of Conflicts of Interest As part of the Internal Audit plan for 2025-26, it was agreed that a review of compliance with the Conflicts Policy would be undertaken to provide assurance around one of the key policies which underpin the Group's governance arrangements.
- 2.8. The work was completed in August 2025 and concluded that reasonable assurance can be provided that the CMH Conflicts Policy is being complied with. There was one recommendation which has been implemented which referred to developing a formal, complete, conflicts register for each CMH company and ensure that it is approved by the Directors of the relevant company on an annual basis.
- 2.9. **Annual Procurement Report –** CMH group has complied with the Procurement Policy. Decisions which have required escalation to CMH Board or Coventry Shareholder Committee have been taken to the respective Boards for approval.
- 2.10. There were no purchases in year by Tom White Waste Group that exceeded £200k in contract value. Two vehicles were acquired, but these fall below this threshold. The company has complied with the Procurement Policy within the GGA.

- 2.11. There were no purchases in year by Coombe Abbey Park Group that exceeded £200k in contract value and all procurement has been in line with the Procurement Policy within the GGA. Although the works to refurbish the meeting and events rooms started in 2024/25, the costs fell into 2025/26 and the contract was awarded in line with the Procurement Policy.
- 2.12. **Board Performance Reviews** Each Director (excluding the CMH Managing Director) has had an Annual Performance Review with the CMH Managing Director during the last twelve months. The CMH Managing Director has a review with the Council's Section 151 Officer. Regular meetings take place between the CMH Manging Director and the Council's Section 151 Officer to understand the performance of the Group.

3. Results of consultation undertaken

3.1. No consultation undertaken

4. Timetable for implementing this decision

4.1. Audit Committee are asked to make recommendations to the Coventry Shareholder Committee, which will be reported at their next scheduled meeting.

5. Comments from Director of Finance and Resources and Director of Law and Governance

5.1. Financial Implications

The financial statements of the subsidiaries within the CMH Group will be consolidated into the Council's group accounts as the Council has control over these entities as the ultimate parent company. The Companies have complied with the financial reporting aspects of the Group Governance Agreement in relation to presenting the Business Plan including budgets and subsequently the Annual Performance Report for approval by the Shareholder Committee in line with the timeline agreed with the Coventry Shareholder Committee.

Monthly operational and financial information is shared with the Council's Section 151 Officer and the Leader to provide the Shareholder with an overview of the ongoing performance of the key companies within the CMH group.

5.2. Legal Implications

CMH has acted in accordance with the Group Governance Agreement which sets out the policies and obligations on the group. The decisions being made are in compliance with the Terms of Reference of Coventry Shareholder Committee and align with the Group Governance Agreement and the Delegations Policy. The group have submitted their confirmation statements and other documents to Companies House on the submission requirement dates. The audited accounts for the year ending 31st March 2025 have been submitted to Companies House.

6. Other implications

6.1. How will this contribute to the One Coventry Plan?

Any income or dividend revenue declared by the entities in the group of companies will support the Council to deliver its core aims. TW continue to pursue projects which will deliver environmental benefits through greater recycling and extraction of recyclable materials rather than a focus on waste disposal. Coombe Abbey Park continues to support making Coventry an attractive and enjoyable place to be through the leisure offer they provide.

6.2. How is risk being managed?

Company management have identified specific risks and mitigations for the companies within the CMH Group. This includes the risk of operating in industries (hospitality / waste management) influenced by macroeconomic factors and liquidity risk due to inflationary pressures. The Board of Directors monitor these matters and impacts to performance of CMH, mitigate where ever possible, and report the same to the Coventry Shareholder Committee from time to time as appropriate.

6.3. What is the impact on the organisation?

The companies should deliver dividend income along with the existing income streams of rent and financing costs in future years which will go towards delivery of the Council's priorities.

6.4. Equalities / EIA?

No equality impact assessment has been carried out as the recommendations in this report do not constitute a new project and do not review existing, or develop new, Council strategies, policies, guidelines or services.

6.5. Implications for (or impact on) climate change and the environment?

The group is taking steps to reduce energy consumption, waste and increase recycling. The core values for Tom White Waste Limited support this with Project Our Planet being at the heart of how the business operates.

Coombe Abbey Park Limited is captured under the Energy Savings Opportunities Scheme (ESOS) and has commissioned a report to consider what changes could be made to operations and infrastructure to reduce energy costs and deliver carbon savings. Operating from an ageing asset which is also a Grade 1 listed building makes delivering such changes in a cost-effective way more challenging, but it still remains a company focus.

6.6. Implications for partner organisations?

There is no impact on partner organisations.

Report author(s):

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N/a

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Lara Knight	Governance Services Co- ordinator	Law and Governance	7/11/25	10/11/25
Gurbinder Singh Sangha	Major Projects Commercial Lawyer / CMH Company Secretary	Law and Governance	7/11/25	11/11/25
Mike Phillips	Lead Accountant – Business Partnering	Finance	7/11/25	10/11/25
Karen Tyler	Chief Internal Auditor	Law and Governance	7/11/25	10/11/25
Names of approvers for submission: (officers and members)				
Finance: Barry Hastie	Chief Operating Officer and S151 Officer	Finance	10/11/25	12/11/25
Legal: Julie Newman	City Solicitor and Monitoring Officer	Law and Governance	10/11/25	11/11/25
Director: Grant McKelvie	Managing Director - CMH	-	7/11/25	12/11/25
Members: n/a	n/a	-	-	-

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Agenda Item 10



Cabinet Member for Policy and Leadership

12 November 2025

Audit and Procurement Committee

24 November 2025

Ethics Committee

8 January 2026

Name of Cabinet Member:

Cabinet Member for Policy and Leadership - Councillor G Duggins

Director approving submission of the report:

Chief Executive

Ward(s) affected:

ΑII

Title:

Complaints to the Local Government and Social Care Ombudsman 2024/25

Is this a key decision?

No

Executive summary:

The Local Government and Social Care Ombudsman (LGSCO) is the final stage for complaints about Councils, all adult social care providers (including care homes and home care agencies) and some other organisations providing local public services. It is a free service that investigates complaints in a fair and independent way and provides a means of redress to individuals for injustice caused by unfair treatment or service failure.

Coventry City Council's complaints policy sets out how individual members of the public can complain to the Council, as well as how the Council will handle their compliments, comments and complaints. The Council also informs individuals of their rights to contact the LGSCO if they are not happy with the Council's decision once they have exhausted the Council's complaints process.

The LGSCO issues an annual letter to the Leader and Chief Executive of every Council, summarising the number and trends of complaints dealt with relating to that Council that year. The latest letter, issued 21 July 2025, covers complaints to the LGSCO relating to Coventry City Council between April 2024 and March 2025 (2024/25).

This report sets out the number, trends and outcomes of complaints to the LGSCO relating to Coventry City Council in 2024/25. It focuses on upheld complaints, service areas with a high number of complaints, compliance with Ombudsman's

recommendations, learning from complaints, comparisons with prior years, and how we compare to other local authorities.

Recommendations:

The Cabinet Member for Policy and Leadership is recommended to:

- 1. Consider the Council's performance in relation to complaints to the LGSCO.
- 2. Note the Council's updated complaints process and guidance.
- Request the Audit and Procurement Committee to review and be assured that the Council takes appropriate action in response to complaints investigated and where the Council is found to be at fault.

The Audit and Procurement Committee is recommended to:

- 1. Consider the Council's performance in relation to complaints to the LGSCO.
- 2. Note the Council's updated complaints process and guidance.
- 3. Review and be assured that the Council takes appropriate actions in response to complaints investigated and where the Council is found to be at fault.

The Ethics Committee is recommended to:

- 1. Comment on the findings.
- 2. Consider the Council's performance in relation to complaints to the LGSCO complaints that were upheld.
- 3. Note the Council's updated complaints process and guidance.

List of appendices included:

Appendix 1: Local Government and Social Care Ombudsman Annual Review Letter 2025 Appendix 2: Local Government and Social Care Ombudsman Investigation Decisions in 2024/25 for Coventry City Council

Background papers:

None

Other useful documents

<u>Local Government and Social Care Ombudsman Annual Review of Local Government</u> Complaints 2024-25

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

Yes – Audit and Procurement Committee on 24th November 2025 and Ethics Committee on 8th January 2026.

Will this report go to Council?

No

Report title:

Complaints to the Local Government and Social Care Ombudsman 2024/25

1 Context (or background)

- 1.1 The Local Government and Social Care Ombudsman (LGSCO) is the final stage for complaints about Councils, all adult social care providers (including care homes and home care agencies) and some other organisations providing local public services. It is a free service that investigates complaints in a fair and independent way and provides a means of redress to individuals for injustice caused by unfair treatment or service failure.
- 1.2 Coventry City Council's complaints policy, published on the Council's website at www.coventry.gov.uk/complaints/, sets out how individual members of the public can complain to the Council, as well as how the Council will handle their compliments, comments and complaints. The Council also informs individuals of their rights to contact the LGSCO if they are not happy with the Council's decision once they have exhausted the Council's complaints process.
- 1.3 The LGSCO issues an annual letter to the Leader and Chief Executive of every Council, summarising the number and trends of complaints dealt with relating to that Council that year. The latest letter, issued 21 July 2025, covers complaints to the LGSCO relating to Coventry City Council between April 2024 and March 2025 (2024/25). The letter can be found in Appendix I.
- 1.4 This report sets out the number, trends and outcomes of complaints to the LGSCO relating to Coventry City Council in 2024/25. This report focuses on upheld complaints, service areas with a high number of complaints, learning from complaints, comparisons with prior years, and how we compare to other local authorities.
- 1.5 The Council has a robust and transparent policy for handling complaints. In addition to this annual report, the Council also produces formal reports on complaints about adult social care and children's social care, to Cabinet Member Adult Services and Cabinet Member Children and Young People respectively.

2 Options considered and recommended proposal

- 2.1 Across all Councils, the LGSCO received 20,773 complaints and enquiries in 2024/25, up 2836 (+16%) from 17,937 the previous year. The areas receiving the greatest number of detailed investigations were Children's Services (5,652), Housing (3,621), and Adult Services (2,777).
- 2.2 For Coventry City Council, the LGSCO received 101 complaints and enquiries in 2024/25, which is 21 more (+26%) than the previous year (80).

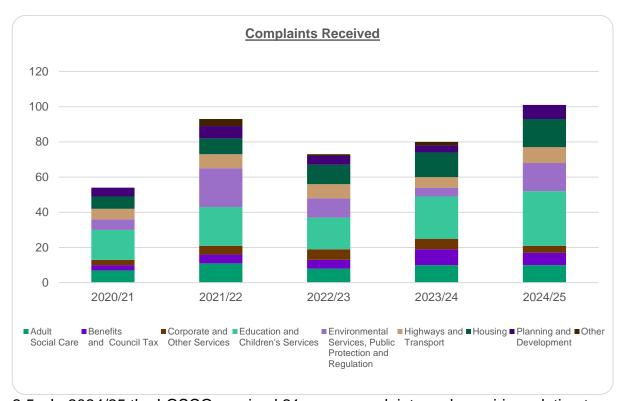
2.3 Figure 1.

Figure 1: Complaints and enquiries received by category

Category	Complaints in	Complaints in	Change in Year
(as defined by LGSCO)	2023/24	2024/25	
Adult care services	10	10	0
Benefits and Council tax	9	7	-2
Corporate & other services	6	4	-2
Children's and Education services	24	31	7
Environmental Services & Public Protection & Regulation	5	16	11
Highways & transport	6	9	3
Housing	14	16	2
Planning & development	4	8	4
Other	2	0	2
Total	80	101	21

2.4 Figure 2 sets out how the number of complaints and enquiries received by the LGSCO in last 7 years.

Figure 2: Complaints and enquiries received in last 5 years



- 2.5 In 2024/25 the LGSCO received 21 more complaints and enquiries relating to Coventry than in 2023/24 (**101 in** 2024/25 compared to **80** in 2023/24. The category with the highest number of complaints and enquiries remained Children's and Education Services with 31 (up 29% from 24 in 2023/24), while the service with the greatest percentage increase was Environmental Services, up 320% (up from 5 to 16 in 2024/25). However, there was a decrease (33%) from 6 to 4 complaints in Corporate and Other Services in 2024/25. Benefits and Council Tax also saw a decrease in complaints from 9 to 7 (22%).
- 2.6 It is not possible to comment on the Council's overall performance based solely upon the number of complaints or enquiries to the LGSCO. Interpretation is challenging in relation to number, as a high number of complaints may indicate that a Council has been effective at signposting people to the LGSCO through their complaints handling process. Equally it could be argued that a high number of complaints may highlight that a Council needs to do more to resolve issues through its own complaints process and so save customers from needing to escalate their complaints to the LGSCO.
- 2.7 When dealing with an enquiry, the LGSCO can choose to investigate cases where it sees merit in doing so. Following an investigation, the LGSCO can decide if a complaint is:
 - upheld where a council has been at fault and this fault may or may not have caused an injustice to the complainant; or where a council has accepted it needs to remedy the complaint before the LGSCO makes a finding on fault; or
 - not upheld where, following investigation, the LGSCO decides that a council has not acted with fault.
- 2.8 In 2024/25 the LGSCO made **101** decisions relating to Coventry City Council, an increase of **32** from the previous year:

- 4 x incomplete/invalid.
- 0 x advice given.
- 22 x 'referred back' for local resolution.
- 53 x closed after initial enquiries; and
- 22 x complaints investigated, of which 17 were upheld and 5 were not upheld.
- 2.9 The number of complaints investigated (**22** in 2024/25) was up on 2023/24 (just 8) but on a par with 2022/23 (20).
 - The LGSCO upheld 77% of complaints investigated in 2024/25 (17 out of 22). Excepting 2023/24's unusually low figures (33%, 3 out of 8), 2024/25's total is the same in absolute case numbers (17) as investigated in 2022/23, while percentage-wise it is slightly lower overall (77% 2024/25 compared to 85% 2022/23). It is also not too dissimilar from the preceding years (71% 2021/22; 77% 2020/21).
 - This compares to the Chartered Institute of Public Finance and Accountancy (CIPFA) statistical neighbours' upheld rate of 79%, West Midlands Combined Authority (WMCA) upheld rate of 83% and a national upheld rate of 83% for 2024/25.
 - The tables below, set out how Coventry compares to its CIPFA statistical peers (Figure 3) and with the West Midlands Combined Authority (WMCA) constituent authorities (Figure 4).

Figure 3: Complaints investigated: Comparison with CIPFA peers 2024/25

Overall, 79% of complaints were upheld among Coventry and its 15 statistically equivalent peers. The authority with the highest percentage of complaints upheld in 2024/25 was Kirklees (94%), followed by Derby (93%), with Medway the lowest (63%). Coventry ranked 10th, with 77% upheld.

Local Authority	Total	Not Upheld	Upheld	% Upheld
Kirklees	17	1	16	94%
Derby	14	1	13	93%
Sandwell	16	2	14	88%
Wolverhampton	8	1	7	88%
Rochdale	13	2	11	85%
Bristol	46	8	38	83%
Salford	11	2	9	82%
Bolton	10	2	8	80%
Blackburn and Darwin	9	2	7	78%
Coventry	22	5	17	77%
Bradford	34	8	26	76%

Leicester	23	6	17	74%
Sheffield	22	6	16	73%
Oldham	11	3	8	73%
Medway	24	9	15	63%

Figure 4: Complaints investigated: Comparison with WMCA constituent authorities 2024/25

Of 204 complaints investigated across the seven constituent areas of the WMCA, 169 (83%) were upheld and 35 were not upheld. The authority with the highest percentage of complaints upheld in 2024/25 was Solihull (89%), followed closely by Walsall, Wolverhampton and Sandwell on 88%. while the lowest was Coventry had the lowest upheld percentage across the WMCA (77%).

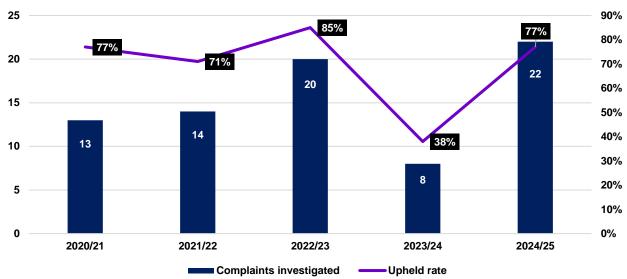
The Ombudsman has made us aware that they are being more selective about the complaints they consider in detail, prioritising where it is in the public interest to investigate. Because the Ombudsman is now less likely to carry out investigations on 'borderline' issues, they are naturally finding a higher proportion of fault overall.

Local Authority	Total	Not Upheld	Upheld	% Upheld
Solihull	18	2	16	89%
Walsall	8	1	7	88%
Birmingham	114	20	94	82%
Wolverhampton	8	1	7	88%
Sandwell	16	2	14	88%
Dudley	18	4	14	78%
Coventry	22	5	17	77%

Figure 5: Complaints investigated, and percentage upheld over the last 5 years

Figure 5 sets out how the number of Coventry's complaints investigated, and the percentage of complaints upheld by the LGSCO for the last 5 years.





- 2.10 Following an investigation, the LGSCO will typically issue a statement setting out its findings and decision. If the LGSCO decides there was fault or maladministration causing an injustice to the complainant, it will typically recommend that a council take some action to address it. Wherever possible the LGSCO will publish decision statements on its website, except where the content of the report could identify the individual complainant. In some cases, where the LGSCO upholds a complaint, the LGSCO may choose to issue a formal report of maladministration.
- 2.11 In 2024/25, the Ombudsman reported that the Council agreed to, and carried out, the recommendations made in fourteen cases during the year. Of all cases that required remedies from the Ombudsman, the Council completed 100% of these within the given timescales.
- 2.12 There were 12 complaints that resulted in some form of financial redress or reimbursement (£10,875)
- 2.13 The following table, Figure 6, sets out details about the complaints that the LGSCO investigated by service area.

Figure 6: Complaints investigated by service area in 2023/24 compared to 2024/25

	2023/24			2024/25				
Service area	Upheld	Not upheld	% upheld	Response time (days)	Upheld	Not upheld	% upheld	Response time (days)
Adult social care	2	0	100%	22	4	1	80%	30
Bereavement Services				0	0	1	0%	3
Children's services	0	2	0%	33	5	0	100%	16

Education Services	0	0	0%	0	3	0	100%	16
Corporate & Other Services	0	1	0%	9	1	2	0%	7
Highways	1	0	100%	5				
Housing services	0	1	0%	7	3	1	80%	4
Planning	0	1	0%	2				
Regulatory Services				0	1	0	100%	22
Total	3	5	33%	13	17	5	77%	14

- 2.14 This year saw an increase in the number of detailed investigations completed: 22 in 2024/25 compared to 8 in 2023/24. These related to Adult Social Care, Children's Services, Housing Service, Regulatory Services and Blue Badges.
- 2.15 The LGSCO typically expects Councils to respond to investigation enquiries within 20 working days. In 2024/25 Coventry averaged 14 working days.
- 2.16 Satisfactory remedy decisions are complaints where the Ombudsman has decided that while the authority did get things wrong, the authority had offered a satisfactory way to resolve it before the complaint was referred to the Ombudsman. In 2024/25 the LGSCO found that in 12% (2 of 17) of upheld cases Coventry had provided a satisfactory remedy before the complaint reached the Ombudsman. This compares to 13% in similar authorities nationally.

Figure 7: Satisfactory remedy provided before the complaint reached the Ombudsman comparison with other WMCA constituent authorities

Of 169 complaints upheld in WMCA area the Ombudsman considered that in only 16 cases the authority had provided a satisfactory remedy before the complaint reached them (9%).

Local Authority	Upheld cases where the au satisfactory remedy before the Ombuds	Total Number of complaints upheld			
	%	% Number			
Coventry	12%	2	17		
Dudley	0%	0	14		
Birmingham	5%	5	94		
Sandwell	14%	2	14		
Walsall	14%	1	7		
Solihull	25%	4	16		
Wolverhampton	29%	2	7		

2.17 The LGSCO Annual Review Letter recognises compliance with Ombudsman's recommendations, which is published on the <u>interactive data map of council</u> <u>performance</u> which shows performance data for all councils in England. In 2024/25

the Ombudsman was satisfied we successfully implemented all their recommendations 100%, which matched the national average. This was based on 14 compliance outcomes - 4 Adult Care Services, 7 Children and Education Services, 2 Housing Service and 1 Corporate and Other Services.

2.18 Following their investigations, the LGSCO recommended some changes be made to the Council's processes and procedures. A summary of the recommendations is set out in the Learning from complaints table (Figure 8). Further details about the outcomes of each of the complaints investigated this year and the actions taken are set out in Appendix 2.

2.19 Figure 8: Learning from complaints

Service Area	Summary of actions agreed
Adult Social Care (ASC)	 Remind staff in its ASC service about the importance of taking proactive steps to consider suitable support at the earliest opportunity in cases where there are reports of domestic violence, to try to prevent the situation escalating. Remind relevant staff of the duties in safeguarding adults who have mental capacity to make decisions. Deliver training to staff in the initial contact team around recognising when parents need support. Remind staff responsible for responding to complaints to have regard to the potential injustice identified faults and failures may have had on individuals, or those acting on their behalf, acknowledge this, and consider whether any additional remedy is appropriate on a case-by-case basis. Remind ASC and its safeguarding staff to respond to reasonable questions and enquiries without delay or acknowledge receipt and inform individuals of when the Council can respond. This includes circumstances where the Council may be experiencing an increase in demand which limits its ability to respond as soon as it aims to.
Children Services	 Ensure staff are aware that once a complaint has entered Stage 1 of the Children's statutory procedure the Council is obliged to ensure that the complaint proceeds to Stages 2 and 3 of the procedure if the is the complainant's wish. The Council must complete Stage 2 investigations within the required timescales of the Children's statutory complaints procedure.
Education Services	 Identify what steps the Council needs to take to ensure it has access to information relating to its actions and decision-making around a child's education when a member of staff leaves their role. Provide guidance to staff of its duty to reassess and produce Education and Health Care Plans within the correct timescales. This includes issuing notification letters to parents about the Council's intention to maintain, amend or discontinue Education and Health Care Plans within four weeks of an annual review meeting, and to produce a final Education and Health Care Plan within 12 weeks of an annual review meeting.

	 Provide training and guidance to staff about the Council's statutory duty to provide educational provision within a child's EHC Plan, including that this duty does not end if a child is not accessing education in a school setting. Provide guidance and training to staff about the Council's responsibility to provide education for children who are missing school, through illness or otherwise, when a child has been absent for 15 cumulative or consecutive days. Produce an action plan to demonstrate how the Council will meet statutory timescales for annual reviews for Education, Health and Care plans. Review its out of school procedures to ensure it meets its duties to secure alternative provision.
Housing	The Council is to draw up procedures or guidance for considering homelessness applications where children might reasonably be expected to reside with the applicant when domestic abuse is a factor. This is to ensure officers appropriately consider if there is good reason to seek information from an alleged perpetrator and assess the risks to the applicant of doing so. The Council should also ensure officers appropriately record such decisions.
Corporate and Other Services	Demonstrate that the Council has taken action - including making changes to appeal decision letter templates if needed - to ensure that officers deciding on Blue Badge applications and appeals clearly explain how evidence has been considered, the reasons for their decisions, and how their decisions have been made in line with the guidance.

3 Results of consultation undertaken

3.1 None identified or undertaken.

4 Timetable for implementing this decision.

- 4.1 The LGSCO Link Officer function is now part of the Council's Customer Service Team. All communication between the local authority and the LGSCO, such as complaints, enquiries, investigations, and remedies, all go via the Ombudsman Liaison Officer.
- 4.2 The Council's guidance and process for dealing with LGSCO complaints is set out in our Complaint Handling Guidance and the <u>LGSCO's Complaint Handling Code</u>. This includes a requirement that Ombudsman investigations, particularly for upheld complaints, are properly communicated to elected members. Based on this:
 - complaints to the LGSCO are formally reported to the Cabinet Member for Policy and Leadership and the Audit and Procurement Committee every year (this report). In addition, this report is also considered by the Ethics Committee.
 - complaints about Adult Social Care and Children's Social Care, including cases investigated by the LGSCO, are reported through an annual report to the

- Cabinet Member Adult Services and Cabinet Member Children and Young People respectively.
- where an investigation has wider implications for Council policy or exposes a
 more significant finding of maladministration, the Monitoring Officer will consider
 whether the implications of that investigation should be individually reported to
 relevant members; and
- should the Council decide not to comply with the LGSCO's final recommendation following an upheld investigation with a finding of maladministration or should the LGSCO issue a formal report (instead of a statement), the Monitoring Officer will report this to members under section 5(2) of the Local Government and Housing Act 1989.

5 Comments from the Director of Finance and Resources and the Director of Law and Governance

5.1 Financial implications

There are no direct financial implications associated with this report. Financial remedies resulting from any complaints are typically paid out of service budgets. In 2024/25 there was 1 complaint which resulted in some form of financial remedy or reimbursement, totalling £10,875. This is detailed in Appendix 2 and was paid out of the budget of the relevant service areas. There was a case which required the Council to pay £400 a month to the complainant until satisfactory education provision was made, however, this matter was resolved by the Council without payment.

5.2 Legal implications

The statutory functions of the LGSCO are defined in the Local Government Act 1974. These are: to investigate complaints against Councils and some other authorities; to investigate complaints about adult social care providers from people who arrange or fund their own adult social care; and to provide advice and guidance on good administrative practice. The main activity under Part III of the 1974 Act is the investigation of complaints, which it states is limited to complaints from members of the public alleging they have suffered injustice as a result of maladministration and/or service failure.

The LGSCO's jurisdiction under Part III covers all local Councils, police and crime bodies, school admission appeal panels and a range of other bodies providing local services; and under Part IIIA, the LGSCO also investigate complaints from people who allege they have suffered injustice as a result of action by adult social care providers.

There is a duty under section 5(2) of the Local Government and Housing Act 1989 for the Council's Monitoring Officer to prepare a formal report to the Council where it appears that the authority, or any part of it, has acted or is likely to act in such a manner as to constitute maladministration or service failure, and where the LGSCO has conducted an investigation in relation to the matter.

6 Other implications

6.1 How will this contribute to the Council Plan (www.coventry.gov.uk/councilplan/)
The Council Plan sets out the Council's vision and priorities for the city. The vision:

One Coventry – Working together to improve our city and the lives of those who live, work and study here. Effective management and resolution of complaints, as well as learning from complaints, will help ensure that Council services meet the needs of residents and communities and helps build a foundation of trust in order for the Council to have new conversations with residents, communities and partners to enable people to do more for themselves as active and empowered citizens.

6.2 How is risk being managed?

It is important that the Council takes action and learns from the outcome of complaints. Appendix 2 sets out the actions the Council has taken; for example, providing training, instruction and guidance to staff and improving communications between services to help to reduce the likelihood of the same fault happening again.

6.3 What is the impact on the organisation?

The co-ordination and management of complaints to the LGSCO often involves considerable officer time at all levels of seniority. It includes collecting a significant amount of data, preparing and writing formal responses, and chasing to meet timescales set out. It may also require liaison with and external input from partner organisations and commissioned services.

It is therefore preferable (and beneficial) for complaints to be resolved informally at first point of contact wherever possible, or resolved through the Council's <u>internal complaints procedures</u>, <u>adult social care complaints procedures</u>, or <u>children's social care complaints procedures</u>, as appropriate. This would improve satisfaction for residents and communities, as well as save Council time and resources.

6.4 Equalities/EIA

We welcome all feedback and encourage members of the public to let us know if they have anything to say about Council services, whether that be for us to take action to put things right if something has gone wrong, or to let us know when we are doing something well.

The Council is committed to making it easy for everyone to submit compliments, comments or complaints to us, and we offer several different pathways to do so. As well as our Compliments, Comments and Complaints web page and our online Speak Up form, we also offer contact by telephone, email, social media, letter or via face-to-face contact. We also advise people that they can ask somebody else to act on their behalf, for instance, a friend or relative or Citizens Advice.

Where necessary and appropriate, translation and interpretation services, correspondence in large print, audiotape, or braille, or the services of an advocate (for instance, Barnardo's) are also available. Should a complainant remain dissatisfied following the conclusion of the Council's complaints process, they are able to refer their complaint to the LGSCO. Both the Council's complaints policy and individual complaint response letters set out the escalation process and make it clear how members of the public can do so.

In February 2024 the LGSCO launched the Complaint Handling Code for councils, setting out a clear process for responding to complaints effectively and fairly. The purpose of the Code is to enable organisations to resolve complaints raised by individuals promptly, and to use the data and learning from complaints to drive service improvements. It will also help to create a positive complaint handling culture amongst staff and individuals.

The LGSCO issued the Code as "advice and guidance" for all local Councils in England under section 23(12A) of the Local Government Act 1974. This means that Councils should consider the Code when developing complaint handling policies and procedures and when responding to complaints. If a Council decides not to follow the Code, the LGSCO expects it to have a good reason for this. Otherwise, it is expected that all Councils should adhere to the Code from April 2026.

The Code only applies to complaints where there is no statutory process in place. This means that some complaints about children's services, adult social care and public health are not covered by the expectations set out in the Code. The Code does not apply to complaints about the behaviour of locally elected officials.

6.5 Implications for (or impact on) climate change and the environment None.

6.6 Implications for partner organisations?

Investigations by the LGSCO may involve not only services directly provided by Coventry City Council, but also commissioned or outsourced services. In such cases, the Council will liaise with partner organisations and third-party contractors to comment or provide information as part of an investigation.

Report author(s): Name and job title:

Chloe McGrandles

Ombudsman Liaison Officer

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Enquiries should be directed to the above person.

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Andy Williams	Director of Business, Investment & Culture	Business, Investment & Culture	17/10/25	22/10/25
Clare Boden- Hatton	Director of Planning and Performance	Planning and Performance	17/10/25	19/10/25

Contributor/ approver name	Title	Service	Date doc sent out	Date response received or approved
Mandeep Chouhan	Customer Service Manager- Improvement and Development	Customer Services	17/10/25	22/10/25
Jaspal Mann	Policy, Equalities & Diversity Officer	Public Health	17/10/25	22/10/25
Sukriti Sen	Director of Children and Education	Children and Education	17/10/25	28/10/25
Alison Duggal	Director of Public Health and Wellbeing	Public Health	17/10/25	22/10/25
Pete Fahy	Director of Care, Health and Housing	Care, Health and Housing	17/10/25	22/10/25
Carl Holloway	Director of Policy and Communications	Policy and Communications	17/10/25	22/10/25
Susanna Chilton	Director of People and Facilities Management	People and Facilities Management	17/10/25	22/10/25
Suzanne Bennett	Governance Services Co-ordinator	Law and Governance	16/10/25	16/10/25
Barry Hastie	Director of Finance and Resources	Finance and Resources	22/10/25	28/10/25
Julie Newman	Director of Law and Governance	Law and Governance	22/10/25	23/10/25
Julie Nugent	Chief Executive		22/10/25	27/10/25
Councillor G Duggins	Cabinet Member for Po Leadership	olicy and	28/10/25	29/10/25

This report is published on the Council's website: www.coventry.gov.uk/councilmeetings/



Appendix 1

21 May 2025

By email

Dr Nugent Chief Executive Coventry City Council Local Government & Social Care

OMBUDSMAN

Dear Dr Nugent

Annual Review letter 2024-25

I write to you with your annual summary of complaint statistics from the Local Government and Social Care Ombudsman for the year ending 31 March 2025. The information offers valuable insight about your organisation's approach to complaints, and I know you will consider it as part of your corporate governance processes. We have listened to your feedback, and I am pleased to be able to share your annual statistics earlier in the year to better fit with local reporting cycles. I hope this proves helpful to you.

Your annual statistics are available here.

In addition, you can find the detail of the decisions we have made about your Council, read the public reports we have issued, and view the service improvements your Council has agreed to make as a result of our investigations, as well as previous annual review letters.

In a change to our approach, we will write to organisations in July where there is exceptional practice or where we have concerns about an organisation's complaint handling. Not all organisations will get a letter. If you do receive a letter it will be sent in advance of its publication on our website on 16 July 2025, alongside our annual Review of Local Government Complaints.

Supporting complaint and service improvement

In February we published good practice guides to support councils to adopt our Complaint Handling Code. The guides were developed in consultation with councils that have been piloting the Code and are based on the real-life, front-line experience of people handling complaints day-to-day, including their experience of reporting to senior leaders and elected members. The guides were issued alongside free training resources organisations can use to make sure front-line staff understand what to do when someone raises a complaint. We will be applying the Code in our casework from April 2026 and we know a large number of councils have already adopted it into their local policies with positive results.

This year we relaunched our popular <u>complaint handling training</u> programme. The training is now more interactive than ever, providing delegates with an opportunity to consider a complaint from receipt to resolution. Early feedback has been extremely positive with delegates reporting an increase in confidence in handling complaints after completing the training. To find out more contact <u>training@lgo.org.uk</u>.

Yours sincerely,



Amerdeep Somal
Local Government and Social Care Ombudsman
Chair, Commission for Local Administration in England



Service Area	Decisions Upheld (17)	Monetary Settlement
17 - Complaints Uphel	d: Fault and injustice	
Adult Social Care 4 complaints upheld	1. Ms X, a representative for Ms Y, complained that the Council failed to carry out a social care assessment in August 2022 or January 2023 when Ms Y requested care and support as she was struggling to look after herself and her child T due to illness. Ms X said the assessment completed by adult social care in January 2023 was a contact assessment (not a full needs assessment) and did not consider Ms Y's caring responsibilities. As a consequence, Ms Y was without support when she was unwell, and this caused avoidable distress and a declined in her mental health.	
	 Agreed action: A written apology A symbolic payment of £250 to reflect the avoidable distress and to recognise the avoidable uncertainty around entitlement to support caused by the failures set out. Provide a copy of the practice guidance it is developing around the whole family approach and Written evidence it has delivered training to staff in the initial contact team around recognising when parents need support. 	£250
	2. Miss X complains on behalf of Miss Y who has died. Miss X says the Council failed to properly support Miss Y in the months before her death. She says the Council failed to carry out a full enquiry into safeguarding concerns. Miss X says the Council started a safeguarding enquiry about her and prevented her from visiting Miss Y in hospital, just before her death.	
	Agreed action: Remind relevant staff of the duties in safeguarding adults who have mental capacity to make decisions.	
	 3. The complainant, Ms X, complained on behalf of her mother (Mrs Y) and herself. She said the Council: Failed to keep Mrs Y safe in an accommodation with an independent living provider it had commissioned, which resulted in her being groomed and assaulted. Completed a flawed safeguarding investigation, caused delay in sharing the outcome with her, and did not share some information she asked for; and Communicated with her poorly, which included not responding to some communication and a social worker making inappropriate comments. 	

Service Area	Decisions Upheld (17)	Monetary Settlement
	Ms X also said the independent living provider failed to respond to her complaint when it said it would and did not comply fully with the police investigation. Ms X said, as a result, she and Mrs Y experienced distress and uncertainty, and Mrs Y experienced harm or risk of harm. Agreed action: • Apologise in writing to Ms X and Ms Y for failure to keep her safe from harm or risk of harm. • Pay Mrs Y a symbolic payment of £250 to acknowledge failure to keep her safe from harm or risk of harm; • Pay Ms X a symbolic payment of £250 to acknowledge the preventable distress and uncertainty she experienced as a result of failure to keep Mrs Y safe from harm or risk of harm, and some delayed communication with her. • Remind staff responsible for responding to complaints to have regard to the potential injustice identified faults and failures may have had on individuals, or those acting on their behalf; acknowledge this; and consider whether any additional remedy is appropriate on a case-by-case basis; • Remind adult social care and safeguarding staff to respond to reasonable questions and enquiries without delay, or acknowledge receipt and inform individuals of when the Council can respond. This includes circumstances where the Council may be experiencing an increase in demand which limits its ability to respond as soon as it aims to. 4. Ms X complained about failings by the Council's Adult Social Care (ASC) service. She said the Council did not respond to her reports of concerning behaviour and violence from her son, Mr Y, made prior to his arrest, and did not provide the family any support. Ms X also complained the Council did not provide an emergency respite placement for Mr Y when he was due to be released from police custody. Mr Y's ocaie worker did not understand the risks of Mr Y living at home. They also did not understand his communication needs and used long words, causing him distress. Ms X said the Council's ASC service let the family down and considers Mr Y's arrest could have been avoided if the Co	£500

Service Area	Decisions Upheld (17)	Monetary Settlement
	 Remind staff in ASC service about the importance of taking proactive steps to consider suitable support at the earliest opportunity in cases where there are reports of domestic violence, to try to prevent the situation escalating. 	£500
Education Services 3 complaints upheld	 Ms X complains the Council: Did not provide adequate education to her daughter Y and the provision listed in her Education, Health and Care plan when she was out of school. Delayed in issuing a final Education, Health and Care plan following an annual review. Ms X said her daughter has missed out on education and has fallen behind in her education. Agreed action: Apologise to Ms X for not providing adequate education to Y or the special educational provision in her EHC plan and for the time taken to produce a final EHC plan following Y's annual review. Pay Ms X £3,600, for the benefit of Y's education, to recognise the loss of education and special education provision to Y between February 2023 and March 2024. This is calculated at being £1,200 a term for three terms. Make an ongoing payment of £400 a month to Ms X. The Council should start this from April 2024 until either Y reintegrates back into school in accordance with her EHC plan, or the Council puts in place what it sees as an appropriate package of education alongside all parts of the special educational provision it is able to deliver while Y is not at school. Pay Ms X £300 to recognise the distress and uncertainty she experienced as a result of the delays in issuing Y's final EHC plan following the annual review. Ms X complained the Council failed to provide education for her child Y, who was medically signed off from school since January 2023. Ms X says Y had an Education and Health Care Plan which the Council delayed in finalising Y's Education and Health Care Plan which delayed her right of appeal. Agreed action: Provide an apology to Ms X and a pay her £300 for the distress and frustration caused 	£3900
	 through the Council's delays and handling of this matter. Provide an apology and pay Ms X £2,625 to acknowledge the impact on Y of the lost educational provision from 15 February 2023 until 11 September 2023. 	£2925

Service Area	Decisions Upheld (17)	Monetary Settlement
Children's Services 2 complaints upheld	 Provide guidance to staff of its duty to reassess and produce Education and Health Care Plans within the correct timescales. This includes issuing notification letters to parents about the Council's intention to maintain, amend or discontinue Education and Health Care Plans within four weeks of an annual review meeting, and to produce a final Education and Health Care Plan within 12 weeks of an annual review meeting. Provide training and guidance to staff about the Council's statutory duty to provide educational provision within a child's EHC Plan, including that this duty does not end if a child is not accessing education in a school setting. Provide guidance and training to staff about the Council's responsibility to provide education for children who are missing school, through illness or otherwise, when a child has been absent for 15 cumulative or consecutive days. 3. Mrs X complained the Council did not put alternative provision in place for her child Y, when Y became too unwell to attend school. Mrs X said this impacted on Y's quality of life and development and caused her and Y's father stress and difficulty. Agreed action: Apologise to Mrs X for the frustration and upset she experienced due to the Council's failure to properly consider if it should arrange alternative provision for Y and the delay in issuing Y's EHC Plan. Pay Mrs X £500 in recognition of her injustice. Identify what steps the Council needs to take to ensure it has access to information relating to its actions and decision-making around a child's education when a member of staff leaves their role. 1. Ms X complains that in early February 2023 her son, Mr Y's social worker failed to: tell her quickly her son was attacked and injured: and get Mr Y to seek medical advice. Ms X said the Council did not consider her complaint properly. It relied on altered reports and investigated the wrong incident. It then refu	£500

Service Area	Decisions Upheld (17)	Monetary Settlement
	 Agreed action: apologise to Ms X for failure to tell her quickly of the attack on Mr Y, and the distress and frustration this has caused Ms X. pay Ms X £300 it offered to remedy the distress, frustration and unnecessary time and trouble she experienced; agree a statement of complaint and, if Ms X still wants the Council to consider her complaint, fully investigate the complaint Ms X made to it in August 2023 about the quality of services to Mr Y under the Children (Leaving Care) Act 2000 and other matters; and pay an additional £150 to Ms X for the avoidable uncertainty the delay in investigating her complaint from August 2023 has caused her. 	£450
	 2. Mrs Y complained about the Council's response to her concerns about Children's Services' engagement with her sister, Ms Z, and her nephews. She was unhappy with the Council's response to her complaint. Agreed action: The Council agreed to respond to Mrs Y's complaint at Stage 2. 	
Housing 1 complaint upheld	 1. Mr X complained that the Council continued to auto-bid for properties advertised on Coventry Homefinder which are unsuitable for his housing needs. As a result, he was not considered for other properties which would have been suitable. He says this caused him stress and had a detrimental impact on his mental health. He would like the Council to apologise and pay a financial remedy. Agreed action: Arrange for a manager to make a direct written apology to Mr X; Pay £300 as a symbolic payment to recognise the distress caused by its fault. 	£300
Corporate and Other Services 2 Complaints upheld	1. Mr X complains the Council did not remove a flag on display at a community centre, which he reported as inappropriate due to its political nature. He also complains about the Council's handling of his complaint. Mr X says the presence of the flag is discriminatory and the Council's decision not to remove it causes him distress. Agreed action:	

Service Area	Decisions Upheld (17)	Monetary Settlement
	 Within four weeks of this decision the Council has agreed to make a new decision with reference to the relevant government guidance and with full consideration of the services at the community centre. The Council will communicate its decision in writing to Mr X. Alongside this, within four weeks of this decision the Council has agreed to provide a written apology to Mr X for the inconvenience and frustration caused by its handling of his complaint. 	
	2. Ms X complained the Council wrongly declined her Blue Badge application for her son. Ms X said this has affected her and her son, as he needs a Blue Badge so they can get to the car quickly if he is having a seizure.	
	Agreed action: • Apologise to Ms X and pay Ms X £150 to recognise the uncertainty and missed opportunity caused by the fault in this case.	£150
	 Demonstrate that it has taken action - including making changes to its appeal decision letter templates if needed - to ensure that officers deciding on Blue Badge applications and appeals clearly explain how evidence has been considered, the reasons for their decisions, and how their decisions have been made in line with the guidance. 	
1 - Complaint Upheld:	Fault and No Injustice	
Housing Services 1 Complaints upheld	 1. Mr X complains that: the Council wrongly refused to include his child as part of his homelessness application. As a result, the Council provided interim and temporary accommodation which was unsuitable as it could not accommodate his child. that the Council's decision to discharge the main housing duty was incorrect as the permanent accommodation offered was not suitable as it could not accommodate his daughter. Mr X considers the Council's actions have caused him considerable distress and financial hardship. 	
	Agreed action: That the Council will draw up procedures or guidance for considering homelessness applications where children might reasonably be expected to reside with the applicant when domestic abuse is a factor. This is to ensure officers appropriately consider if there is good reason to seek information from an alleged perpetrator and assess the risks to the applicant of doing so. The Council should also ensure officers appropriately record such decisions.	
4 Complaints Upheld: ı	no further action – organisation already remedied.	

Service Area Children Services 3 Upheld	1. Ms X complained about a social worker's judgement and a section 7 report prepared for court action, which she considered was inaccurate and about which the judge was critical. She also complained about the way the Council handled the child in need process and said her child, Y, should have had a child protection plan from 2022. Ms X said the Council's failings meant she incurred additional legal costs and was unable to claim Legal Aid. She also said she was caused distress and uncertainty and was put to avoidable time and trouble pursuing the	Monetary Settlement
	Council. Agreed action: The Council agreed to pay £800. 2. Ms X complained about the actions of the Council's children's services. The Council accepted her complaint under the children's statutory complaints procedure but had not completed the stage	£800
	 two investigation within the required timescales. Agreed action: Within 65 working days of the final decision, the Council will complete its investigation of Ms X's complaint under the children's statutory complaints procedure. Within one month of the stage two adjudication letter, the Council will pay Ms X a financial remedy for the distress caused by the delay. This should be calculated at £50 per month of delay, from 20 May 2024 to the date Ms X is sent the stage 2 adjudication letter. 2 Mr X complained about the actions of a children's again, worker. The Council accented his 	£350
	 3. Mr X complained about the actions of a children's social worker. The Council accepted his complaint under the children's statutory complaints procedure but has not completed the stage two investigation within the required timescales. Agreed action: Within 65 working days of the final decision, the Council will complete its stage two 	£250
	 investigation of Mr X's complaint under the children's statutory complaints procedure. Within one month of the stage two adjudication letter, the Council will pay Mr X a financial remedy for the distress caused by the delay. This should be calculated at £50 per month of delay, from 11 May 2024 to the date Mr X is sent the stage 2 adjudication letter. 	£25U
Housing Enforcement 1 Upheld	1. Mr X, complained about the way the Council responded after he reported disrepair in his home, which he rents from a private landlord, in late August 2023. He also complained about poor complaints handling. Mr X said this caused him distress and physical health impacts on him and his family.	
Total		£10,875

Service Area	Decisions Not Upheld (5)
Adult Social Care 1 Complaint	The complainant, Ms X, complains the Council failed to deal properly with safeguarding concerns about her adult son.
Housing Services 1 Complaint	Mr X complained about how the Council handled his homelessness application, after he moved to the area following a domestic abuse incident. He said he was unable to manage shared accommodation due to his mental health, and the Council did not consider this when offering interim accommodation.
Bereavement 1 Complaint	Mr X complains the Council did not take appropriate care of a cemetery where he visits his parents' graves. He said it is always untidy, and complained of recent specific examples:
•	A tree near his parents' graves had an untidy pile of sticks and leaves at its base despite him raising concerns about it.
	The Council allowed the grass to grow too long. When the Council cut the grass his parents' headstones were covered in grass cuttings and mud.
	Mr X says the condition of the cemetery caused him distress and frustration when he visited his parents' graves. He would like the cemetery to look tidier and more respectful for its use
School Appeals 2 Complaints	1. Mrs X complained the appeal panel failed to properly consider her school admission appeal for her child. Mrs X said:
·	 There were technical difficulties affecting her participation in the appeal. The panel made prejudicial comments.
	 The panel did not properly consider her evidence or give the chance to present additional information. There were discrepancies about the pupil numbers presented.
	The panel used inaccurate measurements about the distance Mrs X lived from the school. As a result, her child is attending a school they are unhappy with and does not provide them the support Mrs X wants.
	2. Mrs X complained the appeal panel failed to properly consider her school admission appeal for her child. Mrs X said:
	 There were technical difficulties affecting her participation in the appeal. The panel made prejudicial comments.
	The panel did not properly consider her evidence or give the chance to present additional information.
	 There were discrepancies about the pupil numbers presented. The panel used inaccurate measurements about the distance Mrs X lived from the school.
	As a result, her child is attending a school they are unhappy with and does not provide them the support Mrs X wants.

Agenda Item 11



Public report
Committee Report

Audit and Procurement Committee

24th November 2025

Name of Cabinet Member:

N/A

Director approving submission of the report:

Director of Law and Governance

Ward(s) affected:

N/A

Title: Outstanding Issues

Is this a key decision?

No

Executive summary:

This report is to identify those issues on which further reports / information has been requested or are outstanding so that Members are aware of them and can monitor their progress.

Recommendations:

The Audit and Procurement Committee is recommended to:

- Consider the list of outstanding items as set out in the Appendices to the report, and to ask the Director concerned to explain the current position on those items which should have been discharged.
- 2) Agree that those items identified as completed within the Appendices to the report, be confirmed as discharged and removed from the outstanding issues list.

List of Appendices included:

Appendix 1 - Further Report Requested to Future Meeting

Appendix 2 - Information Requested Outside Meeting

Other useful background papers:

None

Has it or will it be considered by Scrutiny?

No

Has it, or will it be considered by any other Council Committee, Advisory Panel, or other body?

No

Will this report go to Council?

No

Report title: Outstanding Issues

- 1. Context (or background)
- 1.1 In May 2004, the City Council adopted an Outstanding Minutes system, linked to the Corporate Forward Plan, to ensure that follow-up reports can be monitored and reported to Members.
- 1.2 At their meeting on 25th January 2017, the Audit and Procurement Committee requested that, in addition to further reports being incorporated into the Committee's Work Programme, a report be submitted to each meeting detailing those additional reports requested to a future meeting along with details of additional information requested outside the formal meeting.
- 1.3 Appendix 1 to the report outlines items where a report back has been requested to a future Committee meeting, along with the anticipated date for further consideration of the issue.
- 1.4 In addition, Appendix 2 to the report sets out items where additional information was requested outside the formal meeting along with the date when this was completed.
- 1.5 Where a request has been made to delay the consideration of the report back, the proposed revised date is identified, along with the reason for the request.
- 2. Options considered and recommended proposal

N/A

3. Results of consultation undertaken

N/A

4. Timetable for implementing this decision

N/A

- 5. Comments from the Director of Finance and Resources and the Director of Law and Governance
- 5.1 Financial implications

N/A

5.2 **Legal implications**

N/A

6. Other implications

6.1 How will this contribute to achievement of the One Coventry Plan? https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan

N/A

6.2 How is risk being managed?

This report will be considered and monitored at each meeting of the Audit and Procurement Committee.

6.3 What is the impact on the organisation?

N/A

6.4 Equalities / EIA

N/A

6.5 Implications for (or impact on) climate change and the environment

N/A

6.6 Implications for partner organisations?

N/A

Report authors:

Names and job titles:

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Directorate:

Law and Governance

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Enquiries should be directed to the above persons.

This report is published on the council's website: www.coventry.gov.uk/council-meetings

Appendix 1

Further Reports Requested to Future Meetings

Subject	Minute Reference and Date Originally Considered	Date for Further Consideration	Responsible Officer	Proposed Amendment to Date for Consideration	Reason for Request to Delay Submission of Report
Nil					

^{*} Identifies items where a report is on the agenda for the meeting.

Pappendix 2

From tion Requested Outside Meeting

No.	Subject/Report	Minute Reference and Date Originally Considered	Information Requested / Action Required	Responsible Officer	Date Completed
1	Annual Compliance Report 2024 - Regulatory and Investigatory Powers Act (RIPA) 2000	Audit & Procurement Committee 21 st July 2025 – Minute 11/25	Information on the use of powers under RIPA for the period January – July 2025 be circulated to the Committee	Remi Aremu	
2	Revenue and Capital Outturn Report 2024-25	Audit & Procurement Committee 21st July 2025 – Minute 12/25	Details of the prohibited uses and the permitted uses of Public Works Loan Board loans/ borrowing, be circulated to the Committee	Tina Pinks	23 rd July 2025

Agenda Item 12

Audit and Procurement Committee

Work Programme 2025/26

23rd June 2025

Annual Governance Statement 2024/25 Internal Audit Annual Report 2024/2025 Internal Audit Plan 2025-26 and Internal Audit Strategy 2025-2028

21st July 2025

Revenue and Capital Outturn 2024/2025 Audit and Procurement Committee Annual Report to Council 2024/2025 2024 Annual Compliance Report - Regulatory & Investigatory Powers Act (RIPA) 2000

22nd September 2025

2024/25 External Audit Plan (Grant Thornton)
First Quarter Revenue and Capital Monitoring Report (to June 2025)
Annual Fraud and Error Report 2024/2025
Local Code of Corporate Governance 2025/26
Corporate Risk Report
Six Monthly Procurement Progress Report (Private)
Consideration of Approval of Severance Package (Private)

24th November 2025

Treasury Management Update 2025/26 – Half Year Progress Report
Internal Audit Professional Standards Update
Information Governance Annual Report 2024
Coventry Municipal Holdings Limited - Compliance with Group Governance Agreement
Complaints to the Local Government and Social Care Ombudsman 2024/2025

2nd February 2026

2024/25 Audit Findings Report (Grant Thornton)
2024/25 Statement of Accounts and Annual Audit Letter (Grant Thornton)
Quarter Two Revenue and Capital Monitoring Report 2025/2026 (to September 2025)
Internal Audit Plan 2025/26 – Half Year Progress Report
Half Year Fraud and Error Report 2025/2026
Whistleblowing Annual Report 2024/2025

16th March 2026

Corporate Risk Report
Internal Audit Recommendation Tracking Report
Quarter Three Revenue and Capital Monitoring Report 2025/2026 (to December 2025)
Quarter Three Internal Audit Progress Report 2025/2026
Six Monthly Procurement Progress Report (Private)

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Agenda Item 14

By virtue of paragraph(s) 1, 2, 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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