



Coventry City Council

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 Councils to meet regarding publication of accounts. For financial years up to and 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

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