



Coventry City Council

Public report

Audit and Procurement Committee

22nd September 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 (Section 151 Officer)

Ward(s) affected:

City Wide

Title:

2024/25 External Audit Plan

Is this a key decision?

No

Executive Summary:

The purpose of this report is to request that the Audit & Procurement Committee note the 2024/25 External Audit Plan (Appendix 1 to the report) provided by the Council's external auditor, Grant Thornton, together with the related 'Informing the risk assessment' report.

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, Grant Thornton have been liaising with the Council's management to update their understanding of the nature of risks that could impact on the audit plan. The findings from this work are detailed in the 'Informing the risk assessment' report (Appendix 2 to the report). The auditors designed an audit programme tailored to address the risks and circumstances at Coventry City Council.

In support of the audit of the accounts, Grant Thornton have reviewed the controls in place for the Council's key financial systems. The outcome from this work is detailed in the '2024/25 IT audit findings' report (Appendix 3 to the report). Although there were some areas for improvement identified, there were no significant deficiencies in IT controls relevant to the audit of financial statements.

Recommendations:

Audit and Procurement Committee is recommended:

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

List of Appendices included:

Appendix 1 – 2024/25 External Audit Plan
Appendix 2 – Informing the audit risk assessment – 2024/25
Appendix 3 – 2024/25 IT Audit

Background Papers

None

Other useful documents:

None

Has it been or will it be considered by Scrutiny?:

The Audit and Procurement Committee will consider the Statement.

Has it been 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: 2024/25 External Audit Plan and supporting risk assessment report.

1. Context (or background)

- 1.1. The purpose of this report is to request that the Audit & Procurement Committee note the 2024/25 External Audit Plan (Appendix 1 to the report) provided by the Council's external auditor, Grant Thornton, together with the related 'Informing the risk assessment' report and the IT audit 2024/25 report.
- 1.2. 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, Grant Thornton have been liaising with the Council's management to update their understanding of the nature of risks that could impact on the audit plan. The findings from this work are detailed in the 'Informing the risk assessment' report (Appendix 2 to the report).
- 1.3. The auditors will design an audit programme that is tailored to address and assess the risks. Key risks identified in the Audit Plan are:
 - 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
 - IRFS16 Implementation
- 1.4. In support of the audit of the accounts, Grant Thornton have reviewed the controls in place for the Council's key financial systems. The outcome from this work is detailed in the '2023/24 IT audit findings' report (Appendix 3 to the report). Although there were some areas for improvement identified, there were no significant deficiencies in IT controls relevant to the audit of financial statements.
- 1.5. In September 2024, the Government passed legislation designed to address the backlog in the completion of local authority accounts. This legislation specified deadlines for the completion of audit work for particular financial years. In the event of uncompleted audits by the specific deadlines, auditors would be required to issue either qualified opinions or disclaimers, as appropriate.
- 1.6. 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.
- 1.7. As a result, the audit of the 2024/25 accounts will also need to be adapted to reflect the fact that the Council's prior four years accounts have not been audited, so reliance cannot 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.

2. Options considered and recommended proposal

- 2.1. A decision not to agree to these recommendations would result delaying the audit of the Council's 2024/25 statutory accounts.

3. Results of Consultation Undertaken

- 3.1. None

4. Timetable for implementing this decision

- 4.1. The external auditor, Grant Thornton, began the main work on the Council's 2024/25 Statement of Accounts in early July 2025, following the publication of the draft accounts on the Council's website on 30th June 2025.

5. Comments from the Director of Finance and Resources (section 151 Officer) and the Director of Law and Governance

5.1. Financial Implications

Were the recommendations proposed in this report not accepted this would delay the completion of the audit and result in additional work for the Council's officers and the external auditor. It is likely that this would increase audit costs.

5.2. Legal Implications

The Accounts and Audit Regulations 2015 (as amended) require the council to produce and publish an annual Statement of Accounts in accordance with these regulations and "proper practice".

Section 21 of the Local Government Act 2003 defines "proper practice" for this purpose to be the Chartered Institute of Public Finance and Accountability (CIPFA) Code of Practice on Local Authority Accounting (the Code) for the relevant year. The Code specified the principles, practices, format and content required in the preparation of the Statement of Accounts.

On 5 September 2024 parliament approved the Accounts and Audit (Amendment) Regulations 2024. These regulations set a publication date for financial statements up to and including 2024/25 by 27 February 2026.

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?**

N/a

6.3 What is the impact on the organisation?

It remains important for the Council to ensure timely and accurate reporting of the Councils financial position .

6.4 Equalities / EIA

No impact

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

No impact

6.6 Implications for partner organisations?

No impact

Report author:**Name and job title:**

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Enquiries should be directed to the above person.

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Karen Tyler	Chief Internal Auditor	Finance and Resources	10/09/25	11/09/25
Names of approvers for submission: (Officers and Members)				
Barry Hastie	Director of Finance and Resources (Section 151 Officer)	-	10/09/25	11/09/25
Oluremi Aremu	Head of Legal and Procurement Services	Law and Governance	10/09/25	12/09/25
Councillor R Brown	Cabinet Member for Strategic Finance and Resources	-	10/09/25	

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