



COTSWOLD

District Council

Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	AUDIT & GOVERNANCE COMMITTEE – 4 DECEMBER 2025
Subject	AUDITOR’S ANNUAL REPORT 2024/2025
Wards affected	N/A
Accountable member	Cllr Patrick Coleman, Cabinet Member for Finance Email: patrick.coleman@cotswold.gov.uk
Accountable officer	David Stanley, Deputy Chief Executive and S151 Officer Email: David.stanley@cotswold.gov.uk
Report author	Michelle Burge, Chief Accountant Email: michelle.burge@cotswold.gov.uk
Summary/Purpose	<ul style="list-style-type: none">The Auditor’s Annual Report (AAR) summarises external audit conclusions for 2024/2025. It highlights key findings from the value for money review, as required by the <i>Local Audit and Accountability Act 2014</i> and <i>Code of Audit Practice</i>.
Annexes	Annex A – Auditor's Annual Report (Bishop Fleming)
Recommendation(s)	That the Audit & Governance Committee resolves to: <ul style="list-style-type: none">Note the Auditor’s Annual Report
Corporate priorities	The 'Auditor’s Annual Report’ is relevant to the Council’s priority of “Delivering Good Services” – through ensuring value for money and standards, enhancing financial resilience and making best use of our assets.
Key Decision	NO
Exempt	NO



COTSWOLD

District Council

Consultees/ Consultation	N/A



1. EXECUTIVE SUMMARY

- 1.1** Under the National Audit Office (NAO) Code of Audit Practice ("the Code") external auditors are required to consider whether the Council has put in place proper arrangements for 2024/25.
- 1.2** The Auditor's Annual Report (AAR) for the year ended 31 March 2025 (included at Annex A) details the auditor's findings with regards to the Council's arrangement for 2024/25 including:
- One significant weakness in procurement arrangements
 - Two prior year governance recommendations remain outstanding
- 1.3** The report includes improvement recommendations and management responses and a follow up of recommendations raised in the previous audit (section 8).

2. FINANCIAL STATEMENTS AUDIT

- 2.1** The Council's audit of the financial statements is not yet complete, but Bishop Fleming anticipates issuing an unmodified audit opinion. Bishop Fleming will report the outcomes from the audit of the financial statements in their Audit Completion Report reported to the January 2026 Audit & Governance Committee.
- 2.2** A representative from Bishop Fleming will be in attendance at the meeting to present the AAR and answer any questions.

3. VALUE FOR MONEY AUDIT

- 3.1** As reported on page 3 of the AAR one significant weakness was identified in respect of the Council's procurement arrangements, this related to an investigation of the Counter Fraud Enforcement Unit into procurement arrangements which highlighted evidence of senior officers and an elected member involved in procurement being able to bypass/override the Council's procurement arrangements preventing the opportunity for effective challenge by appropriate statutory officers and elected members.



3.2 The report highlights that the Council has put in place an action plan outlining measures to be taken to strengthen procurement arrangements. (p11). Actions include:

- Mandatory procurement training for senior officers held in November 2025
- Member briefing held in November 2025
- The provision of a procurement fraud toolkit for staff undertaking such activities

3.3 Progress against this plan will be reported to the Audit & Governance Committee in April 2026.

3.4 There are two governance recommendations from prior periods that remain in progress: the Audit & Governance Committee self-assessment and the review frequency of the Strategic Risk Register. Further details, including the recommendations and management responses, are provided in Annex A (page 15) of the AAR.

3.5 No significant weaknesses in the Council's arrangements for financial sustainability and improving economy, efficiency and effectiveness were identified.

4. ALTERNATIVE OPTIONS

1.1. None

5. CONCLUSIONS

1.2. The Audit and Governance Committee are requested to note the report.

6. FINANCIAL IMPLICATIONS

1.3. None.

7. LEGAL IMPLICATIONS

1.4. None.

8. RISK ASSESSMENT

1.5. None.

9. EQUALITIES IMPACT



COTSWOLD
District Council

1.6. None.

10. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

1.7. None.

11. BACKGROUND PAPERS

1.8. None.

(END)