

Date: 29 January 2026

Members of the Accounts, Audit and Risk Committee
Cherwell District Council
39 Castle Quay
Banbury
OX16 5FD

Dear Sirs and Madams

Cherwell District Council – Auditor’s Annual Report 2024/25

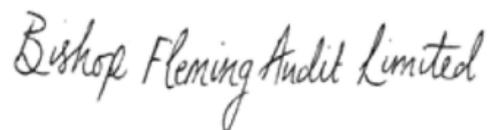
We are pleased to attach our Auditor’s Annual Report for the financial year 2024/25. This report summarises our audit conclusions and highlights the key findings arising from our value for money work.

We have initially discussed the contents of our report with management and have incorporated their comments where relevant.

This report is intended to be solely for the information and use of management and those charged with governance of the Council and should not be shared with anyone beyond the Council without our prior approval.

We would like to take this opportunity to thank the Council’s officers for the co-operation and assistance afforded to us during the course of the audit.

Yours faithfully

A handwritten signature in black ink that reads "Bishop Fleming Audit Limited". The signature is written in a cursive, flowing style.

Bishop Fleming Audit Limited

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1. Introduction

Our Auditor's Annual Report (AAR) summarises the work that we completed for Cherwell District Council (the Council) for the year ended 31 March 2025.

The Council is responsible for:

- keeping proper accounts and proper records in relation to the accounts and for maintaining an appropriate system of internal control;
- the preparation of annual accounts for each financial year. Such accounts must present a true and fair view and comply with the requirements of enactments that apply to them; and
- putting in place appropriate arrangements to secure the economy, efficiency and effectiveness in its use of resources and to maintain an effective system of internal control that supports the achievement of its policies, aims and objectives whilst safeguarding and securing value for money from the public funds at its disposal.

The scope of our work is set in accordance with the National Audit Office's (NAO) Code of Audit Practice (the Code) and the International Standards on Auditing (ISAs) (UK). Our work is planned to provide a focused and robust audit. We are responsible for and are required to provide an independent opinion as to whether the financial statements:

- give a true and fair view of the financial position of the Council at the year end and of its expenditure and income for the year then ended;
- have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

We are also required to report to the Council by exception the following matters, if:

- the Annual Governance Statement does not comply with "Delivering Good Governance in Local Government: Framework 2016 Edition" published by CIPFA/SOLACE; or
- we issue a report in the public interest under Section 24 of the Local Audit and Accountability Act 2014; or
- we make a written recommendation to the Council under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

In addition, we are also responsible for reviewing the Council's arrangements in place to secure economy, efficiency and effectiveness in its use of resources. The Code requires us to report on the Council's arrangements under three specified reporting 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 it makes informed decisions and properly manages its risks; and
- 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.

We carried out our work in accordance with our Audit Plan which we issued to the Council in March 2025.

2. Executive summary

Results from the audit of the financial statements

We completed our audit of the financial statements and issued our modified disclaimed opinion on 29 January 2026. The disclaimed opinion was due to the lack of assurance over opening balances in 2023/24, resulting from the opinion on the 2022/23 financial statement being disclaimed by the previous auditor. See section 3 for more details.

We also completed component auditor procedures, in line with the NAO group auditor instructions.

Results on our work on other matters

We completed our review of other matters and have no issues to report. See section 3 for more details.

Results from our work on VFM arrangements

Under the Code, we are required to consider whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

Our conclusions are summarised below. See sections 4-8 for more details.

	2023/24	2024/25	
Financial sustainability			We did not identify any significant weaknesses in the Council's arrangements for financial sustainability. We identified one improvement recommendation in 2023/24, which has now been resolved. See section 8 for details
Governance			We did not identify any significant weaknesses in the Council's governance arrangements. We have also not made any recommendations.
Improving economy, efficiency and effectiveness			We did not identify any significant weaknesses in the Council's arrangements for improving efficiency, economy and effectiveness. We have also not made any recommendations.

Key:

	Green - No significant weaknesses in arrangements identified and no recommendations made
	Amber - No significant weaknesses in arrangements identified but recommendations made
	Red - Significant weaknesses in arrangements identified and recommendations made

3. Audit of the financial statements

Audit opinion on the financial statements

The scope of our work is set in accordance with the Code and the International Standards on Auditing (ISAs) (UK). As stated in section 1 of this report, we are required to provide an independent opinion as to whether the financial statements:

- give a true and fair view of the financial position of the Council at the year end and of its expenditure and income for the year then ended;
- have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

We gave a modified disclaimed opinion on the Council's financial statements on 26 January 2026. This was due to the lack of assurance over opening balances in 2023/24, resulting from the opinion on the 2022/23 financial statement being disclaimed by the previous auditor.

Key issues arising from the accounts audit

The Council have reduced the interest rate on the loan to its subsidiary, Crown House Banbury. The Council needed to account for the below market rate element on the loan separately. This resulted in an amendment of £9.5m between long term investments and long term debtors in the financial statements.

Other matters

As stated in section 1 of this report, we are also required to report to the Council, by exception, the following matters, if:

- the Annual Governance Statement does not comply with "Delivering Good Governance in Local Government: Framework 2016 Edition" published by CIPFA/SOLACE; or
- we issue a report in the public interest under Section 24 of the Local Audit and Accountability Act 2014; or
- we make a written recommendation to the Council under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

We concluded that there were no matters to bring to the Council's attention in respect of these matters.

Audit certificate

At the end of the audit, as auditors, we are required to certify the completion of the audit. The effect of this certificate is to close the audit and marks the point when the auditor's responsibilities in respect of the audit of the period covered by the certificate have been discharged.

We cannot formally conclude the audit and issue an audit certificate for Cherwell District Council for the year ended 31 March 2025 in accordance with the requirements of Local Audit and Accountability Act 2014 and the Code until we have confirmation from the NAO that no additional work (beyond submission of the Assurance Statement) will be required in respect of the Whole of Government Accounts exercise.

More detailed findings can be found in our Audit Completion Report which was reported to the Accounts, Audit and Risk Committee on 19 November 2025.

4. Value for Money

Under the Code, we are required to consider whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

The Code requires us to report our commentary on the Council's arrangements under three specified reporting 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 it makes informed decisions and properly manages its risks; and
- 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.

The NAO has issued guidance for auditors to report against each of the three specified reporting criteria. The guidance also includes a number of further areas for review within each criterion for the auditor to assess those arrangements.

Our initial risk assessment did not identify any potential risks of significant weakness.

We asked management to complete an evidenced self-assessment of the Council's arrangements. We then reviewed the evidence provided and carried out follow up work as appropriate to consider whether there were any significant weaknesses in the arrangements for securing economy, efficiency and effectiveness in its use of resources.

Our commentary on the Council's arrangements in each of these three areas is set out in sections 5, 6 and 7 of this report. Our recommendations for improvement are included in section 8.

5. Financial sustainability

We considered how the Council plans and manages its resources to ensure it can continue to deliver its services, including how it:

- ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them;
- plans to bridge its funding gaps and identifies achievable savings;
- plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities;
- ensures that 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; and
- identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans.

Overview and 2024/25 outturn

The Council reported a surplus of £0.162m on the general fund in its 2024/25 outturn report to the Executive on 10 June 2025. This position was after a transfer to reserves of £2.020m, demonstrating a larger surplus having been achieved before the reserve transfers.

Financial planning and monitoring

The Council maintains close oversight of its projected financial position throughout the financial year. Monthly monitoring reports are submitted to the Executive, providing updates on both revenue and capital performance. These reports draw attention to significant budget variances, offering clear explanations for the causes of these deviations and, when necessary, recommending actions to address any emerging issues.

The Medium-Term Financial Strategy (MTFS) was presented to the Council on 24 February 2024. This strategy outlined anticipated year-on-year funding shortfalls of £6.909 million in 2025/26, £4.924 million in 2026/27, £3.198 million in 2027/28, and a surplus of £0.862 million in 2028/29. Collectively, these figures represent a total funding gap of £14.137 million across the MTFS period.

When the budget for 2025/26 was set in February 2025, the MTFS was updated to reflect revised funding gaps of £4.946 million in 2026/27, £5.162 million in 2027/28, £5.325 million in 2028/29, and £0.937 million in 2029/30. The cumulative funding gap for this updated period stands at £16.370 million.

At present, the Council holds sufficient reserves to offset any projected future deficits. Work continues to identify and implement options that will close the budget gaps anticipated in the coming years, with opportunities for further income and efficiencies of an estimated £5.67m being refined and developed.

Achieving efficiency savings

The Council's Budget Setting Report for 2024/25 included detailed plans to achieve savings totalling £1.807 million across its various directorates. A comprehensive breakdown of these savings schemes was appended to the main report, providing transparency and clarity regarding the specific measures proposed to deliver the required efficiencies.

To ensure effective oversight, the Council produces monthly monitoring reports which highlight, at the directorate level, any instances of non-delivery of planned savings where this has contributed to variances from the agreed budget. These reports serve as an early warning system, enabling prompt identification of issues and supporting timely intervention. In addition, a more in-depth report is submitted to the Corporate Leadership Team. This report includes a RAG (Red, Amber, Green) rating for each directorate, assessing the status of savings delivery and further strengthening the Council's monitoring arrangements.

In its Finance and Performance Monitoring end of year report, the Council recorded a shortfall in the delivery of planned savings amounting to £0.629 million for 2024/25. Notably, this non-delivery did not adversely affect the overall outturn position, as underspends in base budgets were sufficient to offset the shortfall. However, the failure to realise ongoing savings increases pressure on future years and may exacerbate the funding challenges outlined in the Medium-Term Financial Strategy.

In 2023/24 we reported that, while we felt the Council's arrangements for the monitoring of savings during the year were further developed than many other councils, they could be further enhanced if the savings achieved in the year were reported against the original detailed proposals. We included an improvement recommendation in respect of this, which the Council has actioned within its year end Finance and Performance Monitoring Report.

2025/26 financial planning

The budget setting process commences with budget holders at the service level conducting a review of their performance in the preceding financial year. This reflective exercise enables each service area to assess its outcomes and identify any areas requiring adjustment or improvement.

Following this, budget challenge meetings are convened, where Finance and Human Resources (HR) staff collaborate closely with budget holders. These sessions are designed to rigorously examine service-level proposals and spending plans, ensuring that all assumptions and projections are robust and realistic.

A balanced budget for 2025/26 was formally approved by the Council on 24 February 2025. This budget incorporates planned savings and operational efficiencies totalling £1.375 million.

The financial planning assumptions underpinning the 2025/26 budget are directly informed by those set out in the Medium-Term Financial Strategy (MTFS). These assumptions, and any associated risks, are subject to thorough scrutiny as part of the financial planning process. Specifically, the Business Planning Meeting of the Executive and the Budget Planning Committee both consider these factors in detail, ensuring that the approach remains prudent and well-governed.

The Council ensures that its financial plans are fully aligned with its capital plans, fostering a joined-up approach to resource allocation and investment. Furthermore, workforce considerations are integrated throughout the process, with representation from Human Resources at budget challenge meetings. This ensures that staffing implications are given due regard and that the Council's workforce strategy is coherent with its financial objectives.

Based on the work carried out, we are satisfied that there are no significant weaknesses in the Council's financial sustainability arrangements.

6. Governance

We considered how the Council ensures that it makes informed decisions and properly manages its risks, including how it:

- monitors and assesses risk and how it gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud;
- approaches and carries out its annual budget setting process;
- ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed, including in relation to significant partnerships;
- ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency. This includes arrangements for effective challenge from those charged with governance/audit committee; and
- monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of officer or member behaviour (such as gifts and hospitality or declarations/conflicts of interests), and for example where it procures or commissions services.

Risk management

The Council's Risk Strategy clearly defines how risks are managed and reported within the Council. The current strategy dates from 2023/24 and was scheduled for review in 2024/25. Although this did not take place, we have noted that it is on the Accounts, Audit and Risk Committee work programme for the November 2025 meeting.

Risk Reporting and Governance Structure

The Council has established a comprehensive system for risk reporting, which addresses strategic risks by clearly identifying the lead member, risk owner, and risk manager for each risk. Every risk is assessed and reported with a RAG (Red, Amber, Green) rating, indicating the level of concern or urgency. The reports also detail the inherent risk, describe the controls currently in place to mitigate those risks, and include any further commentary regarding ongoing risk management efforts.

To ensure timely oversight, the Performance, Risk and Financial Monitoring Report is submitted on a quarterly basis to the Executive and senior management. In addition, the Accounts, Audit and Risk Committee receives this report quarterly. As part of this process, any comments or updates relating to each risk are documented, with regular updates made to the risk register before a formal update is provided to the Council.

The Council's governance framework is structured around the Full Council and the Executive, with support from a range of Committees that each hold delegated responsibility for specific areas. This arrangement facilitates robust and direct channels of communication, ensuring that risks are reported efficiently and reliably to the appropriate bodies within the Council.

Internal control

The Council's Internal Audit was provided by Veritau Limited in 2024/25, replacing Oxfordshire County Council. Veritau Limited were engaged from 1 May 2024 on an initial 6-month contract. On 1 November 2024 the Council became a member of Veritau Public Sector Limited (VPS) and entered into a long term contract for the delivery of internal audit services. VPS have a representative at each of the Accounts, Audit and Risk Committee meetings to present any findings. The Committee approves the Annual Internal Audit Work Plan and is provided with a progress report against the plan at each meeting.

Our review of the Internal Audit reports, along with review of the Accounts, Audit and Risk Committee minutes and supporting documents, has not identified any significant gaps in the assurance the Council receives over matters in the work programme.

Internal Audit reported their completed Head of Internal Audit opinion for 2024/25 to the Accounts, Audit and Risk Committee meeting on 28 May 2025. This concluded that the framework of governance, risk management and control at the Council provides reasonable assurance. The report noted two significant control weaknesses for consideration for inclusion in the Council's Annual Governance Statement (AGS). These related to the health and safety management system and the management of strategic site applications (Rutten Lane). We have confirmed that both of these issues are referenced in the AGS and are included in the action plan.

The Council's counter fraud was provided by Veritau Limited in 2024/25, under an initial 6-month contract from 1 May 2024, in line with their provision of internal audit services. On 1 November 2024 the Council became a member of Veritau Public Sector Limited (VPS) and entered into a long term contract for the delivery of counter fraud services. The Counter Fraud Work Programme was presented to the Accounts, Audit and Risk Committee in July 2024. There is a named Counter-Fraud lead for the Council who reports progress against the plan to the Committee.

The Accounts, Audit and Risk Committee's role is fundamental to how the Council ensures the overall effectiveness of internal controls. The Committee discharges this function appropriately by adhering to its terms of reference and challenging officers in relation to internal and external audit findings.

Budget setting and budgetary control

Budgets are developed by identifying significant pressures, changes in funding, and expenditure anticipated by the Council. When developing the budgets, the most likely scenarios are used as the assumptions whilst alternative options are also considered and presented to the business planning meeting of the Executive. Proposed savings go out to a public consultation, with the Budget Planning Committee feeding back on the budget proposals, before the Executive propose the budget to Full Council. Once the budget has been set, budget holders sign up to accept responsibility of the budgets they are responsible for.

Monthly budget monitoring takes place, with budget holders being held responsible for their budgets providing mitigations for any variances. The monthly reports also contain relevant non-financial information to help to support any variances that are reported.

Decision making

All reports presented to Council members undergo a rigorous approval process. Each report is reviewed and authorised by the Finance, Legal, Risk, and Sustainability departments, ensuring comprehensive oversight. The reports are prepared by the appropriate Directorate pertaining to their subject matter, and they include alternative options that have been considered as part of the decision-making process. This structured approach guarantees that formal decisions are subject to review by the Executive Committee prior to presentation to the full Council, thus aligning with recognised best practice.

We are satisfied that appropriate arrangements are in place to ensure that all relevant information is provided to decision makers before major decisions are made. In addition, there are established procedures that enable challenges to decisions before they are finalised, supporting transparency and accountability.

Senior officers foster an appropriate organisational culture, guided by the Council's constitution and the Employee Code of Conduct. These frameworks articulate the standards expected of officers, encouraging adherence to best practice principles. Notably, they require compliance with Nolan's Seven Principles of Public Life, which underpin ethical behaviour within the Council.

Attendance at the Accounts, Audit and Risk Committee meetings, as well as reviews of meeting minutes, have confirmed that the Committee actively holds officers and the Executive to account. The Committee provides robust and effective challenge, thereby reinforcing governance and strengthening accountability within the Council.

Ensuring appropriate standards

We have been informed that there have been no instances of significant non-compliance within the year. Our review has corroborated this position, as we have not identified any matters that would suggest otherwise.

Treasury management decisions are made in accordance with the Treasury Management Strategy. This strategy undergoes an annual review by the Accounts, Audit and Risk Committee to ensure it remains robust and fit for purpose. Our work has not identified any evidence of non-compliance with capital or other statutory requirements.

The Council's Employee Code of Conduct, along with other specific policies, clearly sets out the expected standards of behaviour for all Council employees. Non-compliance with these standards is closely monitored by the Statutory Officers. In addition, the completion of mandatory training across relevant topics is enforced to ensure that all employees are fully aware of their responsibilities.

The Council has implemented a range of appropriate policies and procedures aimed at maintaining high standards of conduct. These include, but are not limited to, the Counter Fraud and Corruption Policy, as well as the Gifts and Hospitality Policy.

Elected Members' declarations of interest are made publicly available alongside each member's contact details. These declarations comply with all relevant regulations and are aligned with the expectations set out in the Local Government Association (LGA) model Code of Conduct. Furthermore, arrangements are in place for declarations of interest to be made at the commencement of all formal Council and Committee meetings.

We are satisfied that the Council has appropriate arrangements in place to monitor compliance with legislation and regulatory requirements.

Based on the work carried out, we are satisfied that there are no significant weaknesses in the Council's governance arrangements.

7. Improving economy, efficiency and effectiveness

We considered how the Council uses information about its costs and performance to improve the way it manages and delivers its services, including:

- how financial and performance information has been used to assess performance to identify areas for improvement;
- how the Council evaluates the services it provides to assess performance and identify areas for improvement;
- how the Council ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives; and
- where the Council commissions or procures services, how it assesses whether it is realising the expected benefits.

Assessing performance and evaluating service delivery

The Council systematically reports its performance against established priorities to the Executive on a quarterly basis. This is achieved through the Finance, Performance and Risk Monitoring Report, which provides the Executive with a comprehensive assessment of progress in delivering key priorities, proactive risk management, and financial stewardship. The report closely monitors the underlying reasons for any movements in performance, enabling the identification of areas requiring improvement. Where necessary, recommendations are made to support continuous enhancement.

To ensure robust performance evaluation, the Council utilises a range of local benchmarking tools, including the LGA's LG Inform and the Local Insight platform. The Council also use local networks to benchmark their performance against local councils to identify key areas of focus for the improvement of services. The Council demonstrates clear collaboration with neighbouring councils, working collectively to raise overall performance standards.

The most recent LGA Corporate Peer Challenge, conducted in December 2022, identified several areas for improvement and provided guidance on the strategic approach to be adopted. A follow-up progress review by the LGA in February 2023 recognised the positive progress made by the Council, confirming its active engagement in the improvement process.

There is evidence that the Council reviews and challenges the cost effectiveness of activities through its performance management framework. It has started a transformation process, with a review of Environmental Services taking place in 2023. The review considered the current service delivery, including the cost, productivity and performance and then provided alternative delivery models. Some recommendations coming out of the review were included in the 2024/25 budget consultation, with others being consulted on for implementation during the Medium-Term Financial Strategy period. The Council is working with West Oxfordshire District Council, Oxford City Council and Oxfordshire County Council to development a joint waste approach to bring down the cost of waste collection.

For the 2025/26 budget setting process, the Council introduced a systematic approach to assessing possible alternative service levels and their associated costs. These ranged from the statutory minimum to current and enhanced service options. Each alternative was reviewed and discussed by dedicated panels to determine the most appropriate service level moving forward

The Accounts, Audit and Risk Committee receives regular recommendations from Internal Audit via progress reports. These reports include tracking the target implementation dates for outstanding recommendations. Internal Audit maintains ongoing communication with Assistant and Corporate Directors through monthly email updates, detailing all open recommendations to ensure timely follow-up on any delays in implementation. The Council has demonstrated strong evidence of effectively implementing both internal and external audit recommendations.

Partnership working

The Council has implemented robust governance structures to ensure effective oversight and management of its principal partnership initiatives. Among these, the Bicester Garden Town project stands out as a significant collaborative endeavour involving Oxfordshire County Council, Homes England, developers, and a range of other stakeholders. This partnership is tasked with the coordinated development of the Garden Town area.

To maintain consistent and strategic direction, a monthly Officer Programme Board (OPB) has been established. This board comprises officers from both Cherwell District Council and Oxfordshire County Council who work together to manage the progress of the project. In addition to this, the Strategic Oversight Partnership (SOP) provides a further layer of governance and scrutiny. The SOP includes elected members from Cherwell District Council, Bicester Town Council, and the County Council, as well as representatives from stakeholder organisations such as Homes England and the Oxford Local Enterprise Partnership. Officers involved in the delivery aspects of the project also attend these meetings, ensuring that operational perspectives inform strategic decisions. These arrangements collectively demonstrate the Council's commitment to closely monitoring and managing its partnership work.

The Council also oversees subsidiary companies, namely Graven Hill Village Holdings Ltd and Crown House Banbury Ltd, each of which maintains its own associated subsidiaries. These companies are required to report on a quarterly basis to the Shareholder Committee. Through these regular reports, members of the Committee are kept informed about the performance of the companies, specifically regarding their progress against the objectives set out in their respective business plans. This process ensures transparency and alignment with the Council's strategic aims.

Commissioning and procuring services

The Council's Procurement Strategy was approved in October 2023. To support officers in carrying out procurement activities effectively and in compliance with legal and policy standards, comprehensive guidance, procedures, and templates are readily available. These resources ensure that all procurement processes are conducted to a high standard. In May 2025, the Contract Procedures Rules were updated to maintain alignment with current policies and new legislative requirements.

Oversight of procurement activities is jointly managed by the Council's legal services and procurement teams. This collaborative approach ensures that all procurement exercises adhere strictly to the relevant laws and established procedures. Officers undertaking procurement activities have access to a dedicated SharePoint site, which serves as a central repository for guidance, procedures, and templates. This resource is utilised across the organisation to support consistent and compliant procurement practices.

There have been no identified instances, nor have any been reported, of the Council failing to conduct a fair procurement exercise in relation to significant contracts.

The Council has robust arrangements in place for monitoring the performance of its service providers, taking prompt action to resolve any issues as they arise. This commitment to active contract management is exemplified by the oversight of the leisure centre operating contract with Parkwood Leisure.

Performance monitoring for this contract includes monthly reporting and regular meetings between the Council and the service provider. These meetings involve the review of key performance indicators, discussion of any construction-related matters, and consideration of customer feedback. This process ensures that the service provided meets the required standards and that any areas of concern are addressed proactively.

Based on the work carried out, we are satisfied that there are no significant weaknesses in the Council's arrangements for improving economy, efficiency and effectiveness.

8. Recommendations

KEY:



Red - Recommendations that refer to issues that have resulted in a significant weakness in the Council's arrangements.



Amber - Recommendations that should improve the arrangements in place at the Council but are not as a result of identifying a significant weakness.

Current Year Issues

No current year issues were identified.

Prior Year Issues – Resolved

Reporting of financial savings	
 <p>The supporting papers for the 2023/24 budget included a schedule detailing the proposed saving schemes. The monitoring and reporting of savings achieved are at Directorate level and do not set out the details of which savings were achieved compared to the budget.</p>	<p><u>Recommendation</u></p> <p>The reporting of savings achieved in the year could be further enhanced by reporting the outturn position against the original proposed savings schemes within each directorate that were included in the budget.</p> <p><u>Management comment</u></p> <p>The council does currently include high level reporting on savings delivery/non-delivery in the monthly finance reports to Executive at the directorate level and, where relevant, in the detailed revenue narratives explaining forecast variance to budget. However, we recognise that there is room to improve the clarity and granularity that is reported to members and will explore how the reporting could be improved.</p> <p><u>2024/25 update</u></p> <p>The Finance and Performance Monitoring Report for the 2024/25 outturn included details of the savings achieved against the previously approved position, with a detailed appendix setting out the reasons for any savings that were not achieved.</p>



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