

To: Leader and Members of the Executive Board

Councillors D Wright, Barnett, Bell, Clews, Jackson, H Phillips, Reilly, Ridley, Ririe, Simpson, Stuart, Symonds, M Watson and S Watson

For the information of other Members of the Council

For general enquiries please contact the Democratic Services Team on 01827 719221 or via e-mail – democraticservices@northwarks.gov.uk

For enquiries about specific reports please contact the officer named in the reports.

The agenda and reports are available in large print and electronic accessible formats if requested.

EXECUTIVE BOARD AGENDA

24 NOVEMBER 2025

The Executive Board will meet in The Chamber, The Council House, South Street, Atherstone on Monday, 24 November 2025 at 6.30pm.

The day after the meeting a recording will be available to be viewed on the Council's YouTube channel at [NorthWarks - YouTube](#).

AGENDA

- 1 Evacuation Procedure.**
- 2 Apologies for Absence / Members away on official Council business.**
- 3 Disclosable Pecuniary and Non-Pecuniary Interests.**

4 **Public Participation**

Up to twenty minutes will be set aside for members of the public to put questions to elected Members.

Members of the public wishing to address the Board must register their intention to do so by 9:30am two working days prior to the meeting. Participants are restricted to five minutes each.

If you wish to put a question to the meeting, please register by email to democraticservices@northwarks.gov.uk or telephone 01827 719221 / 719237 / 719226.

Once registered to speak, the person asking the question has the option to either:

- a) attend the meeting in person at the Council Chamber;
- b) attend remotely via Teams; or
- c) request that the Chair reads out their written question.

If attending in person, precautions will be in place in the Council Chamber to protect those who are present however this will limit the number of people who can be accommodated so it may be more convenient to attend remotely.

If attending remotely an invitation will be sent to join the Teams video conferencing for this meeting. Those registered to speak should dial the telephone number and ID number (provided on their invitation) when joining the meeting to ask their question. However, whilst waiting they will be able to hear what is being said at the meeting.

- 5 **Minutes of the Executive Board held on 15 October 2025** – copies herewith, to be approved as a correct record and signed by the Chairman.

ITEMS FOR DISCUSSION AND DECISION (WHITE PAPERS)

- 6 **External Audit Plan 2024/25 – Report of the Interim Corporate Director of Resources (Section 151 Officer)**

This report presents the External Audit Plan 2024/25 from Azets the Councils external auditor and an update from the Interim Corporate Director of Resources on the Closedown process for 2024/25.

The Contact Officer for this report is Paul Sutton (719374).

7 **Auditor's Annual Report 23/24 and 24/25 – Report of the Interim Corporate Director of Resources (Section 151 Officer)**

Summary

This report presents the Annual Audit Report 2023/24 and 2024/25 from Azets the Councils External Auditors.

Appendix 1 to follow

The Contact Officer for this report is Paul Sutton (719374).

8 **Local Development Scheme (LDS) February 2025 - Report of the Chief Executive**

Summary

This report brings to Members a revised up to date Local Development Scheme.

The Contact Officer for this report is Dorothy Barratt (719250).

9 **Calendar of Meetings 2026/27 – Report of the Chief Executive**

Summary

The purpose of this report is to seek approval for a calendar of meetings for 2026/27.

The Contact Officer for this report is Amanda Tonks (719221).

10 **Social Value Policy – Report of the Head of Corporate Services**

Summary

This report seeks approval for a new Social Value Policy.

The Contact Officer for this report is Trudi Barnsley (01827 719388).

11 **Communications Team Updates – Report of the Head of Corporate Services**

Summary

This is a report that provides Members with an update to the work that the Communications team has undertaken for the period April to October 2025.

The Contact Officer for this report is Trudi Barnsley (719388).

12 **Emergency Management Plan** – Report of the Chief Executive

Summary

Members are asked to approve a revised Emergency Management Plan

The Contact Officer for this report is Steve Maxey (719438).

13 **English Devolution and Local Government Reorganisation** – Report of the Chief Executive

Summary

Members are asked to recommend for Council's approval this Council's submission to the Government following the formal invitation for proposals for local government reorganisation.

The Contact Officer for this report is Steve Maxey (719438).

14 **Exclusion of the Public and Press**

To consider, in accordance with Section 100A(4) of the Local Government Act 1972, whether it is in the public interest that the public and press be excluded from the meeting for the following items of business, on the grounds they involve the likely disclosure of exempt information as defined by Schedule 12A to the Act.

15 **Sherbourne Recycling Ltd** – Report of the Chief Executive

The Contact Officer for this report is Steve Maxey (719438).

16 **Exempt Extract of the Minutes of the meeting of the Executive Board held on 15 October 2025** – copy herewith to be approved as a correct record and signed by the Chairman.

STEVE MAXEY
Chief Executive

NORTH WARWICKSHIRE BOROUGH COUNCIL

**MINUTES OF THE
EXECUTIVE BOARD**

15 October 2025

Present: Councillor D Wright in the Chair

Councillors Barnett, Bates, Bell, Jarvis, Jenns, H Phillips, Reilly, Ridley, Ririe, Stuart, Symonds, and S Watson.

Apologies for absence were received from Councillors Clews (Substitute Jarvis), Jackson, Simpson (Substitute Councillor Bates), M Watson (Substitute Jenns).

Councillors Hayfield, Melia and Singh were also in attendance.

34 Declarations of Personal or Prejudicial Interest

None were declared at the meeting.

35 Minutes of the Executive Board held on 15 September 2025

The minutes of the meeting of the Board held on 15 September 2025, copies having been circulated, were approved as a correct record and signed by the Chairman.

36 Atherstone Leisure Centre Construction Programme

The Interim Corporate Director of Streetscape advised the Board that, as the Council had agreed to replace the Atherstone Leisure Centre and Memorial Hall, ensuring that the right delegated authority was in place to make decisions on aspects of the construction and agreeing a capital commitment would help expedite the delivery of the leisure build project.

Recommended:

- a That a capital commitment of up to £27m be made for the delivery of the replacement Leisure Centre in Atherstone, and that authority be delegated, as set out in the report of the Interim Corporate Director of Streetscape to commit expenditure within this sum; and**

- b That all decisions required to deliver the project to RIBA stage 7, including the amended section 3.8 (circulated at the Executive Board meeting) of the attached report of the Interim Corporate Director of Streetscape be delegated to the Interim Corporate Director of Streetscape in consultation with the Leader of the Council, the Chair of Community and Environment Board, the Member Leisure Working Group, S151 Officer and the Monitoring Officer.**

37 Exclusion of the Public and Press

Resolved:

That under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business, on the grounds that they involve the likely disclosure of exempt information as defined by Schedule 12A to the Act.

38 Atherstone Leisure Centre Construction Programme

The Interim Corporate Director of Streetscape advised the Board that, as the Council had agreed to replace the Atherstone Leisure Centre and Memorial Hall, ensuring that the right delegated authority was in place to make decisions on aspects of the construction and agreeing a capital commitment would help expedite the delivery of the leisure build project.

Recommended:

That the content of the Appendix, attached to the report of the Interim Corporate Director of Streetscape, be noted in conjunction with the main report titled Atherstone Leisure Centre Construction Programme (Minute No 36).

39 Admission of Honorary Freemen

The Chief Executive suggested a nominee to be admitted as an Honorary Freeman of the Borough. Members were asked to forward the details of any further nominations to the Chief Executive, to be considered at the November Executive Board.

Recommended:

- a That under Section 249 (5) of the Local Government Act 1972, the Council exercises its powers to admit a nominee as an Honorary Freeman of the Borough of North Warwickshire; and**

- b That in accordance with Sub-Sections (5) and (6) of Section 249 of the Act, the Chief Executive be authorised to make the necessary arrangements.**

40 Exempt extract of the Minutes of the meeting of the Executive Board held on 15 September 2025.

The exempt extract of the Minutes of the meeting of the Executive Board held on 15 September 2025, copies having been previously circulated, were approved as a correct record and signed by the Chairman.

D Wright
CHAIRMAN

Agenda Item No 6

Executive Board

24 November 2025

Report of the Interim Corporate Director of Resources (Section 151 Officer)

External Audit Plan 2024/25

1 Summary

- 1.1 This report presents the External Audit Plan 2024/25 from Azets the Councils external auditor and an update from the Interim Corporate Director of Resources on the Closedown process for 2024/25.

Recommendations to the Board

That the report is noted.

2 Background

- 2.1 The position for the Council with regards to its Statement of Accounts was last reported to Board in September 2025.
- 2.2 The current position as members will recall is that the Accounts related 2021/22, 2022/23 and 2023/24 all have disclaimed opinions.
- 2.4 The issues with Local Audit Backlogs are well documented and work has started to address and build back the position across the sector. Additional funding has been provided through grants to affected Authorities, which is both to support additional resources and additional External Audit fees.
- 2.6 The initial discussions with Azets regarding the process of building back towards a true and fair opinion has made clear that this will only be possible from 2027/28 at the earliest due to the amount of work involved in closing down each “current” year as well as addressing the prior years disclaimed opinions.
- 2.7 As previously reported in addition to the issues with the disclaimed years the implementation of the new finance system (Unit 4) has caused delays in the publication of the 2024/25 Accounts.

3 **Report**

- 3.1 The External Audit Plan 2024/25 is attached at **Appendix 1** and Azets will present the plan at the meeting.
- 3.2 We have now met together with Azets to discuss a path through all the issues. Given that 2024/25 will have a disclaimed opinion no matter what, we have set out that we want to prioritise catching up the disclaimed years.
- 3.3 The additional benefit to this will be to allow us time to ensure the 2024/25 Accounts and working papers are to the standard we all expect, which will help us to further catch up whilst producing the 2025/26 on time.
- 3.4 Whilst, there will be no formal sign off of the disclaimed years Accounts we will ensure members are informed when progress is made and will present a timetable for the closedown of the 2025/26 at Board in February.

4 **Report Implications**

Finance and Value for Money Implications

- 4.1 The financial implications are set out throughout the report.

Legal, Data Protection and Human Rights Implications

- 4.2 There are no direct legal implications arising from this report.

The Contact Officer for this report is Paul Sutton (719374).

Background Paper No	Author	Nature of Background Paper	Date
N/A			



North Warwickshire Borough Council

DRAFT External audit plan

Year ended 31 March 2025

May 2025



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Executive summary

Scope

This plan sets out our strategy for the external audit of North Warwickshire Borough Council for 2024/25, including our approach to building back assurance following the disclaimed audit opinions issued in 2021/22, 2022/23 and 2023/24.

Approach

Key areas of audit focus in 2024/25 will be:

- Auditing the 2024/25 Statement of Accounts in all areas where assurance can be carried forward to future years.
- “Build back” work in the following areas:
 - A risk assessment from the last clean audit opinion (2020/21) to date to inform our work.
 - Testing of transactions from 2021/22 onwards making up the property plant and equipment values in the accounts, including:
 - Additions
 - Disposals
 - Reclassifications
 - Depreciation.
- Value for money audit and all other work prescribed by the NAO Code of Audit Practice.

As previously communicated, we do not expect to be able to build back all the missing assurances from previous years during 2024/25. Our 2024/25 audit opinion is therefore likely to be disclaimed. There remains a level of uncertainty on the approach to the build back work, as a regulator-approved sector-wide approach is yet to be agreed. However, we are confident that the planned approach outlined above and described in this report represents the minimum work that will be required to start the build back process, and we are keen to progress this as soon as possible to limit further disclaimed audit opinions.

Reporting to the Executive Board

We will present regular written and oral reports to the Executive Board throughout the year summarising progress on the current year audit and the build back work. We will provide a draft Auditor’s Annual Report by 30 November 2025 and we will issue our “opinion” on the Statement of Accounts by the backstop date of 27 February 2026.

The build-back work is not covered by our normal audit fee and is therefore subject to an additional fee.

Purpose and responsibilities

Adding value through the audit

All of our clients demand of us a positive contribution to meeting their ever-changing business needs. Our aim is to add value to the Council through our external audit work by being constructive and forward looking, by identifying areas of improvement and by recommending and encouraging good practice. In this way, we aim to help the Council promote improved standards of governance, better management and decision making and more effective use of resources.

Purpose

This audit plan highlights the key elements of our proposed audit strategy and provides an overview of the planned scope and timing of the statutory external audit of North Warwickshire Borough Council ('the Council') for the year ended 31 March 2025.

The core elements of our work include:

- An audit of the 2024/25 Statement of Accounts;
- Build back work to recover from previously disclaimed audits; and
- An assessment of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources (our Value for Money work).

Auditor responsibilities

We have been appointed to perform an audit, in accordance with the Local Audit and Accountability Act 2014, the Code of Audit Practice issued by the National Audit Office and International Standards on Auditing (ISAs) (UK). Our primary responsibility is to form and express an independent opinion on the Council's financial statements, stating whether they provide a true and fair view and have been prepared properly in accordance with applicable law and the CIPFA Code of Practice on Local Authority Accounting in the UK.

We are also required to:

- Report on whether the other information included in the Statement of Accounts (including the Narrative Report and Annual Governance Statement) is consistent with the financial statements;
- Report by exception if the disclosures in the Annual Governance Statement are incomplete or if the Annual Governance Statement is misleading or inconsistent with our knowledge acquired during the audit;
- Report by exception any significant weaknesses identified in arrangements for securing value for money and a summary of associated recommendations;
- Report by exception on the use of our other statutory powers and duties; and
- Certify completion of our audit.

Under the Act we have a broad range of reporting responsibilities and powers that are unique to the audit of local authorities in the United Kingdom. These include:

- Reporting matters in the public interest;
- Making written recommendations to the Council;
- Making an application to the court for a declaration that an item of account is contrary to law;
- Issuing and advisory notice; or
- Making an application for judicial review.

Purpose and responsibilities

We will conduct our audit in accordance with International Standards on Auditing (ISAs) (UK), the Local Audit and Accountability Act 2014 (the 'Act'), and the National Audit Office Code of Audit Practice. The Code of Audit Practice sets out what local auditors of relevant local public bodies are required to do to fulfil their statutory responsibilities under the Act.

This planning letter has been prepared for the sole use of those charged with governance and management and should not be relied upon by third parties. No responsibility is assumed by Azets Audit Services to third parties.

Auditor responsibilities (...continued)

The Act also requires us to consider any objection made to the accounts and give any elector the opportunity to question us about the accounting records of the Council.

On completion of our audit work, we will issue an Audit Completion Report (prior to the approval of the financial statements), detailing our significant findings and other matters arising from the audit of the financial statements, together with an Auditor's Annual Report including our commentary on the value for money arrangements.

If we identify any significant adverse or unexpected findings that we conclude should be communicated, we will do so on a timely basis, either informally or in writing.

The audit does not relieve management or the Executive Board of your responsibilities, including those in relation to the preparation of the financial statements.

Council responsibilities

The Council is responsible for:

- Preparing financial statements which give a true and fair view, in accordance with the applicable financial reporting framework and relevant legislation;
- Preparing and publishing, along with the financial statements, an annual governance statement and narrative report;
- Maintaining proper accounting records and preparing working papers to an acceptable professional standard that support the financial statements and related reports and disclosures; and
- Ensuring the proper financial stewardship of public funds and establishing effective arrangements for governance, propriety and regularity, including prevention and detection of fraud, reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.

Audit scope and general approach

General approach

Our objective when performing an audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement and to issue an auditor's report that includes our auditor's opinion.

As part of our risk-based audit approach, we will:

- Perform risk assessment procedures including updating our understanding of the Council, including its environment, the financial reporting framework and its system of internal control;
- Review the design and implementation of key internal controls;
- Identify and assess the risks of material misstatement, whether due to fraud or error, at the financial statement level and the assertion level for classes of transaction, account balances and disclosures;

- Design and perform audit procedures responsive to those risks, to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion; and
- Exercise professional judgment and maintain professional scepticism throughout the audit recognising that circumstances may exist that cause the financial statements to be materially misstated.

We will undertake a variety of audit procedures which, in a normal year, are designed to provide us with sufficient evidence to give us reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. We are unlikely to be able to obtain sufficient assurance in 2024/25 to reach this conclusion due to the previously disclaimed audits.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We include an explanation in the auditor's report of the extent to which the audit was capable of detecting irregularities, including fraud, and respective responsibilities for preventing and detecting fraud.

Audit scope and general approach

Materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements.

Judgments about materiality are made in the light of surrounding circumstances and are affected by our perception of the financial information needs of users of the financial statements, and by the size or nature of a misstatement, or a combination of both.

The basis for our assessment of materiality for the year is set out on page 16. Any identified errors greater than our clearly trivial amount of £56,300 will be recorded and discussed with you.

Accounting systems and internal controls

We will follow a substantive testing approach to gain audit assurance rather than relying on tests of controls. As part of our work, we consider certain internal controls relevant to the preparation of the financial statements such that we are able to design appropriate audit procedures. However, this work does not cover all internal controls and is not designed for the purpose of expressing an opinion on the effectiveness of internal controls. If, as part of our consideration of internal controls, we identify significant deficiencies in controls, we will report these to you in writing.

Specialist skill or knowledge required to complete the audit

We will use audit specialists to assist us in our audit work in the following areas:

- The audit of the actuarial assumptions used in the calculation of the defined benefit pension liability/asset (from 2025/26 onwards).

We will consult internally with our Technology Risk team for them to support the audit team by assessing the information technology general controls (ITGC) of the following systems:

- ITGC Agresso
- ITGC System Migration – Total to Agresso
- ITGC understanding of IT & Cyber
- Active Directory

Audit scope and general approach

Significant changes in the financial reporting framework

There has been one significant change in the financial reporting framework this year. The new standard relating to IFRS 16 Leases, issued in January 2016, has now been mandated for implementation from 1 April 2024 within the 2024/25 CIPFA Code.

The most significant impact of IFRS 16 is to bring operating leases on balance sheet as right-of-use assets.

Significant changes in the Council's functions or activities

There have been no significant changes to the functions and activities of the Council or its structure.

Going concern

Management responsibility

Management is required to make and document an assessment of whether the Council is a going concern when preparing the financial statements. The review period should cover at least 12 months from the date of approval of the financial statements. Management are also required to make balanced, proportionate and clear disclosures about going concern within the financial statements where material uncertainties exist in order to give a true and fair view.

Auditor responsibility

We are required to consider the appropriateness of management's use of the going concern assumption in the preparation of the financial statements and consider whether there are material uncertainties that need to be disclosed in the financial statements.

In assessing going concern, we will consider the guidance published in the CIPFA Code and Practice Note 10 (PN10), which focusses on the anticipated future provision of services in the public sector rather than the future existence of the entity itself.

Related party transactions

During our initial audit planning you have informed us of the individuals and entities that you consider to be related parties. Please advise us of any changes as and when they arise.

Additional procedures for NAO

The National Audit Office (the 'NAO') issues group audit instructions which set out additional audit requirements. We expect the procedures for this year to be similar to previous years.

The NAO audit team for the Whole of Government Accounts (WGA) request us to undertake specific audit procedures to provide them with additional assurance over the amounts recorded in WGA schedules. The extent of these procedures will depend on whether the Council has been selected by the NAO as a sampled component for 2024/25. This has not been confirmed.

We will comply with the instructions and report to the NAO in accordance with their requirements once instructions have been issued.

Building back assurance

Summary of why we are likely to issue a disclaimer of opinion in 2024/25

Given the Council's disclaimed audit opinions for the financial years 2021/22, 2022/23 and 2023/24, we are unlikely to be able to obtain sufficient assurance over the following in 2024/25:

1. Opening and closing balances in the financial statements (Balance Sheet), and
2. Reserves balances (which have come from the movements within the Statement of Comprehensive Income over the past four years).

We will be unable to provide a “clean” audit opinion to the Council until we have completed sufficient build back work to become comfortable over these balances and movements. This is likely to take a number of years due to capacity within our audit team and the Council's finance team. This situation is common across the local government sector, particularly where more than one previous year has been disclaimed.

As a result of the approach we adopted in 2023/24, we have gained an understanding of the Council's systems, processes, controls and arrangements for the preparation of the financial statements and have gathered information to inform the process of rebuilding assurance in this and future years.

We have developed an end-to-end build-back recovery plan for disclaimed audits, as set out on the following pages.

Further background regarding disclaimed audits in the local government landscape is set out in Appendix I.

Building back assurance

Our build back approach

Our approach comprises three distinct phases with the ultimate objective of returning to unmodified opinions as quickly as possible.

Phase	Planned work	Timing	Included in scale fee?
1	Undertake the normal 'in-year' audit. This will provide sufficient assurance over some closing balances and most in-year movements.	Annually	Yes
2	Undertake 'build-back' testing back to the last clean opinion for specified balance sheet items where full assurance over the closing balance cannot be obtained without opening assurance.	To be agreed with Council	No (this will incur additional cost)
3	Undertake work on prior-year disclaimed income and expenditure entries and reserve movements back to the last clean opinion (subject to Sandbox discussions).	To be agreed with Council	No (this will incur additional cost)

One of the contributing factors to the existing backlog of opinions was insufficient capacity across audit suppliers and, in some cases, within council finance teams. These capacity constraints continue. It is therefore not possible to rebuild all assurance within a one-year period, as recognised in the announcements from MHCLG and guidance from NAO and FRC.

In terms of the work required under phases 2 and 3 – which could be considerable – we will discuss with management the appropriate timing for such work.

2024/25 planned work

For 2024/25 we anticipate there will be sufficient capacity to undertake:

- Phase 1 (2024/25 audit) and;
- Some elements of phase 2. We are anticipating these to be:
 - A risk assessment of the control environment from the last clean opinion (2020/21) to date to inform our work.
 - Testing of transactions within property, plant and equipment balances from 2021/22 onwards, covering:
 - Additions
 - Disposals
 - Depreciation
 - Reclassifications.

The remainder of the indicative build back plan (phase 2 and phase 3) will fall into future years.

Building back assurance

Phase 1: the ‘in-year’ audit and accretion of evidence to future years

In 2024/25 and future years, our ‘in-year’ audit is likely to provide sufficient assurance over some balances but not others. The table below sets out, in the first row, the areas where we are likely to obtain sufficient assurance from the in-year audit, and, in the second row, the areas where only some assurance can be obtained from the in-year audit because of the long-term, accumulated nature of those balances.

Auditor Conclusion	Likely applicable balances
Sufficient assurance gained over the closing balance (i.e. closing balance is not inherently tied to the opening position).	• Other land and buildings valuation and council dwellings valuation (following next full valuation in 2024/25) • Right of Use Asset (IFRS 16) • Pension liabilities (following next triennial valuation in 2025/56) • Investments • Debtors • Creditors • Cash and cash equivalents • Borrowing
Some assurance gained in-year but lack of opening assurance means the closing balance cannot be fully assured and remains disclaimed.	• Property plant and equipment • Long term debtors • Long term creditors • Long term lease liabilities • Provisions • All reserves

The items in the first row will be rolled forward and accreted into future years’ audits. No retrospective build back should be required for these items of account, but it will take a minimum of three years for the items in this first category to be fully assured across three years of closing balances. In the case of pension liabilities, this cannot start until 2025/26 when the next triennial valuation report is due to be published.

The items in the second row will need further work to obtain sufficient assurance, which form phases 2 and 3 of the build-back approach.

Building back assurance

Phase 2: build-back for specified balance sheet items where the closing position is inherently tied to the opening position

These closing balances can only be assured by undertaking work in the disclaimed years, back to the last clean opinion.

In 2024/25, we will recover assurances on property, plant and equipment - additions, disposals, depreciation and reclassifications.

We propose to recover assurances on long term debtors, creditors, lease liabilities and provisions in 2025/26 or a future year.

We do not, at this stage, have a proposal to rebuild any assurance for reserve balances over the disclaimed years due to the very high volume of income and expenditure transactions and other reserve movements which make up these balances. This is considered further in Phase 3.

Phase 3: build-back on prior year disclaimed reserve balances back to the last clean opinion

The approach to this is being discussed by all firms within the 'Sandbox'. Firms, including Azets, will only use this approach if it is endorsed by the FRC and/or MHCLG.

If it is endorsed, we will employ the 'Sandbox' approach back to the last clean opinion to gain full assurance over prior years' CIES and reserves movements and, thereby re-build assurance on the closing general fund, earmarked reserves and unusable reserves, as well as over the Council's Capital Financing Requirement (CFR) and Minimum Revenue Provision (MRP). This may involve selective substantive testing of income and expenditure transactions within disclaimed years.

If the 'Sandbox' approach is not endorsed, we may need to undertake detailed income and expenditure testing in each previously disclaimed year, which would require substantial audit and finance team input.

Build-back plan

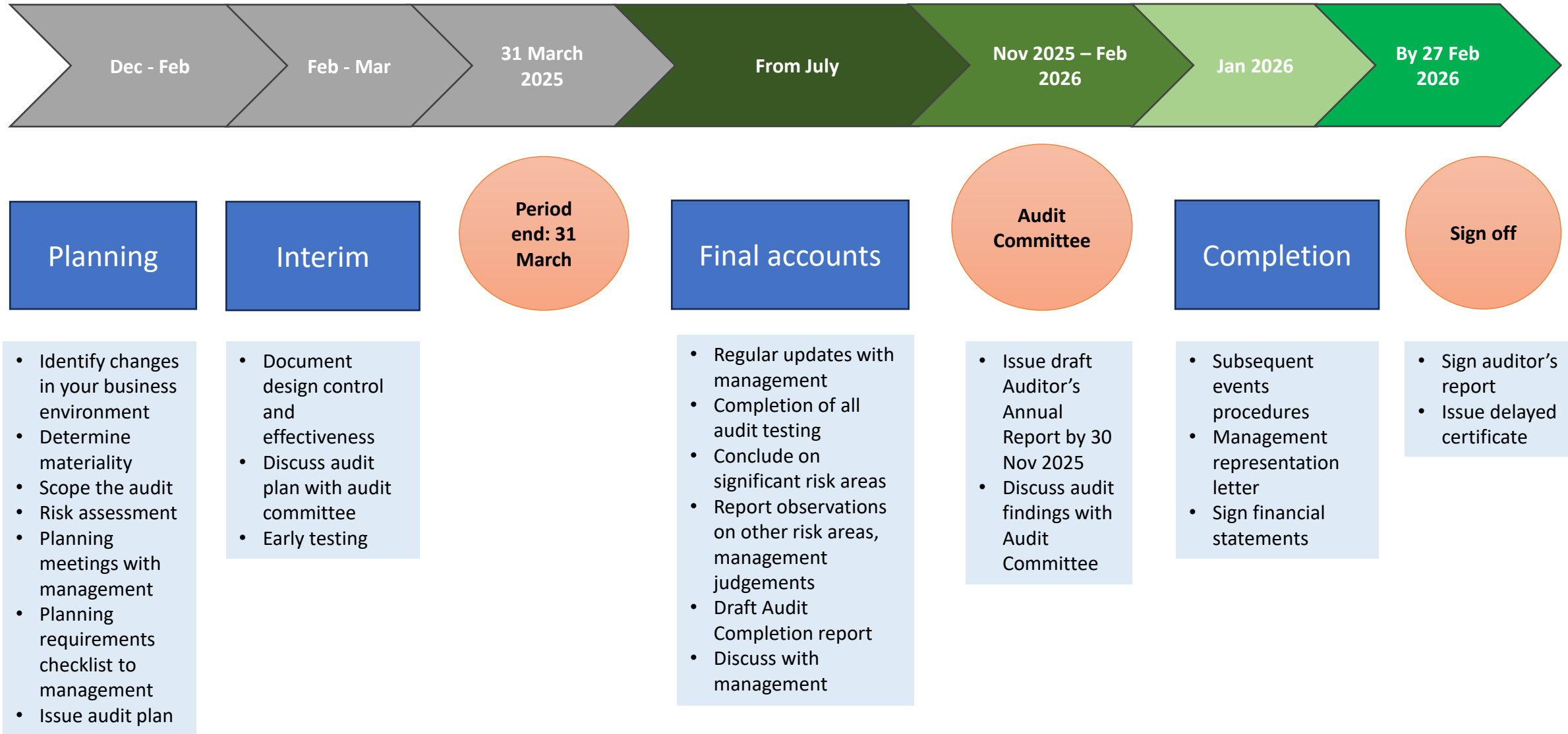
	Build back of specified closing balances				Recovery of closing balances	Recovery of reserves	
Item of account	Phase 1				Phase 2 (year and timing to be agreed with management)	Phase 3 (year and timing to be agreed with management)	Included in scale fee?
	2024/25	2025/26	2026/27	2027/28			
Income in-year <i>(fees and charges, taxation, grants, other income)</i>	Yes	Yes	Yes	Yes			Yes
Expenditure in-year <i>(payroll, operating expenditure, other expenditure)</i>	Yes	Yes	Yes	Yes			Yes
Other land and buildings valuation, council dwellings valuation	Yes	Yes	Yes	Yes			Yes
Closing balances not inherently tied to the opening balance <i>(includes Investment properties, investments, debtors, creditors, cash and cash equivalents, borrowing, Lease assets and lease liability)</i>	Yes	Yes	Yes	Yes			Yes
Pension liabilities <i>(following triennial valuation in 2025/26)</i>	No	Yes	Yes	Yes			Yes
Reserves and reserves movements in-year <i>(general fund, earmarked reserves, unusable reserves, CFR, MRP, in-year income and expenditure)</i>	Yes	Yes	Yes	Yes			Yes
Cash flow statement in-year	Yes	Yes	Yes	Yes			Yes
Collection fund in-year	Yes	Yes	Yes	Yes			Yes
Cash flow statement and related notes full assurance	Yes	Yes	Yes	Yes			Yes
PPE closing balances <i>(recovery of additions, disposals, depreciation and other capital movements)</i>	No	No	No	No	Yes	No	No
Closing balances inherently tied to the opening balances where prior year recovery is required <i>(Long term debtors, long term creditors, long term lease liabilities, provisions)</i>	No	No	No	No	Yes	No	No
Collection fund surplus	No	No	No	No	Yes	No	No
Reserves and reserves movements full assurance <i>(general fund, earmarked reserves, unusable reserves, CFR, MRP, disclaimed year income and expenditure)</i>	No	No	No	No	No	Yes	No

Anticipated audit reports by year

Year	Assurance gained								Anticipated audit report
	Closing balances	Comparator closing balances	Comparator opening balances	Pensions IAS19 closing balance	Pensions IAS19 comparator closing balance	Pensions IAS19 comparator opening balance	Closing balances inherently tied to the opening balance	Reserves	
2024/25	Y	N	N	N	N	N	N	N	Disclaimer
2025/26	Y	Y	N	Y	N	N	N	N	Disclaimer
2026/27	Y	Y	Y	Y	Y	N	N	N	Disclaimer
2027/28 (phase 1 only)	Y	Y	Y	Y	Y	Y	N	N	Disclaimer
2027/28 * (phase 1 and 2 only)	Y	Y	Y	Y	Y	Y	Y	N	Disclaimer/ qualified
2027/28 * (phase 1, 2 and 3)	Y	Y	Y	Y	Y	Y	Y	Y	Clean

* Phase 2 (recovery of assurance back to the last clean opinion) and Phase 3 (recovery of general fund and reserves assurance) can be undertaken earlier than 2027/28 should there be sufficient capacity within the audit team and finance team, and subject to agreement of cost for this additional work.

Financial statements audit timeline



Materiality

An omission or misstatement is regarded as material if it would reasonably influence the users of the financial statements. The assessment of what is material is a matter of professional judgement and is affected by our assessment of the risk profile of the Council and the needs of the users. When planning, we make judgements about the size of misstatements which we consider to be material, and which provide a basis for determining the nature and extent of our audit procedures. Materiality is revised as our audit progresses, reflecting any relevant new information.

Whilst our audit procedures are designed to identify misstatements which are material to our audit opinion, we also report any uncorrected misstatements of lower value errors that we identify, other than those which are 'clearly trivial'.

Our assessment, at the planning stage, of materiality and the trivial reporting threshold is as follows:

	Council £000	Explanation
Overall materiality for the financial statements	1,160	Our initial assessment is based on approximately 2% of gross revenue expenditure as disclosed in the 2023/24 annual report and accounts. We consider this to be the principal consideration for the users of the financial statements when assessing financial performance of the Council. The financial statements are considered to be materially misstated where total errors exceed this value.
Performance materiality	698	60% of materiality. Performance materiality is the working level of materiality used throughout the audit. We use performance materiality to determine the nature, timing and extent of audit procedures carried out. We perform audit procedures on all transactions, or groups of transactions, and balances that exceed our performance materiality. This means that we perform a greater level of testing on the areas deemed to be at significant risk of material misstatement. Performance materiality is set at a value less than overall materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of the uncorrected and undetected misstatements exceed overall materiality.
Trivial threshold	58	5% of overall materiality for the Council. Trivial misstatements are matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria. Individual errors above this threshold are communicated to those charged with governance.

Significant risks of material misstatement

Significant risks are risks that require special audit consideration and include identified risks of material misstatement that:

- Our risk assessment procedures have identified as being close to the upper range of the spectrum of inherent risk due to their nature and a combination of the likelihood and potential magnitude of misstatement; or
- Are required by auditing standards to be treated as significant risks, for example in relation to management override of internal controls.

Significant risks at the financial statement level

The risks below are considered to have a pervasive impact on the financial statements as a whole and potentially affect many assertions for classes of transaction, account balances and disclosures.

Identified risk	Planned audit procedures
Management override of controls Auditing standards require auditors to treat management override of controls as a significant risk on all audits. This is because management is in a unique position to perpetrate fraud by manipulating accounting records and overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk is nevertheless present in all entities. Specific areas of potential risk including manual journals, management estimates and judgements and one-off transactions outside the ordinary course of the business. Risk of material misstatement: Very High	Procedures performed to mitigate risks of material misstatement in this area will include: • Documenting our understanding of the journals posting process and evaluating the design effectiveness of management controls over journals; • Analysing the journals listing and determining the criteria for selecting high risk and/or unusual journals; • Testing high risk and/or unusual journals posted during the year and after the draft accounts stage back to supporting documentation for appropriateness, corroboration and to ensure approval has been undertaken in line with the Council's journals policy; • Gaining an understanding of the key accounting estimates and critical judgements made by management. We will also challenge assumptions and consider for reasonableness and indicators of bias which could result in material misstatement due to fraud; and • Evaluating the rationale for any changes in accounting policies, estimate or significant unusual transactions.

Significant risks of material misstatement

Identified risk	Planned audit procedures
Prior year opinion on the financial statements Following the statutory backstops in December 2024 and February 2025, disclaimed audit opinions have been issued on the Council’s accounts for 2021/22, 2022/23 and 2023/24. As a result of prior year disclaimed audit opinions: • There is limited assurance available over the Council’s opening balances, including those balances which involve higher levels of management judgement and more complex estimation techniques (e.g defined benefit pension valuations, land and building, council dwelling and investment property valuations, amongst others); and • Significant transactions, accounting treatment and management judgements may not have been subject to audits for one or more years – or at all. This may include management judgements and accounting treatment in respect of significant or complex schemes or transactions which came into effect during the qualified or disclaimed period/s. The absence of prior year assurance raises a significant risk of material misstatement at the financial statement level that may require additional audit procedures. Inherent risk of material misstatement: • Prior year opinion on the financial statements (financial statement level): High	Procedures performed to mitigate risks of material misstatement in this area will include: • Considering the findings and outcomes of prior year audits and their impact on the 2024/25 audit; • Considering the impact on our audit of qualified or disclaimed audit opinions, particularly regarding opening balances and ‘unaudited’ transactions and management judgements made in the previous years which continue into 2024/25; and • Considering the impact of any changes in Code requirements for financial reporting in previous and current audit years. • Carrying out a risk assessment of the period from the start of 2021/22 to date; • Commencing build back work for PPE additions, disposals, reclassifications and depreciation for 2021/22, 2022/23 and 2023/24.

Significant risks of material misstatement

Identified risk	Planned audit procedures
Valuation of council dwellings, other land and buildings and investment property (key accounting estimate) Revaluation of council dwellings, other land and buildings and investment property should be performed with sufficient regularity so that carrying amounts are not materially misstated. The council carries out a full revaluation each year and council dwellings are valued using the beacon method, which aggregates the vacant possession value of each unit of housing stock based on the value of a beacon or sample property. A discount factor is applied to reflect the lower rent yield from social housing compared to market rates. Management engage the services of a qualified valuer, who is a Regulated Member of the Royal Institute of Chartered Surveyors (RICS) to undertake these valuations as of 31 March 2025. The valuations involve a wide range of assumptions and source data and are therefore sensitive to changes in market conditions. ISAs (UK) 500 and 540 require us to undertake audit procedures on the use of external expert valuers and the methods, assumptions and source data underlying the fair value estimates. The valuation represents a key accounting estimate made by management within the financial statements due to the size of the values involved, the subjectivity of the measurement(s) and the sensitive nature of the estimate to changes in key assumptions. We have therefore identified the valuation of council dwellings, other land and buildings and investment property as a significant risk. We will further pinpoint this risk to specific assets, or asset types, on receipt of the draft financial statements and the year-end updated asset valuations to those assets where the in-year valuation movements falls outside of our expectations. Inherent risk of material misstatement: • Council dwellings, other land and buildings and investment property (valuation): High	Procedures performed to mitigate risks of material misstatement in this area will include: • Evaluating management processes and assumptions for the calculation of the estimate, the instructions issued to the valuation experts and the scope of their work; • Evaluating the competence, capabilities and objectivity of management’s valuation expert; • Considering the basis on which the valuations are carried out and challenging the key assumptions applied; • Evaluating the reasonableness of the valuation movements for assets revalued during the year, with reference to market data. We will consider whether we require an auditor’s expert; • For unusual or unexpected valuation movements, testing the information used by the valuer to ensure it is complete and consistent with our understanding; • Ensuring revaluations made during the year have been input correctly to the fixed asset register and the accounting treatment within the financial statements is correct; and • Evaluating the assumptions made by management for any assets not revalued during the year and how management are satisfied that these are not materially different to the current value.

Significant risks of material misstatement

Identified risk	Planned audit procedures
Valuation of the defined pension fund net liability/asset (key accounting estimate) An actuarial estimate of the net defined pension liability/asset is calculated on an annual basis under IAS 19 ‘Employee Benefits’, and on a triennial funding basis, by an independent firm of actuaries with specialist knowledge and experience. The triennial estimates are based on the most up to date membership data held by the pension fund and a roll forward approach is used in intervening years, as permitted by the CIPFA Code. The calculations involve a number of key assumptions, such as discount rates and inflation and local factors such as mortality rates and expected pay rises. The estimates are highly sensitive to changes in these assumptions and the calculation of any asset ceiling when determining the value of a pension asset (where relevant). ISAs (UK) 500 and 540 require us to undertake audit procedures on the use of external experts (the actuary) and the methods, assumptions and source data underlying the estimates. This represents a key accounting estimate made by management within the financial statements due to the size of the values involved, the subjectivity of the measurement and the sensitive nature of the estimate to changes in key assumptions. We have therefore identified the valuation of the net pension liability/asset as a significant risk. Inherent risk of material misstatement: Defined pension fund net liability/asset (valuation): High	In 2024/25, we will not carry out any work on this significant risk area due to the lack of prior year assurance available relating to the current triennial valuation. We will re-commence work on the pension fund in 2025/26 by which time the next triennial valuation will have been performed. From 2025/26, procedures performed to mitigate risks of material misstatement in this area will include: • Evaluating management's processes for the calculation of the estimate, the instructions issued to management's expert (the actuary) and the scope of their work; • Evaluating the competence, capabilities and objectivity of the actuary; • Assessing the controls in place to ensure that the data provided to the actuary by the Council and their pension fund was accurate and complete; • Evaluating the methods, assumptions and source data used by the actuary in their valuations, with the support of an auditor's expert; • Evaluating whether any asset ceiling was appropriately considered (if applicable) when determining the value of any pension asset included in the financial statements; • Assessing the impact of any significant differences between the estimated gross asset valuations included in the financial statements and the Council's share of the investment valuations in the audited pension fund accounts' and • Ensuring pension valuation movements for the year and related disclosures have been correctly reflected in the financial statements.

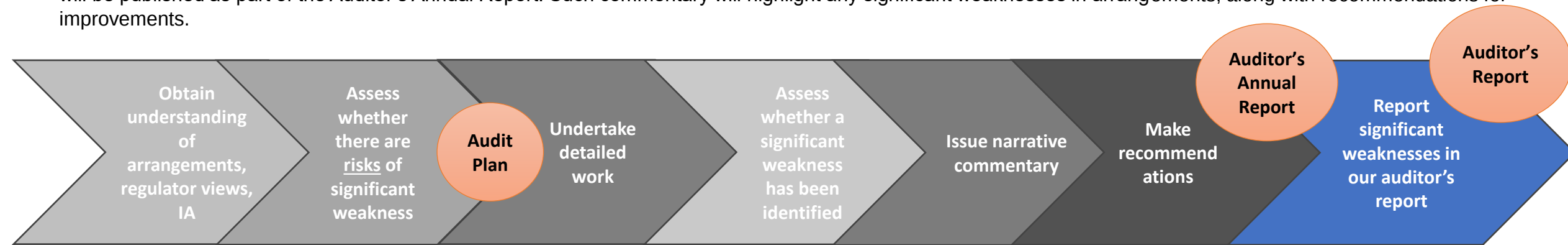
Significant risks of material misstatement

Identified risk	Planned audit procedures
Implementation of IFRS 16 (key accounting estimate) IFRS 16 was adopted and implemented by local government bodies under the CIPFA Code from 1 April 2024. Under IFRS 16 a lessee is required to recognise a right of use asset and associated lease liability in its balance sheet. This will result in significant changes to the accounting for leased assets and the associated disclosures within the financial statements for the year ended 31 March 2025. The implementation of this new accounting standard also represents a key accounting estimate made by management within the financial statements due to the size of the values involved, the subjectivity of the measurement upon recognition of the right of use asset and associated lease liability. We have therefore identified the implementation of IFRS 16 as a significant risk. Inherent risk of material misstatement: Implementation of IFRS 16 (ROU asset/liability valuation; completeness): High	Procedures performed to mitigate risks of material misstatement in this area will include: • Perform a walkthrough of the council's systems and processes to capture the data required to account for right of use lease assets and associated liability in accordance with IFRS 16; • Review the council's accounting policies for the year ended 31 March 2025 to reflect the requirements of the new accounting standard; • Assess the existence, valuation, accuracy and completeness of the right of use assets and associates lease liabilities, and the related disclosures within the financial statements; • Evaluate whether right of use assets and lease liabilities have been appropriately remeasured in line with the requirements of IFRS 16 as set out in the CIPFA Code.

Value for money

Under the Code of Audit Practice, we must satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources (referred to here as “Value for Money”, or “VFM”).

NAO Auditor Guidance Note 03 ‘Auditors’ Work on Value for Money Arrangements’ (AGN 03) requires us to provide an annual commentary on arrangements, which will be published as part of the Auditor’s Annual Report. Such commentary will highlight any significant weaknesses in arrangements, along with recommendations for improvements.



When reporting on such arrangements, the Code of Practice requires us to structure our commentary 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 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

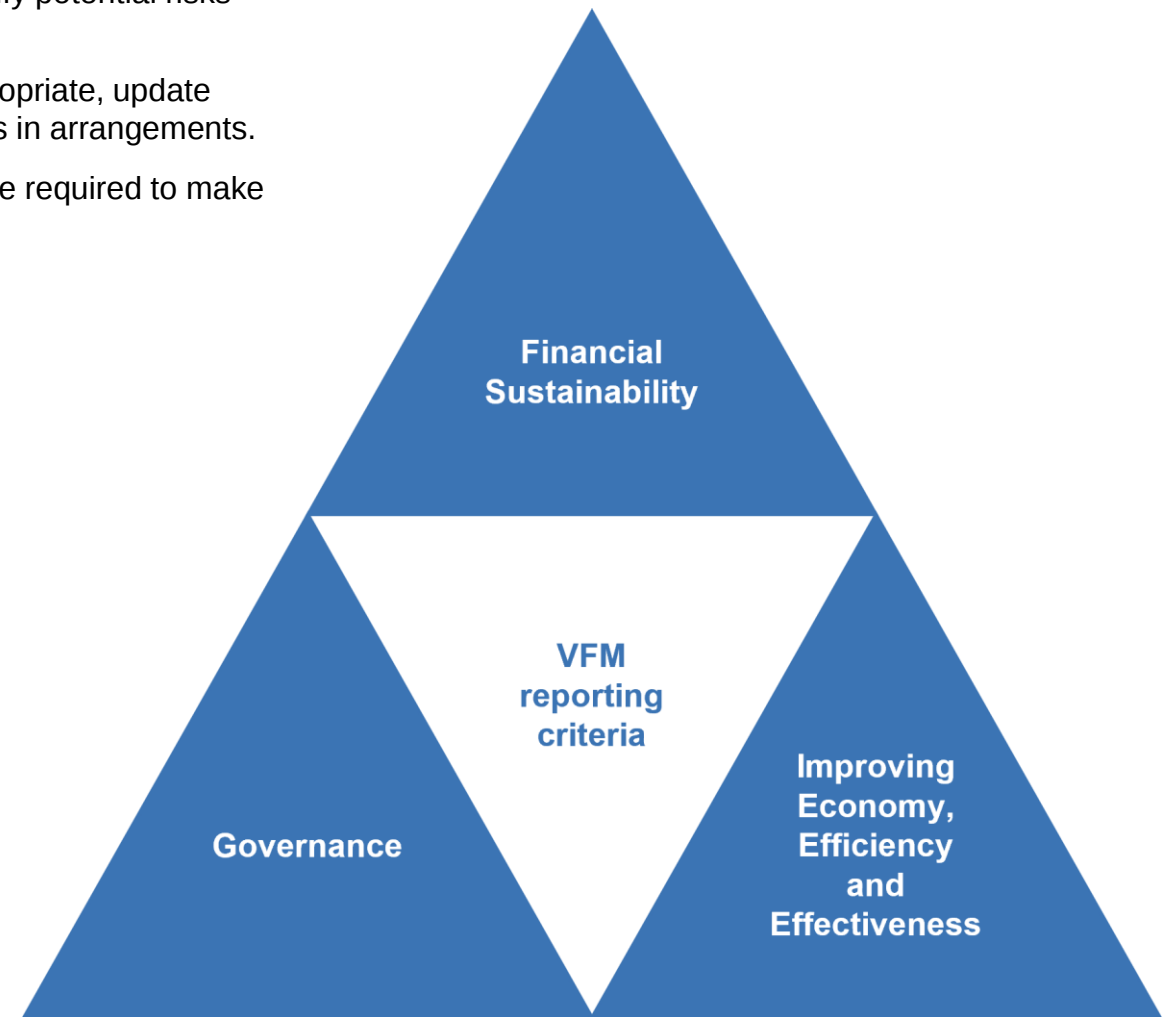
Value for Money

As part of the audit planning process, we are required to perform procedures to identify potential risks of significant weaknesses in the Council's arrangements to secure VFM.

We are required to re-evaluate this risk assessment during the audit and, where appropriate, update our work to reflect emerging risks or findings that may suggest a significant weakness in arrangements.

Where we identify significant weaknesses in arrangements as part of our work, we are required to make recommendations setting out:

- Our judgement on the nature of the weakness identified;
- The evidence on which our view is based;
- The impact on the Council; and
- The action the Council needs to take to address the weakness.



Value for Money

Risks of significant weakness in VFM arrangements

We have carried out an initial risk assessment to identify any risks of significant weakness in respect of the three specific VFM areas, using the guidance contained in AGN 03. A significant weakness is a risk requiring audit consideration and procedures to address the likelihood that proper arrangements are not in place at the body to deliver value for money.

We will re-evaluate this risk assessment during the audit and, where appropriate, update our work to reflect emerging risks or findings.

Criteria	Potential risk of significant weakness	Our risk based procedures and evaluation approach includes (but is not limited to)
Financial sustainability	None identified at planning.	Although we have not identified any risks of significant weakness, we have highlighted this as an area of focus for detailed follow-up in fieldwork stage. This includes reviewing how management identify savings plans and how any financial resilience risks are identified and managed due to the level or uncertainty in the financial environment.
Governance	Follow-up on significant weakness identified in 2023/24, in relation to ongoing delays in preparing and publishing the Council's financial statements / annual reports and supporting documents.	• Follow up on management plan to address the issue, • Review management close-down timetable for the preparation and publication of the accounts; and • Review communication of the plan and report on progress communicated with Executive Board.
Improving economy, efficiency and effectiveness	None identified at planning.	None identified at planning.

Weaknesses or risks identified by auditors are only those which have come to their attention during their normal audit work in accordance with the Code of Audit Practice and may not be all that exist.

Audit team and logistics

Your audit team

Role	Name	Contact details
Key Audit Partner	Chris Brown	Chris.Brown@azets.co.uk
Engagement Manager	Azola Dudula	Azola.Dudula@azets.co.uk
In-charge auditor	Tshego Dinalane	Tshego.Dinalane@azets.co.uk

Timetable

Event	Date
Planning and risk assessment	April 2025
Reporting of plan to Executive Board	10 June 2025
Interim audit	April 2025
Publication of draft accounts	30 June 2025
Year end audit	Sep – Nov 2025
Draft Auditor’s Annual Report	30 Nov 2025
Audit Completion Report	Feb 2026
Target date of approval of accounts	10 February 2026
Accounts publication deadline (as specified in the Accounts and Audit (Amendment) Regulations 2024)	27 February 2026

Our expectations and requirements

For us to be able to deliver the audit in line with the agreed fee and timetable, we require the following:

- Draft financial statements to be produced to a good quality by the deadlines you have agreed with us. These should be complete including all notes, the Narrative Statement and the Annual Governance Statement;
- The provision of good quality working papers at the same time as the draft financial statements. These will be discussed with you in advance to ensure clarity over our expectations;
- The provision of agreed data reports at the start of the audit, fully reconciled to the values in the accounts, to facilitate our selection of samples for testing;
- Ensuring staff are available and on site (as agreed) during the period of the audit;
- Prompt and sufficient responses to audit queries within two working days (unless otherwise agreed) to minimise delays.

The audit process is underpinned by effective project management to ensure that we co-ordinate and apply our resources efficiently to meet your deadlines. It is therefore essential that the audit team and the Council’s finance team work closely together to achieve this timetable.

Independence, objectivity and other services provided

Auditor independence

We confirm that we comply with the Financial Reporting Council's (FRC) Ethical Standard and are able to issue an objective opinion on the financial statements. We have also complied with the NAOs Auditor Guidance Note 01, issued in September 2022, which contains supplementary guidance on ethical requirements for auditors of local public bodies. We have considered our integrity, independence and objectivity in respect of audit services provided and we do not believe that there are any significant threats or matters which should be brought to your attention.

Other services

No other services were provided by Azets to the Council.

Fees

PSAA set a fee scale for each audit that assumes the audited body has sound governance arrangements in place, has been operating effectively throughout the year, prepares comprehensive and accurate draft accounts and meets the agreed timetable for audit. This fee scale is reviewed by PSAA each year and adjusted, if necessary, based on auditors' experience, new requirements, or significant changes to the audited body. The fee may be varied above the fee scale to reflect the circumstances and local risks within the audited body.

Our estimated fee (excluding VAT) is as follows. This fee is based on our understanding at this point in time and assumes that our expectations set out in this plan are met.

Audit fee	2024/25 £
Scale fee: base fee for the audit of the Council financial statements (as set out in the fee scales issued by PSAA)	144,994
IFRS16: work needed to audit the new standard. PSAA have confirmed this work is not included in the above scale fee	TBC
Disclaimer work (note 1)	TBC
Build back work (note 2)	TBC
Finance System Migration – Total to Agresso	TBC
Total audit fee for North Warwickshire Borough Council	TBC

It is our policy to bill for overruns or scope extensions e.g., where we have incurred delays, deliverables have been late or of poor quality, where key personnel have not been available, or we have been asked to do extra work.

Our policy is to raise fees to account at appropriate stages of the audit such as during the audit planning, the interim visit, the final audit and once the financial statements have been signed.

Note 1: this includes the additional annual work required to consider the disclaimed audits from prior years, development of revised approach for the Council in response to the missing assurance, the production, agreement and reporting of additional interim progress reports to management and the Audit Committee, the development and reporting of a revised 'Audit Completion Report' for reporting the additional considerations arising from the disclaimers, the drafting of a disclaimed audit report and the various risk, compliance and technical consultations arising as a result of this unique and unprecedented situation.

Note 2: this includes all work for phases 2 and 3 which require building back assurance to the last clean opinion

Appendix I: Building back assurance

Statutory backstop dates and disclaimed audits

Statutory Instrument (2024) No. 907 - “*The Accounts and Audit (Amendment) Regulations 2024*”, imposed annual statutory backstop dates up to and including 2027/28 for the publication by the Council of its final Statement of Accounts. The Code of Audit Practice specifies that auditors are required to issue their auditor’s report before these dates, even if planned audit procedures are not fully complete, so that local government bodies can comply with the statutory reporting deadline.

Statutory backstop dates

- 13 December 2024 Audits from 2015/16 to 2022/23
- 28 February 2025 2023/24 audit
- 27 February 2026 2024/25 audit
- 31 January 2027 2025/26 audit
- 30 November 2027 2026/27 audit
- 30 November 2028 2027/28 audit

The statutory backstops have resulted in the audits of the Council’s accounts being disclaimed for 2021/22, 2022/23 and 2023/24. The last clean opinion, where the closing balances were assured by the auditor, was 2020/21. The closing balances as at 31 March 2021 are therefore our required starting point for building back assurance.

Building back assurance

Government’s expectation is that auditors and councils build back assurance to enable, as soon as possible, the return to unmodified (clean) opinions. The recovery period has been designed to allow auditors to rebuild assurance for balances from disclaimed years over multiple audit cycles, reducing the risk of the backlog recurring. Because auditors will need to make prioritisation decisions to issue audit opinions ahead of the backstop dates, they may not be able to obtain sufficient evidence to support all balances nor all in-year and comparative expenditure, income, cash flow and reserves movements.

As a firm we have invested considerable resources in developing our overall response to the disclaimed periods of assurance, the impact this has on our audit responsibilities and what an indicative build-back plan may involve. Due to the complexities involved, our work has required substantially more input from senior members of the audit team than would normally be the case. PSAA has made clear that this additional work is over and above the annual scale fee.

Our planning takes into account the guidance contained in the [Local Audit Reset and Recovery Implementation Guidance](#) (LARRIG), numbers 1 to 5. LARRIGs are prepared and published by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (C&AG). LARRIGs are prepared and published with the endorsement of the Financial Reporting Council (FRC) and are intended to support the reset and recovery of local audit in England. The guidance in LARRIGs supports auditors in meeting their requirements under the Act and the [Code of Audit Practice](#) published by the NAO on behalf of the C&AG.

Building back assurance

Our planning also takes into account the guidance contained in the FRC's document [Local Audit Backlog Rebuilding Assurance](#). Alongside the backlog measures, the Government has announced its intention to 'overhaul the local audit system.'

The FRC's guidance states: *"Recovery from the backlog is a shared endeavour between auditors and local bodies. Accounts preparers have a vital part to play, providing good quality draft financial statements supported by comprehensive working papers and supporting evidence to auditors. The success of these proposals relies on both auditors and accounts preparers working closely together to agree jointly-owned delivery plans for each year's audit. Chartered Institute of Public Finance and Accountancy (CIPFA) are responsible for the production of guidance to support accounts preparers. Audit Committees should ensure that they are planning and able to play their full part in the process."*

Elements of building back assurance are subject to detailed discussion within a cross-firm working group, also attended by the FRC, known as 'the Sandbox'. We will ensure our build-back approach is fully compliant with auditing standards and, where it relies on the eventual outcome of Sandbox discussions, we will only utilise this approach where it has been endorsed by MHCLG.

As part of our work in 2023/24, we began assessing what work, carried out in 2023/24, can be used to inform the process of rebuilding assurance in future years. Where work was able to be undertaken in 2023/24, we intend to accrete this work into this and future audit periods to inform the future building back of assurance.

We will follow this same approach in 2024/25 and in future years. The build-back approach will require us to apply a process of rebuilding assurance over all financial years for which disclaimers of opinion have been issued.

We have developed an indicative end-to-end build-back recovery plan for disclaimed audits, which is summarised on the next page.

Indicative assurance over build-back period

	Build back of specified closing balances through in-year audit				Recovery of closing balances	Recovery of reserves and CIES
	Phase 1				Phase 2 (year and timing to be agreed with management)	Phase 3 (year and timing to be agreed with management)
	2024/25	2025/26	2026/27	2027/28		
Assurance gained over specific balance sheet closing balances which are not inherently tied to the opening balance, EXCEPT FOR pensions IAS19 balance (Phase 1a)	Yes	Yes	Yes	Yes	N/A	N/A
Assurance gained over specific balance sheet closing balances which are not inherently tied to the opening balance, INCLUDING pensions IAS19 balance (Phase 1b)	No	Yes	Yes	Yes	N/A	N/A
Assurance gained over comparator closing balance for specific balance sheet items not inherently tied to the opening balance (Phase 1c)	No	No	Yes	Yes	N/A	N/A
Assurance gained over comparator opening balance for specific balance sheet items not inherently tied to the opening balance (Phase 1d)	No	No	No	Yes	N/A	N/A
Assurance gained over balance sheet balances which are inherently tied to the opening balance – current year closing, prior year closing, prior year opening (Phase 2)	N/A	N/A	N/A	N/A	Yes	N/A
Assurance gained over general fund, earmarked reserves, unusable reserves, collection fund surplus (Phase 3)	N/A	N/A	N/A	N/A	N/A	Yes
Full assurance gained for each phase?	No	No	No	Yes	Yes	Yes
Is missing assurance pervasive?	YES	YES	YES	YES (phase 1 obtained only)	YES (phase 1 and 2 obtained only)	NO (provided also have full phase 1 and 2)
Anticipated opinion	Disclaimer	Disclaimer	Disclaimer	Disclaimer	Disclaimer/ qualified	Clean
Additional fee – disclaimer	Yes	Yes	Yes	Yes	Yes	No
Additional fee – build back	No	No	No	No	Yes	Yes



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Agenda Item No 7

Executive Board

24 November 2025

**Report of the Interim Corporate Director
of Resources (Section 151 Officer)**

**Annual Audit Report 2023/24 and
2024/25**

1 Summary

- 1.1 This report presents the Annual Audit Report 2023/24 and 2024/25 from Azets the Councils External Auditors.

Recommendations that Board

- a Review and comment on the Annual Audit Report 2023/24 and 2024/25.**
- b Give delegated authority to the Corporate Director of Resources in consultation with the Leader of the Council and Chair of Resources Board to approve final changes to the report ahead of the end of November deadline.**

2 Background

- 2.1 The position for the Council with regards to its Statement of Accounts was last reported to Board in September 2025. A more comprehensive update is provided elsewhere, on this Agenda.
- 2.2 Annual Audit Reports are a summary of findings and key issues from the relevant audit year and should be published alongside them.

3 Report

- 3.1 The Draft Annual Audit Report (AAR) 2023/24 and 2024/25 is attached at **Appendix 1** and will be presented by Azets at the meeting.
- 3.2 Azets have informed us that the reporting timescales for the AAR's have now changed and that the National Audit Office require them to be completed by the end of November.
- 3.3 The report spans the two years and essentially acts as a formal update to the status of the 2024/25 closedown process and audit.

- 3.4 The Board are encouraged to input into the final document, which will need to be agreed by the end of November. It is therefore recommended that the Corporate Director of Resources be given delegate authority in consultation with the Leader of the Council and Chair of Resources Board to agree final changes with Azets to meet that deadline.

4 **Report Implications**

Finance and Value for Money Implications

- 4.1 There are no direct financial implications arising from this report.

Legal, Data Protection and Human Rights Implications

- 4.2 There are no direct legal implications arising from this report.

The Contact Officer for this report is Paul Sutton (719374).

Background Paper No	Author	Nature of Background Paper	Date
N/A			

A decorative pattern of grey triangles of various sizes and orientations, with a few triangles in blue and green, set against a dark blue background.

North Warwickshire Borough Council

Auditor's Annual Report
Years ended 31 March 2024 and 31 March 2025

November 2025

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Headlines from our audit



Headlines from our audit

Purpose of this report

This Auditor’s Annual Report provides a summary of the findings and key issues arising from our audit of the Council for 2024/25. The report has been prepared in line with the Code of Audit Practice and supporting guidance published by the National Audit Office and is required to be published on the Council’s website.

Our responsibilities

Financial statements	Narrative report and Annual Governance Statement	Value for money
We provide an opinion as to whether the accounts give a true and fair view of the financial position of the Authority and of its income and expenditure during the year. We confirm whether the accounts have been prepared in line with the CIPFA/LASSAC Code of Practice on Local Authority Accounting ('the Code'). Due to the predecessor auditor issuing disclaimed opinions for 2021/22 and 2022/23, and Azets subsequently issuing a disclaimed opinion for 2023/24 due to having insufficient time to recover the missing assurances before the backstop date of 28 February 2025, it will not be possible to regain full assurance over the 2024/25 financial statements before the next backstop date of 27 February 2026. Furthermore, the 2024/25 draft accounts have not yet been published and are expected to be issued later in December 2025. Consequently, the continuing limitations arising from the lack of assurance on opening and closing balances in key areas will prevent us from forming an opinion on the 2024/25 financial statements. We therefore intend to issue a disclaimed audit opinion. As explained in our external audit plan, we have developed an approach to recover the missing assurances and removed disclaimed opinions by 31 March 2028 in advance of local government reorganisation. Our audit completion report will contain more detail on the financial statements audit.	We assess whether the Narrative report and Annual Governance Statement is consistent with the financial statements and our knowledge of the Authority. As we will be unable to conclude on the 2024/25 financial statements, we also cannot conclude on whether the other information published with the financial statements is consistent with those statements.	We are required under Section 20(1)c of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness (value for money) in its use of resources and provide a summary of our findings in the commentary in this report. We are required to report if we have identified any significant weaknesses as a result of this work. We have identified a significant weaknesses in value for money arrangements due to the breach of statutory regulations and the impact on transparency and governance of the late preparation of the financial statements for 2023/24 and 2024/25. Further detail is provided in this report.



Headlines from our audit

Statutory powers

We may exercise other powers we have under the Local Audit and Accountability Act 2014. These powers include issuing a Public Interest Report, issuing statutory recommendations, issuing an Advisory Notice, applying for a judicial review, or applying to the courts to have an item of expenditure declared unlawful.

Public interest report	Statutory recommendations	Advisory notice	Judicial review	Application to the court
We may issue a Public Interest Report if we believe there are matters that should be brought to the attention of the public. If we issue a Public Interest Report, the Authority is required to consider it and to bring it to the attention of the public. <u>2023/24 and 2024/25</u> We have not issued a Public Interest Report in either year.	We may make written recommendations to the Council under Schedule 7 of the Local Audit and Accountability Act. If we do this, the Authority must consider the matter at a general meeting and notify us of the action it intends to take (if any). We also send a copy of this recommendation to the relevant Secretary of State. <u>2023/24 and 2024/25</u> We have not made any statutory recommendations during the periods.	We may issue an advisory notice if we believe that the Council, or an officer of the Council, has, or is about to, incur an unlawful item of expenditure or has, or is about to, take a course of action which may result in a significant loss or deficiency. If we issue an advisory notice, the Authority is required to stop the course of action for 21 days, consider the notice and then notify us of the action it intends to take and why. <u>2023/24 and 2024/25</u> We have not issued an advisory notice during the periods.	We may make an application for judicial review of a decision of the Council, or of a failure to act by the Council, which it is reasonable to believe would have an effect on the accounts of that body. <u>2023/24 and 2024/25</u> We did not make an application for judicial review during the periods.	We may apply to the courts for a declaration that an item of expenditure the Authority has incurred is unlawful. <u>2023/24 and 2024/25</u> We have not applied to the courts during the periods.



Headlines from our audit

Findings and recommendations

Findings from our financial statements audit	Recommendations arising from our financial statements audit	Key recommendations arising from our value for money work	Other recommendations arising from our value for money work
Detailed findings from our audit of the financial statements, including our consideration of significant risks, are communicated in the following reports: • audit opinion on the financial statements for the year ended 31 March 2024 and 31 March 2025 • audit completion (ISA 260) report for 2023/24 and 2024/25 to Those Charged with Governance <u>2023/24</u> Our reports were presented to the Executive Board on 10 February 2025. <u>2024/25</u> Our reports are planned to be presented to the Executive Board on 11 February 2026. Requests for our audit completion report should be directed to the Council.	Recommendations relating to internal controls and other matters arising from our financial statements work are contained in the audit completion (ISA 260) report. Subject to the Council providing draft statement of accounts for audit in sufficient time for the backstop date to be achieved, our findings and recommendations will be included in our audit completion report to the Executive Board on 11 February 2026.	We provide a summary of our findings in respect of value for money in the commentary in this report. Where we identify significant weaknesses as part of our review of the Council’s arrangements to secure value for money, we make key, or essential, recommendations setting out the actions that should be taken by the Council. We have made one key recommendation which applies to both 2023/24 and 2024/25.	We make other recommendations if we identify areas for improvement which do not relate to identified significant weaknesses We have made other recommendations later in this report.



Value for money



Value for money

We consider whether the Council has established proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

We have completed our value for money work in line with the NAO Code of Audit Practice and Auditor Guidance Note AGN03. Our findings are summarised below and reported in the commentary in this section of the report.

We have concluded there is a significant weaknesses in arrangements due to the breach of statutory regulations and the impact on transparency and governance of the late preparation of the financial statements for 2023/24 and 2024/25.

Reporting criteria	Planning – risk of significant weakness identified? 2023/24 and 2024/25	Final – significant weakness identified? 2023/24 and 2024/25	Recommendations made		
			Statutory	Key	Other
Financial sustainability How the body plans and manages its resources to ensure it can continue to deliver its services	No	No	No	No	Yes
Governance How the body ensures it makes informed decisions and properly manages risk	Yes	Yes	No	Yes	Yes
Improving economy, efficiency and effectiveness How the body uses information about its costs and performance to improve the way it manages and delivers its services	No	No	No	No	Yes



Value for money: significant weaknesses and key recommendations 2023/24 and 2024/25

The significant weakness(es) we have identified and the key recommendation(s) made are set out below. Our detailed commentary is set out in this Auditor’s Annual Report.

Significant weakness identified	Criteria	Sub criteria	Key recommendation
Area How the body ensures it makes informed decisions and properly manages risk	Governance	Finance team capacity to meet statutory deadline for the publication of draft financial statements and accommodate external audit.	2023/24 and 2024/25 The statutory deadline for publishing draft statement of accounts was 31 May 2024 for 2023/24 and 30 June 2025 for 2024/25. The Council published the draft 2023/24 accounts on 23 December 2024 and has not yet published the 2024/25 accounts as at mid November 2025. Failure to prepare timely annual financial statements impairs transparency, stewardship and governance. The Council should address the reasons for these delays and ensure there is a suitably resourced finance team who can ensure that all statutory requirements regarding financial reporting are met. Further to the above, management should create and implement a detailed timetable for the preparation and publication of the accounts and report progress to the Executive Board for monitoring and review.



Value for money

Councils are responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in their use of resources. This includes managing key operational and financial risks and taking properly informed decisions so that they can deliver their objectives and safeguard public money.

As auditors, we are required to consider whether the Council has established proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

We performed risk assessment procedures at the audit planning stage to identify any potential areas of significant weakness which could result in value for money not being achieved. This included considering the findings from other regulators and internal auditors, reviewing records at the Council and performing procedures to gain an understanding of the high-level arrangements in place. The resulting risk areas we identified were set out in our audit plan.

For each identified risk area, we performed further procedures during our audit to consider whether there were significant weaknesses in the processes in place at the Council to achieve value for money.

The NAO Code of Audit Practice requires us to structure our commentary on VFM arrangements under three reporting criteria: financial sustainability, governance and improving economy, efficiency and effectiveness.

We have set out on the following pages our commentary and findings on the arrangements at the Council in each area.

In addition to our financial statements work we performed a range of procedures to inform our value for money commentary, including:

- Meeting with management and regular meetings with senior officers
- Interviewing, as appropriate, the Leader of the Council, Chief Executive Officer and other officers and management
- Reviewing Council and committee reports and attending audit committee meetings
- Reviewing reports from third parties
- Considering the findings from our audit work on the financial statements
- Reviewing the Council's Annual Governance Statement and Narrative Report and other publications
- Considering the work of internal audit and the counter fraud function
- Considering other sources of external evidence such as peer reviews.



Value for money

Overview

North Warwickshire Borough Council (the Council) works with four other district and borough councils, local parish and town councils and Warwickshire County Council (which includes Warwickshire Fire and Rescue Service) in a three-tier local government system. The administrative area also includes the Warwickshire Police and Crime Commissioner and Warwickshire Constabulary. The Council serves a population of circa 62,300 people. The Council provides social housing from an in-house Housing Revenue Account and has entered into a number of large capital and investment schemes to promote regeneration and attract business to the area. Some of these investment schemes carry significant financial risk. The Council faces, over the medium term, growing financial challenge and increasing uncertainty over its longer-term income predictions, particularly in respect of New Homes Bonus, Business Rates Reset, Fair Funding Review and Local Government Reform.

Like all councils and the wider local government sector, North Warwickshire Borough Council continues to face significant challenges. The sector faces high levels of uncertainty over future levels of government funding and, for a number of years, has had to plan on the basis of single-year settlements. This makes it harder to produce comprehensive multi-year plans as part of medium-term financial planning. The government has signalled an intention to return to multi-year settlements in the future and announced a national overhaul of local government, reorganising multi-tier council areas into a series of unitary authorities with devolved powers at a regional level. The changes proposed would impact North Warwickshire Borough Council which, like all districts, would be absorbed into a larger unitary council from 1 April 2028 according to the current planned timescales. Work is currently ongoing to present options for reorganisation in response to government requirements.

High inflation over recent years has increased cost pressures on all councils' revenue and capital expenditure, further increasing economic uncertainty. High interest rates have provided the Council with fortuitously higher than expected interest income on cash balances, but the combination of higher inflation and higher interest rates impacts local communities, including the community the Council serves in North Warwickshire. This can lead to increases in demand for council services and impact on council income in areas such as car parking and collection rates for council tax, business rates and rents.

The Local Government Association continues to estimate that the costs to councils of delivering their services will exceed core funding in the future. Nationally, there has been an increase in the number of councils issuing s114 notices or indicating one may be likely.

North Warwickshire Borough Council has arrangements in place to mitigate the macro-risks posed by the national context including, at present, a reasonable level of general fund reserves. However, these could be significantly depleted over the next few years if macro-economic conditions are unfavourable and the uncertainty inherent in the Council's cost and income assumptions do not crystallise in the Council's favour.



Value for money

Local government reorganisation

On 5 February 2025 the Minister of State for Local Government and English Devolution asked all councils in two-tier areas to develop proposals for bringing together upper and lower tier local government services into new unitary councils. Final detailed proposals are to be submitted in November 2025, with the potential establishment of a shadow Council in May 2027 and the transition to the unitary authority in April 2028.

This means the next few years will be ones of significant change and uncertainty. Councils will need to consider the risk of the loss of key individuals and corporate memory in the lead-up to and transition into the new unitary authority. There may be an incentive for more short-term decision making in respect of the use of reserves, or reserves may end up being repurposed to cover an overspend incurred by a successor body. Whilst Authorities retain powers to make some spending decisions in advance of the reorganisation, it is important that proper governance arrangements remain in place, and that due consideration is given to any schemes which are likely to run beyond the date of transition to the new body.

Transition and reorganisation on this scale will require significant management time to ensure the benefits are identified and plans are in place to realise them post-transition. It may also require experience and skill-sets outside of the 'business as usual' skills and experience in place at the Council. It will be important for the Council to assess the skills it has in place, identify any gaps and take steps to mitigate those gaps to reduce risks arising during or post transition. Plans and arrangements for reorganisation will utilise increasing capacity of senior officers and this may divert attention from the realisation of savings plans or make the achievement of previously planned savings less likely. Such risks will need to be incorporated into updated medium term financial plans.

Members will need to be satisfied that, where earmarked reserves are being utilised, they are applied for their intended purpose and that reserve balances remain at an appropriate and prudent level, as well as be satisfied that balanced budgets continue to be set up to and including the Council's final period of account, in line with the statutory duties placed on key staff. Effective governance and stewardship will remain key, including delivery of internal audit and execution of the risk management process.

Value for money: financial sustainability

This relates to how the Council plans and manages its resources to ensure it can continue to deliver its services.

We considered the following areas:

- how the Council identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into the plans;
- how the Council plans to bridge its funding gaps and identifies achievable savings;
- how the Council plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities;
- how the Council ensures that its financial plan is consistent with workforce, capital, investment, and other operational plans, which may include working with other local public bodies as part of a wider system; and
- how the Council identifies and manages risks to financial resilience, such as unplanned changes in demand and assumptions underlying its plans.

General Fund

The Council's General Fund balance was £23,745k in 2023/24, and the report presented to the Executive Board in February 2025 showed an expected outturn drawdown position of £569k for 2024/25. The final results will be published within the statement of accounts which are expected to be tabled to the Executive Board in December 2025. The delay in publication has arisen due to issues experienced by the Council during the migration to a new financial system; however, the figures for the total General Fund reserve are not expected to differ materially between the two years. The 2023/24 General Fund balance comprises General Reserves of £6,902k to manage unexpected future events, a Capital Reserve of £4,726k to fund expenditure on assets with a lasting value, and Earmarked Reserves of £12,117k held to meet specific plans or commitments. The Council's Financial Strategy is based on maintaining a minimum level of General Fund balances of £1.2 million over the medium term, with all growth, savings, and service budget decisions made with this threshold in mind. The current General Fund balance remains significantly above the minimum risk level and is considered a reasonable and prudent level of reserves. Given the Council's net budget expenditure on services of £13,399k in 2024/25 (£11,977k in 2023/24), this level of reserves provides a sufficient buffer to mitigate the impact of unexpected short-term financial pressures.

While earmarked reserves can be reallocated should the Council decide to change their intended use, they are primarily designated for specific purposes in anticipation of identified future costs. The General Reserves of £6,902k reported in 2023/24, while currently healthy and above the Council's minimum risk threshold of £1,400k, represents the Council's core reserve available to address unanticipated cost pressures. The earmarked reserves also include contingent funding set aside to mitigate potential risks in specific service areas and business rates. These reserves provide additional financial resilience and risk management capacity beyond the General Reserve position.

Housing Revenue Account

The Council's ring-fenced reserves for the Housing Revenue Account (HRA) stood at £6,002k in 2023/24, representing an increase from the position reported in 2022/23. In line with the assumptions set out in the MTFs, no drawdowns from the HRA reserve are expected for 2024/25, with further contributions to the reserve anticipated over the period. Within the total HRA ring-fence, management has established earmarked reserves totalling £1,844k, reflecting a slight year-on-year increase but a more significant rise compared with earlier periods. This increase demonstrates management's continued focus on strengthening the HRA's financial resilience and setting aside resources to address emerging short-term financial pressures.



Value for money: financial sustainability

Medium term financial strategy

The Medium-Term Financial Strategy (MTFS), which covers a five-year period, is produced annually and detailed within the annual General Fund budget workings. The MTFS is developed in consultation with the Management Team, Leaders Group, and Senior Managers to ensure that any service-related issues such as new legislative requirements or significant reductions in income, are identified and appropriately reflected within the financial projections. The Housing Revenue Account (HRA) 30-Year Business Plan is also updated annually to assess the Council's long-term financial position, in consultation with the Director of Housing and the Management Team. These documents collectively set the financial parameters in terms of maintaining adequate levels of balances and identifying any necessary income growth or expenditure reductions required to deliver a sustainable budget over the medium and long term. The Capital Programme is prepared on a three-year basis to provide a medium-term view of capital investment requirements, supported by a ten-year capital plan that highlights potential longer-term financial pressures. According to the 2023/24 MTFS, the Council was projected to make contributions to reserves, as net expenditure was expected to remain below total income until 2025/26. Thereafter, drawdowns from reserves are anticipated, reflecting the forecast loss of New Homes Bonus funding, a reduction in National Non-Domestic Rates (NNDR) Baseline, and a significant decline in grant income after 2025/26. The HRA, as outlined in the 30-Year Business Plan presented to the Resources Board, indicated in January 2024 that contributions to reserves were expected rather than drawdowns. The updated forecast reported in January 2025 continues to show a surplus position within the MTFS, demonstrating the Council's continued financial resilience.

Budget projections for 2024/25 onwards have been updated to reflect major variances identified during 2024/25. It is currently assumed that pay awards for 2025/26 and subsequent years will average 3%, with continued upward pressure on pay rates to ensure compliance with the National Living Wage and to address union concerns following several years of public sector pay restraint. Any additional impacts arising from the MRF will be incorporated into the 2025/26 projections, and interest rate assumptions will be reviewed when estimating investment income. These elements will be revisited as part of the more detailed work for the 2025/26 budget process to ensure the Council's financial forecasts remain robust and up to date.

Transformation savings and plans

The MTFS identifies the level of savings and additional income required to deliver a balanced budget while maintaining an appropriate level of general reserves. The current minimum balances figure is £1.2 million, which has been risk-assessed based on key financial risks, including the level of external funding, major income streams, and other expenditure pressures. Prior to the 2024/25 financial year, the Council had agreed a savings programme to support budget balance, and delivery of this programme was being actively monitored. This programme was reset in November 2024 following the identification of significant variances in business rates income, which are expected to persist until the Government implements a full Business Rates Reset, originally anticipated in 2025/26 but now delayed due to the change in government. The Council's balances remain significantly above the minimum threshold of £1.2 million, allowing these to be used strategically to smooth the required savings over the five-year planning period. This approach provides time to develop and deliver savings proposals before the anticipated reduction in funding takes effect. A high-level plan has been developed outlining the key projects expected to generate savings or increased income, including Commercialisation of Leisure Services, an Asset Management Review, Waste Service Optimisation, and wider Transformation Projects. These initiatives will be further developed through the 2025/26 budget-setting process, taking into account the potential implications of the forthcoming Fair Funding Review 2.0.



Value for money: financial sustainability

Peer Review

A Peer Review, conducted in September 2024, identified the need for the Council to develop a more robust savings plan. The review concluded that, while the Council has recognised its financial challenges, it currently lacks a comprehensive, costed, and time-bound plan to address them. The peer team recommended that the Council prioritise the development of a realistic savings plan, supported by strong governance and effective communication arrangements. The review also advised that the savings plan should be accompanied by a Transformation Plan to modernise the Council's operations and enhance value for money. Although the Council has time to address these issues in a measured way, it was emphasised that action needs to commence promptly to meet future financial challenges. The Peer Review also noted a funding gap within the Council's financial plan. While the Council's short-term financial position remains stable, future pressures have been acknowledged at a senior level, allowing informed decisions to be made in advance. The future pressures are largely driven by the assumption that the Business Rates Reset will take place in 2025/26, with no additional income expected thereafter. This is considered a prudent assumption, and the peer review team encouraged the Council to use this time to address the identified savings gap of £2 million to 2026/27. A Peer Review Action Plan has since been developed and was presented to the Executive Board on 10 June 2025. It was noted that some actions remain outstanding and will form part of the ongoing work led by the new Corporate Director of Resources to strengthen financial sustainability and governance arrangements.

Leisure Centre

The Council has announced a £27 million proposal for a new Atherstone Leisure Centre, which will replace the existing facility with a modern, inclusive hub for health, fitness, and community wellbeing. The new centre is designed to serve residents of all ages and abilities and will include a four-lane main pool, learner pool, toddler splash pad, state-of-the-art gym, fitness studio, community event space, children's adventure play zone, and a café. This development represents a significant investment in the borough's future and demonstrates the Council's commitment to improving community infrastructure and promoting active lifestyles. Public consultation and feedback sessions are scheduled for November 2025 to help shape the final design and ensure the facility meets local needs. The existing Atherstone Leisure Centre and Memorial Hall have served the community well for more than 50 years but are now reaching the end of their economic life. Over the past 12 months, the pools at Atherstone Leisure Centre have experienced 16 closures, including eight instances lasting one or more days, with the longest closure extending to 15 days. The Memorial Hall is also in poor condition, with ongoing roof leaks affecting the main hall. In light of these issues, the Council has approved the project in principle, with detailed spending plans to be considered and approved as part of the budget process.

The project remains at an early stage, and the Council is currently exploring a range of viable options, including funding mechanisms and delivery models, to assess and manage the associated financial demands within the MTFs. The Management Team and Leaders Group play a key role in ensuring that available funding is aligned with corporate priorities to support effective delivery. A comprehensive review of the MTFs will be required in the lead-up to the 2025/26 budget setting process, given the scale of significant capital projects planned across both the General Fund and Housing Revenue Account (HRA).



Value for money: financial sustainability

Minimum Revenue Provision

Guidance issued by the Secretary of State under section 21(1A) of the Local Government Act 2003 requires the Council each year to set a Minimum Revenue Provision (MRP). The MRP refers to the amount charged to the revenue budget for the repayment of debt, based on the underlying need to borrow rather than the actual debt held. This underlying debt is necessary to finance the capital expenditure programme.

Capital expenditure generally relates to assets with a life expectancy of more than one year, such as buildings, vehicles, and equipment. It is therefore prudent to charge an amount for the repayment of debt over the life of the asset, or a similar proxy, allowing borrowing to be matched to asset life. Setting aside funds for debt repayment in this way enables future borrowing to finance asset replacement without incurring additional cost. The method of spreading these costs is through an annual Minimum Revenue Provision, and it is therefore important that the MRP is sufficiently prudent to mitigate long-term financial sustainability risks. A prudent MRP policy ensures that the Council sets aside adequate resources to repay borrowing over time, thereby reducing future financial pressure.

Indicators of prudence can be assessed by comparing the MRP to the Council's Capital Financing Requirement (CFR) and total borrowings and comparing the total borrowings to the CFR. An MRP level below 2% of the CFR and 3% of total borrowings may indicate increased financial risk. Where total borrowings exceed the CFR, this also indicates reduced financial headroom.

Management has provided detailed information on the CFR, excluding the Housing Revenue Account (HRA) and HRA-supported borrowing, as determined in agreement with MHCLG. The residual CFR for 2023/24 is £11.8 million. The Minimum Revenue Provision (MRP) for 2023/24 was £81k, representing 1% of the CFR, which is below the benchmark of 2% and indicates a potential financial risk that the MRP may be insufficient to ensure long-term financial resilience. However, this was the only indicator identified as not meeting benchmark expectations. Management has confirmed that the MRP policy will be revisited and submitted to the Executive Board for review and approval. The Council currently does not have General Fund borrowing, and therefore MRP as a percentage of borrowings is not applicable; the only borrowing held relates to the HRA. This position is positive, as it provides the Council with the flexibility to obtain external borrowing in the future, potentially at lower interest costs, should additional financing be required.

While maintaining a low MRP may temporarily improve short-term financial flexibility, it poses several risks that could impact the local authority's financial health in the medium to longer term. A low MRP results in slower repayment of the CFR, leading to the accumulation of long-term debt. Borrowing costs (interest payments) are therefore likely to remain a financial burden for future budgets, reducing the flexibility to address emerging priorities. A low MRP also limits the ability to borrow further for new capital projects, as a higher CFR reduces headroom under statutory and policy borrowing limits. The council also has a statutory responsibility to ensure it is providing a prudent MRP charge under the Local Government Act 2003.

Management should therefore review the level of MRP provision in future years to ensure that the annual adjustment remains adequate, prudent, and aligned with long-term financial sustainability. The MRP policy should be submitted annually to the Executive Board as part of the revenue and capital programme budget approval process, accompanied by a clear financial risk analysis setting out the key considerations and risks facing the authority. This will support informed decision-making and strengthen the Council's medium- and long-term financial resilience.



Value for money: financial sustainability

Summary

From the work conducted, we have not identified any significant weaknesses in arrangements to support financial sustainability. However, there are financial risks present which will need continuing careful management over the short to medium term.

The Council has effective arrangements in place to plan and manage its resources to ensure it can continue to deliver its services. It has a good understanding of its financial position and the risks inherent in the forward-looking MTFS. The MTFS is reviewed annually to ensure alignment with financial goals and economic changes.

There is one indicator of financial strain, which is that MRP is low compared to the Council's residual general fund CFR. This needs to be reviewed to ensure it is prudent considering the Council has a significant capital programme during the short to medium term.

With local government reorganisation planned to take place in just over two years, but with little certainty over what the future reorganisation will look like, there is a growing uncertainty over the longer-term plans. This makes it harder for the Council to consider the longer-term financial position. In the short-term, Members will need to ensure that their current decisions take into account, as far as possible, the needs of the future unitary body into which North Warwickshire will be absorbed and ensure that, on transition, the Council's financial resilience is as strong as possible to ensure the emerging organisation commences its life on a robust financial footing.

Recommendation

We have made two “other” recommendations in respect of:

Minimum revenue provision - Management should review the minimum revenue provision (MRP) in future years to ensure the annual MRP adjustment is adequate and prudent and ensure longer term financial risks are contained.

Peer Review – Management should address the peer review recommendation by using the time available now to address the identified savings gap of £2m by 2026/27 identified by the Medium Term Financial Strategy.

Value for money: governance

This relates to the arrangements in place for overseeing the Council's performance, identifying risks to achievement of its objectives and taking key decisions.

We considered the following areas:

- how the Council monitors and assesses risk and gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud;
- how the Council approaches and carries out its annual budget setting process;
- how the Council 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;
- how the Council 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
- how the Council 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 and Governance

The Council has a Risk Management Policy dated December 2024, which was approved by the Resources Board in July 2025. Prior to this, the Council did not have a single, consolidated risk management policy or framework; instead, risk management was incorporated within broader governance documents and the corporate strategy. While risk considerations have historically been embedded into key decision-making processes at committee level, the absence of a standardised and formally approved policy limited consistency and transparency in the management of risk across the organisation.

The purpose of the Risk Management Policy is to ensure that risk management is systematically embedded in all key processes and decision-making across the Council, supporting the safeguarding of public funds, effective service delivery, and the achievement of strategic objectives. The policy should provide clear alignment with the Council's strategic plan and objectives and encompass strategic, operational, project, and partnership risks.

Management should ensure that significant risks, arising from the strategic risk register, operational and project risk registers, and any emerging issues are reported quarterly to the relevant committees. In addition, a comprehensive risk update, including associated mitigations, should be presented to Council at least twice per year to support robust governance and oversight.

The approved Risk Management Policy states that it will be monitored by the Senior Management Team; however, it does not specify the nature or frequency of reporting to Council, boards or committees. Management has confirmed that a new process is being implemented, which includes regular review of both strategic and operational risks, and that this will be reported to the Resources Board. The Council also has an agreement with RSM to assist in the management and oversight of risk.

Value for money: governance

Internal Audit

The work of Internal Audit provides essential assurance to the Council that effective financial and operational controls are in place throughout the organisation and the Accounts and Audit Regulations 2015 require the Council to maintain an effective internal audit function. Internal audit provides independent assurance that governance, risk management and internal control arrangements are operating effectively. It supports the Section 151 Officer in discharging their statutory responsibilities, helping to safeguard resources and ensure that public funds are used efficiently, effectively and in accordance with the law. Internal audit also plays a key role in the prevention and detection of fraud and provides advice to support continuous improvement in service delivery.

The Council is a partner in the Central Midlands Audit Partnership (CMAP) to deliver its internal audit service, with this arrangement commencing in November 2023. The partnership supports the Council in achieving its objectives by providing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management, internal control, and governance processes. Internal audit work is carried out according to an Annual Risk-Based Audit Plan, which is prepared in consultation with the Council's senior managers to ensure that the highest-risk areas are prioritised. The plan is approved annually by the Resources Board, which receives regular progress reports and a summary of the outcomes of internal audit activity.

The internal audit work for 2024/25 experienced significant delays due to the Council being unable to accommodate the planned internal audit activities. Further delays arose as some elements of the 2023/24 audit plan were deferred into 2024/25. During internal audit follow-up, it was also noted that some recommendations had not been implemented, and the Internal Audit Annual Report for 2023/24 provided only limited assurance. Similarly, the 2024/25 Internal Audit Annual Report has also provided limited assurance. To ensure the effective operation of internal controls, including arrangements to prevent and detect fraud, management should establish a robust system to support the delivery of internal audit work. This should include measures to accommodate audit activities and hold officers accountable for the timely completion of the internal audit plan and the implementation of audit recommendations.

Counter-fraud arrangements

The Council has zero tolerance for all forms of fraud and corruption. From 1 April 2024 the Council has an agreement with Derby City Council for the provision of a Counter Fraud service. The Council has in place specific other mechanisms which help in the prevention and detection of fraud such as an anti-fraud and corruption policy, a register of interests, and a whistleblowing policy.

Value for money: governance

Member governance

The Council has a written constitution which details roles and responsibilities, rules and procedures for the Council and Boards, including codes of conduct and protocols. The Constitution sets out how the Council operates, how decisions are made, and how councillors and officers are held accountable. It defines the roles of members and staff, the structure of meetings and committees, decision-making processes, financial and legal responsibilities, and citizens' rights, including participation, information access, and complaints. Its aim is to ensure the Council works efficiently, transparently, ethically, and in the public interest. The Constitution is currently overdue for review and update.

Peer Review

In September 2024 Council undertook a peer challenge to reflect on its achievements and identify areas for improvement, building on a previous review in 2013. The report noted that the Council has strong local focus, positive relationships between Members and officers, and a clear understanding of its regional context, but the translation of political priorities into a shared, well-embedded corporate plan could be strengthened. Governance issues, including reviewing the constitution, clarifying audit oversight, and finalising performance and risk frameworks, were also reported as needing urgent attention.

Twelve recommendations were raised during the Peer Review and an action plan was developed and presented to the Executive Board in June 2025. The action plan outlines progress made to date and timelines for each recommendation. Progress was reported on eight recommendations, with some partially completed and the remaining recommendations still outstanding as of June 2025. The next review of the Action Plan is expected in early 2026.

Value for money: governance

Annual budget setting approach and control

The Council has forecasting and budgeting procedures. A medium-term business and financial planning process supports delivery of the authority's strategic objectives and is updated twice a year in February and September. The financial forecast produced in September provides the context for the more detailed four-year budget approved in February as part of the Council Tax Setting process. The Council also prepares a capital strategy, which is updated annually.

In the event of potentially significant changes to the Council's financial position, the Corporate Director - Resources will assess whether additional updates to the financial strategy are needed. Before the start of each financial year, the senior officers prepare estimates of income and expenditure on General Fund Revenue accounts in consultation with the Corporate Director - Resources for submission to the appropriate Board. The forecast should agree with the financial plans approved by the Council. They consider all financial implications, including any impact upon Prudential Indicators set by the Council, so that each Board may report on its budget requirement after the budget is prepared and presented to the Executive Board for scrutiny and approval.

Financial management system

The Council has recently replaced its financial management system from an out-of-date legacy system that was no longer fit for purpose and was unsupported. As with most IT implementations there have been challenges, and these have been reviewed by CMAP delivering a limited assurance audit. The consequences have been to affect a number of key processes such as reconciling feeder systems and bank, and the production of detailed budget monitoring information. Whilst the key reconciliations are now being brought up to date and high-level budget monitoring is available, there is still significant work needed to get to the point where it is produced efficiently and in a timely manner. This has been reported to the Executive and Resources Boards and will be further reported at Leaders Group meetings.

Financial statements preparation

The draft Statement of Accounts for 2023/24 were only released on 23 December 2024 by the council, which was well after the statutory deadline of 31 May 2024. The main reason for this was under-resourcing within the finance team. As a result, we raised a significant weakness in 2023/24, which was consistent with the predecessor auditor in 2022/23.

The Council has not yet published draft Statement of Accounts for 2024/25 as at mid-November 2025. We understand that this was partly due to issues experienced during the migration to the new financial system, as noted above, but also because the Finance Team remain significantly under-resourced to meet the revised statutory deadline of 30 June 2025. To address this, management has engaged external accountants with extensive local authority experience to support the Finance Team. The plan is to review and reconcile all previous unaudited financial periods, starting with the oldest set of unaudited accounts in 2020/21. We are working with the Finance Team to complete our audit work in conjunction with this review and reconciliation work. However, until the Council starts producing annual accounts in line with the statutory deadline, we are not able to conclude that the previously identified weaknesses have been fully addressed.



Value for money: governance

Summary

There remains a significant weakness in the Council's governance arrangements due to the failure to produce draft statements of accounts by the statutory deadline.

As noted above the year has been challenging for the finance team as a result of the issues experienced with the financial system migration. Along with continuing lack of finance team resource, this has affected the Council's ability to meet the statutory accounts deadline. The s151 officer has implemented measures to ensure the current and previous years are reconciled before draft accounts are produced for audit.

We have made other recommendation(s) in respect of:

Risk Management Policy – A formal Risk Management Policy has now been drafted and presented to the Executive Board for approval in June 2025. However, the policy will need to provide greater clarity on the frequency of risk reviews and the reporting of ongoing mitigating actions to those charged with governance.

Council constitution - The Council's Constitution was last updated in 2018 and has not been reviewed since. While we understand that the Council is in the process of updating a number of policies, it is important to ensure that all policies remain current and relevant in the interim period. Policies should be reviewed and fully refreshed at least every five years to ensure they continue to support the Council's operations effectively.

Internal Audit - The internal audit work for 2024/25 experienced significant delays due to the Council being unable to accommodate the planned internal audit activities. The Internal Audit Annual Reports for 2023/24 and 2024/25 provided only limited assurance. To ensure the effective operation of internal controls, including arrangements to prevent and detect fraud, management should establish a robust system to support the delivery of internal audit work. This should include measures to accommodate audit activities and hold officers accountable for the timely completion of the internal audit plan and the implementation of audit recommendations.

Value for money: improving economy, efficiency and effectiveness

This relates to how the Council seeks to improve its systems so that it can deliver more for the resources that are available to it.

We considered the following areas:

- how financial and performance information has been used to assess performance and identify areas for improvement;
- how the Council evaluates service quality 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, 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.

Financial and performance reporting

The Council recognise performance needs to be driven by accurate and timely financial and performance information. Resolving the issues with the new financial management system is key to achieving this. The Council previously had embedded reporting processes in place which will be re-established once the relevant data is available at the level required.

Benchmarking is undertaken for income setting and on some of the major projects being undertaken such as the new Leisure Centre and operating contracts. To be effective, this also requires accurate and up to date information. The Council is working closely with the other Warwickshire authorities through the LGR process, and this will assist in looking at both benchmarks but also aligning services ahead of their integration into the new authority(s).

The monthly and quarterly performance monitoring process tracks progress against the Council's priorities and highlights potential risks and issues in achieving these. Performance management information about critical objectives is regularly provided to the Executive Board. The Council also prepares a Corporate Plan that sets out the vision for the Council and its priorities. It includes what the Council will do over the next three years to deliver the vision.

The MTFS links to the Corporate Plan, and the Corporate Plan drives the spending priorities that inform the MTFS. This will include allocating the overall expenditure budgets for local areas. The Corporate Director-Resources is responsible for producing the MTFS with Senior Officers and recommends measures to the Executive Board to support the Corporate Plan. This will be supported by policy options, savings and efficiencies, and both financial and non-financial information to assist decision-making.

In attempt to improve the financial performance reporting, management has migrated to new accounting system. The legacy system was no longer fit for purpose and was unsupported. The migration implementation experienced issues and the process received a limited assurance from new internal audit review. The consequences have been to affect a number of key processes such as reconciling feeder systems and bank, and the production of detailed budget monitoring information. Whilst the key reconciliations are now being brought up to date and high-level budget monitoring is available, there is still significant work needed to get to the point where it is produced efficiently and in a timely manner.



Value for money: improving economy, efficiency and effectiveness

Partnership

The Council has undertaken resident surveys in the past, which are to be repeated regularly to identify the direction of travel. In January 2024, the results of a boroughwide consultation were presented to Members, which was then used to inform the Corporate Plan and Budgets; the Council is active with several key partners, from countrywide partnerships to local groups and stakeholders. The Council has formally adopted a Board approved 'Partnership Framework & Significance Scorecard' protocol guiding partnerships and shared services.

There is a comprehensive and up-to-date Register of partnerships and shared services.

Regular reporting is made to the Executive Board and Resources Board on the performance of partnerships during Council meetings. The annual budget includes allocated revenue and expenditure to the Council's partnerships. The following are the current partnership:

- Home Environment Assessment & Response Team [HEART
- North Warwickshire Community Safety Partnership (NWCSP);
- Coleshill School – Joint Indoor Leisure Provision Partnership; and
- Building Control – Local Authority Partnership.

Senior Officers maintain a record of all contracts with external bodies. They should ensure that a risk management appraisal has been carried out and that any such partnership arrangement does not adversely impact the services the Council provides.

Procurement

The Council has a procurement team responsible for coordinating and advising on the procurement processes throughout the Council and establishing contracts and framework agreements for commonly used works, goods and services. The team continually seeks to improve its operations and achieve the best value and actively seeks opportunities for joint working with other local authorities. The team also ensures that all procurement practices are carried out in accordance with the Council's standing orders and statutory obligations. The Procurement Strategy is a tool used to provide a consistent basis for procurement decisions. This strategy is intended to be reviewed regularly to ensure that it is current and encompasses any changes to EU or local regulations.

The Council publishes its Procurement opportunities using CSW-JETS (Coventry, Solihull, and Warwickshire Joint E-Tendering System). Suppliers register on the portal. This allows the suppliers to express interest in any of the Councils'/Authorities' opportunities. Registered suppliers may also be invited to tender when the Council has a requirement. The Procurement Team advise and guide suppliers on the Council's processes and systems.



Value for money: improving economy, efficiency and effectiveness

Summary

We have not identified any significant weaknesses in the Council's arrangements for using financial and performance information to make informed decisions for improving the way it manages and delivers services and working with partnerships effectively. However, we have identified one additional recommendation, as detailed below.

Recommendation

Management has experienced issues arising from the migration from the legacy financial system to the new system, and we recognise the work already undertaken by the finance team to address these challenges. Management should now ensure that the recommendations raised by internal audit are fully implemented, including confirming that all feeder systems, whether automated or manual, interface correctly with the new general ledger, that data transfers are complete, accurate, and occur at the required frequency, and that appropriate controls are in place to identify, investigate, and reconcile any differences identified.

Recommendations



Value for money: significant weaknesses and key recommendations

The significant weaknesses we have identified and the key recommendations made are set out below. Our detailed commentary is set out in this Auditor’s Annual Report.

Significant weakness identified	Criteria	Sub criteria	Key recommendation
Area How the body ensures it makes informed decisions and properly manages risk	Governance	Finance team capacity to accommodate external audit and meet statutory deadline for the publication of draft financial statements.	<u>2023/24 and 2024/25</u> The Council should address the reasons for the delays and ensure that there is a suitably resourced finance team who can ensure that all statutory requirements regarding financial reporting are met. Further to the above, management should create and implement a close-down timetable for the preparation and publication of the accounts and report progress to the Executive Board for monitoring and review.



Value for money: other recommendations

The other recommendations made are set out below. Our detailed commentary is set out in this Auditor's Annual Report.

Criteria	Observation 2023/24 & 2024/25	Other recommendation	Management Comments
Financial sustainability	Minimum Revenue Provision The Minimum Revenue Provision (MRP) for 2023/24 was £81k, representing 1% of the CFR, which is below the benchmark of 2% and indicates a potential financial risk that the MRP may be insufficient to ensure long-term financial resilience. The 2024/25 is pending draft accounts.	Management should review the minimum revenue provision (MRP) in future years to ensure the annual MRP adjustment is adequate and prudent and ensure longer term financial risks are contained.	Management accepted the recommendation. They further mentioned MRP has already been discussed with MUFG, the Council's Treasury Management Advisors, and we have agreed to undertake the review as part of the work required to agree the funding for the new Leisure Centre. It's important to note that this isn't just related to the project as it has a fundamental impact on the Council's overall financial position.
Financial sustainability	Peer Review The Peer Review also noted a funding gap within the Council's financial plan. While the Council's short-term financial position remains stable, future pressures have been acknowledged at a senior level, allowing informed decisions to be made in advance. The future pressures are largely driven by the assumption that the Business Rates Reset will take place in 2025/26, with no additional income expected thereafter. This is considered a prudent assumption, and the peer team encouraged the Council to use this time effectively to address the identified savings gap of £2m to 2026/27.	Management should address the peer review recommendation by using the time available now to address the identified savings gap of £2m by 2026/27 identified by the Medium-term financial strategy.	Management accepted the recommendation. The recommendations will be addressed and further discussed with the Peers early in the new year. The specific matter of the savings gap is being managed through the budget setting process for 2026/27. This is the only option given the expected fundamental change that Fair Funding Review 2.0 will bring.



Value for money: other recommendations

The other recommendations made are set out below. Our detailed commentary is set out in this Auditor’s Annual Report.

Criteria	Observation 2023/24 & 2024/25	Other recommendation	Management Comments
Governance	Risk Management Policy The Council has drafted a Risk Management Policy dated December 2024, which was approved by the Resource Board in July 2025. During audit review we noted the need to provide greater clarity on the frequency of risk reviews in risk register and the reporting of ongoing mitigating actions to the Council, boards and committees.	Management should update the policy to clarify the frequency of risk reviews on the risk register and the reporting of ongoing mitigating actions to governance groups.	Management accepted the recommendation. The Policy itself is reviewed annually, and this will be made clearer when it is reviewed. In the interim risk reviews are scheduled quarterly and reported to Management Team and Resources Board. An update is scheduled for resources Board on 1st December 2025.
Governance	Constitution The Council’s Constitution was last updated in 2018 and has not been reviewed since. While we understand that the Council is in the process of updating a number of policies, it is important to ensure that all policies remain current and relevant in the interim periods to ensure compliance with regulation and etc. Policies should be reviewed and fully refreshed at least every five years to ensure they continue to support the Council’s operations effectively.	Management should update the Constitution and ensure that it includes a clearly defined timeline for its periodic review, setting out both the schedule for interim reviews and the deadline for when a full update of the Constitution is required.	Management accepted the recommendation. This significant update is already underway and expected to be completed by March 2026, it will also define timelines for future interim and full reviews. A number of policies have been updated, and it is the intention that policies will be updated every 3 years.



Value for money: other recommendations

The other recommendations made are set out below. Our detailed commentary is set out in this Auditor’s Annual Report.

Criteria	Observation 2023/24 & 2024/25	Other recommendation	Management Comments
Governance	Internal Audit The internal audit work for 2024/25 experienced significant delays due to the Council being unable to accommodate the planned internal audit activities. Further delays arose as some elements of the 2023/24 audit plan were deferred into 2024/25. During internal audit follow-up, it was also noted that some recommendations had not been implemented, and the Internal Audit Annual Report for 2023/24 provided only limited assurance. Similarly, the 2024/25 Internal Audit Annual Report has also provided limited assurance.	To ensure the effective operation of internal controls, including arrangements to prevent and detect fraud, management should establish a robust system to support the delivery of internal audit work. This should include measures to accommodate audit activities and hold officers accountable for the timely completion of the internal audit plan and the implementation of audit recommendations.	Management accepted the recommendation. They further stated that they’re continuing to make changes to the Internal Audit processes, which are still in the embedding phase. The importance though has been recognised by Members and the Resources Board at its last meeting agreed to set up a working party to bring and hold officers to account on their internal audits. Management Team are also reviewing and addressing outstanding audit recommendations to ensure these are up to date.



Value for money: other recommendations

The other recommendations made are set out below. Our detailed commentary is set out in this Auditor’s Annual Report.

Criteria	Observation 2023/24 & 2024/25	Other recommendation	Management Comments
Improving economy, efficiency and effectiveness	Financial System Migration The migration implementation experienced issues and the process received a limited assurance from new internal audit reviews. The consequences have been to affect a number of key processes such as reconciling feeder systems and bank, and the production of detailed budget monitoring information. Whilst the key reconciliations are now being brought up to date and high-level budget monitoring is available, there is still significant work needed to get to the point where it is produced efficiently and in a timely manner.	Management should now ensure that the recommendations raised by internal audit are fully implemented, including confirming that all feeder systems, whether automated or manual, interface correctly with the new general ledger, that data transfers are complete, accurate, and occur at the required frequency, and that appropriate controls are in place to identify, investigate, and reconcile any differences identified.	Management accepted the recommendation. Further stated that significant progress has been made since the new team were recruited to assist with the closedown process. There is still work required to resolve the issues in 2025/26, but resources are in place to address them and get to the position where we are able to report fully.



Value for money: follow up of prior recommendations

The recommendations we made in previous years are set out below, together with actions taken by the Authority in 2024/25 to address them. Our detailed commentary is set out in this Auditor’s Annual Report.

Observation previously reported	Criteria	Recommendation previously made (2021/22 & 2022/23)	Auditor update 2023/24 and 2024/25
Area How the body ensures it makes informed decisions and properly manages risk	Governance	The Council should address the reasons for these delays and ensure that there is a suitably resourced finance team who can ensure that all statutory requirements regarding financial reporting are met. Further to the above, management should create and implement a close-down timetable for the preparation and publication of the accounts and report progress to the Executive Board for monitoring and review.	During 2023/24 the council was behind by two financial years on the publication of its accounts due to lack of capacity within the finance team. In 2024/25, management has again not published the draft Statement of Accounts within the statutory deadline. As noted above, this recommendation remains open.





Agenda Item No 8

Executive Board

24 November 2025

Report of the Chief Executive

Local Development Scheme (LDS) February 2025

1 Summary

- 1.1 This report brings to Members a revised up to date Local Development Scheme.

Recommendation to Executive Board

That the Local Development Scheme is approved.

2 Consultation

- 2.1 Consultation has taken place with the LDF Sub-committee on the latest Local Development Scheme (LDS) at their meeting on 17 November 2025. A verbal update will be provided at the meeting.

3 Local Development Scheme

- 3.1 This report brings to Members an update of the Local Development Scheme (LDS) to reflect the work that is to be carried out and to ensure that the legal process of document production is adhered to.
- 3.2 The revised LDS includes a timeline for the review of the adopted Local Plan. It continues the work on the Employment Development Plan Document (DPD) and includes a list of the Supplementary Planning Documents (SPD's) which it is intended to produce.

4 Report Implications

4.1 Finance and Value for Money Implications

- 4.1.1 The costs of the programme of work are funded through the Local Development Framework budget.

4.2 Legal and Human Rights Implications

- 4.2.1 It is a requirement of the Planning and Compulsory Purchase Act 2004 that a Local Development Scheme is prepared, and maintained, outlining the work programme to produce the various Local Development Documents required under that Act and other legislation. The Scheme must also specify the geographical area to which each such document relates, set out those documents which will be prepared jointly with others and give a timetable for preparation of the documents concerned.

4.3 Environment and Sustainability Implications

- 4.3.1 Sustainability appraisals are required to accompany all Local Development Documents identified by this Local Development Scheme. Consultants are engaged to work alongside the Forward Planning Team. The Local Development Scheme and the associated plans and documents take into account evidence of housing needs, landscaping appraisal, habitat biodiversity audit and other assessments to inform future development frameworks. All the various assessments help inform a sustainability appraisal.

4.4 Equality Implications

- 4.4.1 An equality impact assessment has been carried out on the Local Plan which sets out the overarching spatial vision for the Borough over the next 15 years.

4.5 Links to Council's Priorities

- 4.5.1 The delivery of the Local Development Framework is linked to all of the Council priorities.

The Contact Officer for this report is Dorothy Barratt (719250).

Agenda Item No 7**Local Development Framework
Sub-Committee****17 November 2025****Report of the Chief Executive****Local Development Scheme (LDS)
October 2025****1 Summary**

- 1.1 This report brings to Members a revised up to date Local Development Scheme (LDS).

Recommendation to Executive Board**That the Local Development Scheme is approved.****2 Consultation**

- 2.1 Consultation has taken place with the relevant Members and any comments received will be reported at the meeting.

3 Local Development Scheme

- 3.1 This report brings to Members an update of the Local Development Scheme (LDS) to reflect the work that is to be carried out and to ensure that the legal process for the production of the documents is adhered to. It can be altered/updated at any time. The revised document is attached as **Appendix A**.

...

- 3.2 The LDS seeks to produce a review of the North Warwickshire Local Plan. This will be the main focus of work for the Forward Planning Team going forward. Where resources and time allows work will start on several Supplementary Planning Documents (SPDs).
- 3.3 MHCLG (Ministry of Housing, Communities and Local Government) are monitoring the LDS to ensure that timelines are being met and aligning with their resources, in particular, Planning Inspectors. If approved by both this Sub-committee and Executive Board this LDS will be forwarded to MHCLG and any comments will be reported back to members.

4 Report Implications

4.1 Finance and Value for Money Implications

- 4.1.1 The costs of the programme of work are funded through the Local Development Framework budget.

4.2 Legal and Human Rights Implications

- 4.2.1 It is a requirement of the Planning and Compulsory Purchase Act 2004 that a Local Development Scheme is prepared and maintained, outlining the work programme to produce the various Local Development Documents required under that Act and other legislation. The Scheme must also specify the geographical area to which each such document relates, set out those documents which will be prepared jointly with others and give a timetable for preparation of the documents concerned. The revisions to the scheme which are Appended to the report ensure that the Council continues to discharge this responsibility.

4.3 Environment, Climate Change & Health Implications

- 4.3.1 Sustainability appraisals are required to accompany Plans however it is important to have a document of some sort that can be assessed. If the Issues and Options Paper is approved a Sustainability Appraisal work will be carried out. Following the close of the consultation on the Regulation 18 a consultation will be carried out on the Draft Sustainability Appraisal. This will ensure that any implications from the SA assessment can be taken into account in the production of the Regulation 19 Draft Local Plan.
- 4.3.2 The planning policy work takes into account evidence of housing needs, landscaping appraisal, habitat biodiversity audit, climate change and other assessments to inform future development frameworks. All the various assessments help inform a sustainability appraisal.

4.4 Equality Implications

- 4.4.1 An equality impact assessment will be carried out on the Local Plan which sets out the overarching spatial vision for the Borough over the next 15 years. This will be updated as part of the review process.

4.5 Links to Council's Priorities

- 4.5.1 The delivery of the Local Development Framework is linked to all the Council priorities.

The Contact Officer for this report is Dorothy Barratt (719250).

Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act,
2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

***Draft
Local Development
Scheme
for
North Warwickshire***

October 2025



**North Warwickshire
Borough Council**

- 1 North Warwickshire Borough Council is required by the Planning and Compulsory Purchase Act 2004 to prepare and maintain a Local Development Scheme (LDS). An LDS sets out a timetable for the production of new or revised Development Plan Documents (such as a Local Plan) over a three-year period to 2029. It is regularly reviewed to keep it up to date. This LDS version supersedes previous versions.
- 2 The Development Plan Documents for North Warwickshire are:
 - North Warwickshire Local Plan 2021
 - Warwickshire Waste Core Strategy (adopted July 2013)
 - Warwickshire Minerals Local Plan
 - Arley Neighbourhood Plan (Adopted December 2016)
 - Austrey Neighbourhood Plan (Adopted June 2017) – currently being reviewed
 - Coleshill Neighbourhood Plan (Adopted June 2017)
 - Dordon Neighbourhood Plan (Adopted December 2023)
 - Fillongley Neighbourhood Plan (Adopted August 2019) – currently being reviewed
 - Hartshill Neighbourhood Plan (Adopted March 2017)
 - Mancetter Neighbourhood Plan (Adopted September 2017)
 - Nether Whitacre Neighbourhood Plan (Adopted January 2024)
 - Polesworth Neighbourhood Plan (Adopted April 2025)
 - Water Orton Neighbourhood Plan (Adopted June 2022)
- 3 The Statement of Community Involvement was originally adopted in April 2007 and has been updated on several occasions. The document was reviewed and adopted in July 2025
- 4 A further 3 Neighbourhood Plan Areas have been formally designated. These are:
 - Atherstone covering Atherstone Parish and a small part of Grendon Parish
 - Corley Parish
 - Curdworth Parish
- 5 This LDS confirms the latest work programme of the Borough Council. A timeline for production is attached as Appendix A.
- 6 The work programme will be reassessed as further changes to the NPPF, legislation and guidance are published by Government.
- 7 The Borough Council adopted the Local Plan in September 2021. The Local Plan was reviewed in July 2025 to assess against the new NPPF. Issues and options have been prepared and, if approved by the LDF Sub-committee, consultation will be carried out.
- 8 The Borough Council had started to prepare an Employment Development Plan Document. A consultation took place in 2024 with a draft document in July 2025. This is being subsumed into the Local Plan Review.
- 9 The Minerals and Waste Documents are the responsibility of Warwickshire County Council. The County Council adopted the Minerals Plan in July 2022. Further information can be found on the County Council's website: www.warwickshire.gov.uk.

- 10 A number of Supplementary Planning Documents (SPD's) are listed in Appendix A but work on these will only take place if time and resources allow because the focus of the team will be to take the Local Plan through the various consultations and examination as swiftly as possible.

Appendix A

Development Plan Document

Document Title	Subject matter and geographical area	Chain of Conformity	Regulation 18 Consultation	Regulation 19 Publication of Submission Draft DPD & Public Consultation	Submission and Examination of DPD	Adoption and Publication of DPD	Policies it will replace
Local Plan Review	An assessment will be made as to the policies which are out of date or require some change	NPPF	Issues and Options (Reg 18) 18 Nov 25 to 14 Jan 26	1. LDF Sub-Com – April 2026 2. Consultation for 6 weeks 3. Comments back to LDF Sub-com – June/July	LDF Sub-committee to consider Regulation 22 (Submission version), and then Executive Board and Full Council August / September 2026	December 2026	The review of policies will make this clear.

Supplementary Planning Documents

Document Title	Geographical area	Chain of Conformity	Consultation	Adoption of SPD
Affordable Housing SPD	Whole Borough	Local Plan	Dates to be confirmed	Dates to be confirmed
Developer Contributions SPD	Whole Borough	Local Plan		
Design SPD	Whole Borough	Local Plan		
Site H4 SPD (	Land East of Polesworth and Dordon	Local Plan		
Site H2 SPD (	Land to north-west of Atherstone	Local Plan		
Shop Fronts SPD	Whole Borough	Local Plan		

Lighting SPD	Whole Borough	Local Plan		
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Further Information Sources

Below are links to websites which will assist should you require further information:

- The Council's website:
[Local Plan \(Adopted 2021\) | Local Plan for North Warwickshire | North Warwickshire Borough Council](#)
- National Planning Policy Framework
www.gov.uk/government/publications/national-planning-policy-framework--2
- Planning Practice Guidance
www.gov.uk/government/collections/planning-practice-guidance
- The Planning and Compulsory Purchase Act 2004:
www.legislation.gov.uk/ukpga/2004/5/contents
- The Town and Country Planning (Local Planning) (England) Regulations 2012:
www.legislation.gov.uk/uksi/2012/767/contents/made
- Neighbourhood Plan Act
www.legislation.gov.uk/ukpga/2017/20/contents/enacted
- Planning Advisory Service:
www.local.gov.uk/pas
- Planning Portal:
www.planningportal.co.uk/

Further assistance:

If you require any further information, please contact the Forward Planning Team:

Email: planningpolicy@northwarks.gov.uk;
Write to: Forward Planning Team, The Council House,
South Street, Atherstone, CV9 1DE
Ring: 01827 719499 / 719451 / 719250

Agenda Item No 9

Executive Board

24 November 2025

Report of the Chief Executive

Calendar of Meetings 2026/27

1 Summary

- 1.1 The purpose of this report is to seek approval for a calendar of meetings for 2026/27.

Recommendation to the Council

That the draft calendar of meetings for 2026/27 as submitted at Appendix A to the Chief Executive's report be approved.

2 Report

- ... 2.1 A draft calendar of meetings for 2026/27 is attached at **Appendix A**

- 2.2 Points to note on the 2026/27 calendar are as follows:-

- a The majority of all main Board meetings will take place on a Monday. Meetings of the Full Council continue to be held on Wednesdays;
- b Planning and Development Board to meet once each month;
- c The Resources Board, the Community and Environment Board and the Executive Board to meet at least once a cycle;
- d A meeting of the Special Sub-Group has been scheduled each month (except for May 2027);
- e A meeting of each Licensing Committee has been set for the end of January 2027 and additional meetings will be arranged on an ad hoc basis;
- f A number of meetings of the Safer Communities Sub-Committee and the Local Development Framework Sub-Committee have been set;
- g A meeting of the Executive Board is scheduled on 13 July 2026. To consider the draft accounts; and
- h The Annual Council meeting will be held at 6.30pm on 13 May 2026 to appoint the Mayor and Deputy Mayor and make appointments to Boards / Committees and Outside Bodies etc for the ensuing year.

3 Report Implications

3.1 Legal Implications

3.1.1 The Local Government Act 1972 requires the Council to hold its Annual Meeting in a non-election year during March, April, or May however, the Act states that if no other time is specified for the Annual meeting to take place, it must begin at 12 noon. Accordingly, the start time should be confirmed now for the avoidance of doubt.

3.1.2 The 1972 Act gives the Council broad discretion in relation to arranging other Council, Board (Committee) and Sub-Committee meetings and the proposals above and in the appendices are within the discretion allowed.

The Contact Officer for this report is Amanda Tonks (719221).

Background Papers

Local Government Act 1972 Section 100D

Background Paper No	Author	Nature of Background Paper	Date
None			

Appendix A

DRAFT MEETINGS TIMETABLE – 2026/2027

	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27
1									BHOL	PLAN	PLAN		
2							PLAN	COUNCIL		SSG	SSG		
3				PLAN			SSG						BHOL
4	BHOL								PLAN				
5						PLAN			SSG			PLAN	
6			PLAN			SSG						SSG	
7					PLAN								
8		PLAN			SSG			PLAN			CEB		
9		EXB						SSG					
10				SSG									
11									SAC				
12						CEB							COUNCIL
13	COUNCIL		EXB										
14			SSG		EXB								
15		SSG			LDF					EXB	RES		
16							LDF						
17		COUNCIL											CEB
18	CEB								CEB				PLAN
19	PLAN					RES			LDF				
20			CEB										
21			RES										
22											EXB		
23					COUNCIL		EXB				SAC		
24										COUNCIL			
25	BHOL							BHOL	RES				
26									LIC		BHOL		
27													
28								BHOL					
29		SAC									BHOL		
30		LDF					RES						
31				BHOL									BHOL

EXB - Executive Board
RES - Resources Board
CEB - Community and Environment Board
PLAN - Planning and Development Board

LIC - Licensing Committee (Alcohol & Gambling Committee & Taxi & General Committee)
SAC - Safer Communities Sub-Committee
SSG - Special Sub-Group
LDF - Local Development Framework Sub-Committee

Agenda Item No 10

Executive Board

24 November 2025

Report of the Head of Corporate Services Social Value Policy

1 Summary

- 1.1 This report seeks approval for a new Social Value Policy.

Recommendation to the Council

That Social Value Policy provided as Appendix A is approved.

2 Consultation

- 2.1 Management Team and the Head of Legal Services have been consulted on the draft Social Value Policy and subsequent changes and have agreed the attached draft.

3 Background – Social Value

3.1 What is Social Value?

Social value is the positive difference an organisation makes for people and the environment through its work, services, and projects. It is important for the Council to explore how its buying and contracting (procurement) can bring benefits to the local community.

3.2 Why a Social Value Policy Matters?

The Council does not currently have a Social Value Policy. It is advisable that Councils have this policy in place, to align with the new Procurement Act 2023 that went live in February 2025. This is particularly important for big contracts like the Leisure Project and Simpler Recycling.

- 3.2.1 The Public Services Act 2012 places an obligation on all Councils to consider how we will secure social, economic and environmental benefits at the pre-procurement stage.

3.3 What the Policy Will Do?

The Social Value Policy will help the Council get a more positive economic, environmental, and social results from the contracts it awards. It will also ensure the Council follows legislation on procurement and social value.

The principles in the policy will be built into the Council's contracts and will support the Council's existing rules for how contracts are managed.

The principals will need to be embedded into the Council's procurement contracts. The Social Value Policy compliments the Council's Contract Standing Orders.

- 3.4 Under the new Procurement Act (PA23) which came into effect on Monday 24 February 2025, there is a legal requirement for public sectors to move away from 'most economically advantageous tenders' to 'most advantageous tenders', so this means the Council can consider wider benefits other than price.

4 Report Implications

4.1 Finance and Value for Money Implications

- 4.1.1 There are no direct financial implications arising from this report.

4.2 Safer Communities Implications

- 4.2.1 The Council will comply with Contract Standing Orders (CSOs) for any procurement, which they take the lead responsibility for. Implementation of this Social Value Policy aims to positively impact communities, businesses and the environment.

4.3 Legal Implications

- 4.3.1 The Social Value Policy complies with the Council's statutory duty under Section 1 of the Public Services (Social Value) Act 2012, which requires the Council to consider:

- How what it proposed to be procured might improve the economic, social and environmental well-being of the area, and
- How, in conducting the process of procurement, it might act with a view to securing that improvement.

- 4.3.2 The Social Value Policy also aligns to the new Procurement Act 2023, which came into force in February. The new Procurement Act sets out objectives that the Council is required to have regard to in the importance of 'maximising public benefit.

4.4 Environment and Sustainability Implications

- 4.4.1 The Council is aware of its duties under the Public Sector (Social Value) Act 2012 to consider how what is to be procured might improve the economic, social or environmental well-being of the Borough. Officers are encouraged to consider how their actions could improve the well-being of communities. Any procurement generated through the work of the partners, which the Council takes the lead responsibility for, will comply with Contract Standing Orders. Other partners will comply with their procurement regulations as necessary.

4.5 Human Resources Implications

- 4.5.1 Significant numbers of Officers and some Members will be involved in procurements at various times. It is important that they understand their roles and levels of responsibility. Briefing notes on this Social Value Policy will be sent to procuring officers. The Procurement Team provides advice, guidance and support for Officers who are required to procure on behalf of the Council.

4.6 Risk Management Implications

- 4.6.1 The Council is required to have rules for procuring goods and services. One of the main aims of the Council's CSO's is to help mitigate the risks that could arise through poor or illegal procurement practices.

5 Links to Council's Priorities

- 5.1 Good procurement and commissioning practices, as defined in Contract Standing Orders, support the Council's priority of achieving a balanced budget. However, the outcomes of the various procurement exercises could support and contribute to all of the Council's priorities.

The Contact Officer for this report is Trudi Barnsley (01827 719388).

Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date
	Trudi Barnsley & Tracey Franik	Contract Standing Orders	February 2025

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NORTH WARWICKSHIRE
BOROUGH COUNCIL



SOCIAL VALUE POLICY

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	Officer	Date
Document Author	Procurement Manager	October 2025
Document owner	Head of Corporate Services	
Legal advice	Head of Legal Services	October 2025
Consultation	Management Team	
Approved by	Executive Board and Full Council	
Review date	2029	
Version	1	

Introduction

The Council recognises the important role it can play in enabling social value through its procurement activities. The aim of this policy is to generate greater positive economic, environmental and social outcomes for the Council from public contracts it commissions and tenders for. The Council aims to achieve this by providing principals that will allow social value considerations to be embedded in our procurement contracts.

Background

The Public Services (Social Value) Act 2012 places an obligation on all Councils to consider how they can secure social, economic and environmental benefits at the pre-procurement stage of tenders and they must be relevant and proportionate to the contract in question and the Council must continue to observe equal access for all suppliers.

Under the Procurement Act 2023 there is a legal requirement for public sector buyers to move away from awarding contracts based on M.E.A.T. (Most Economically Advantageous Tender) to M.A.T. (Most Advantageous Tender), this means no longer basing purchases on price alone but also considering the wider benefits for the community in which the contract will be delivered. This might mean looking at reducing carbon emissions or using a local supplier chain.

What is social value?

Social value has been defined as the additional benefit to the community from a commissioning/procurement process over and above the purchasing of goods, services and works. The Public Services (Social Value) Act 2012 states:

The Council must consider:

- How what is proposed to be procured might improve the economy, social outcomes and environment, and
- How, in conducting the procurement process, it might act with a view to securing that improvement. For example, buying sustainable goods, such as paper, or goods made from recycled and recyclable materials.

Social value is about using the money we have more strategically, to produce a wider benefit than would otherwise be achieved.

'If £1 is spent on the delivery of services, can that same £1 be used to also produce a wider benefit to the community?'

To really deliver social value and have it fully embedded and considered, procuring officers must move away from just considering the core service being delivered by a supplier to recognising the overall value of outcomes delivered.

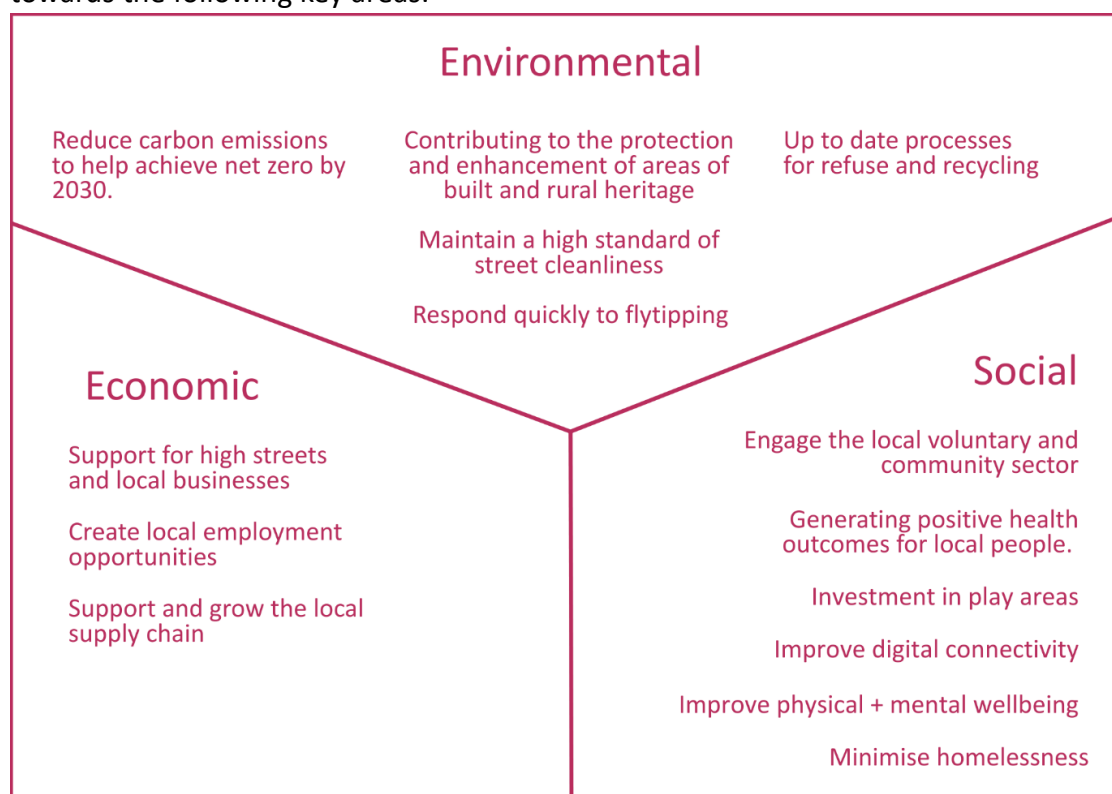
How will we achieve social value?

The Council will take a pragmatic approach to applying social value to procurement decisions being made. To achieve social value, we will:

- Consider the Social Value Policy in all procurements and ensure it is included in all procurement activities,
- Take a proportionate and relevant approach to applying social value considerations,
- Apply it in a way that generates positive outcomes without creating barriers for Small and Medium Enterprises (SMEs) and Voluntary, Community and Social Enterprises (VCSEs),
- Ensure transparency and equality of treatment in the application of social value,
- Raise awareness of social value activity taking place across the Council,
- Establish mechanisms to coordinate and monitor information on Council contracts and build this into our performance system for reporting, where applicable,
- Promote good sustainable behaviours,
- Work with suppliers to ensure the maximum delivery of social value,
- Support the local economy by working with new and established businesses, and
- Support local businesses

Goals and priorities of the policy

The purpose of this policy is for the Council's contracts to, where possible, contribute towards the following key areas:

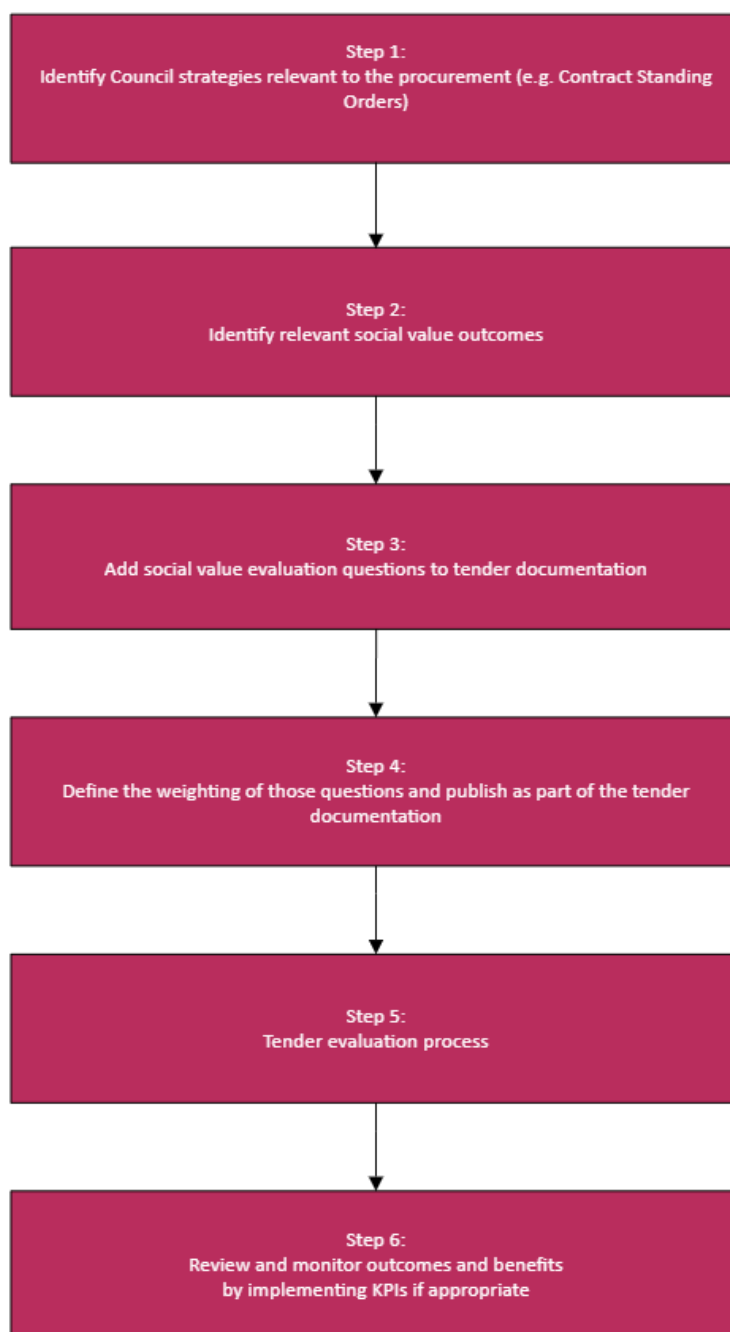


How will we develop our approach to social value?

Our aim is to apply social value in a consistent way within each type of decision made by the Council, whether that is awarding grants or tendering for goods and/or services.

However, we expect there will be some variation across different types of decisions, for example the measures and approach to social value in procurement decisions may not be the same for other decisions.

The following steps should act as a guide when considering social value outcomes in a tender:



Advice can be sought from the Head of Corporate Services or the Procurement Manager.

Summary

The effective delivery of social value is everyone's responsibility, including members, management team, extended management team, managers and all employees.

Contracts should be monitored as part of ongoing contract management by service areas on the delivery of the social value commitments they have made to the Council by setting key performance indicators (KPIs) if the procuring officer deems it appropriate.

The Council will work closely with our partners and suppliers to further build upon our social values, which are:



Agenda Item No 11

Executive Board

24 November 2025

Report of the Head of Corporate Services

Communications Team Updates

1 Summary

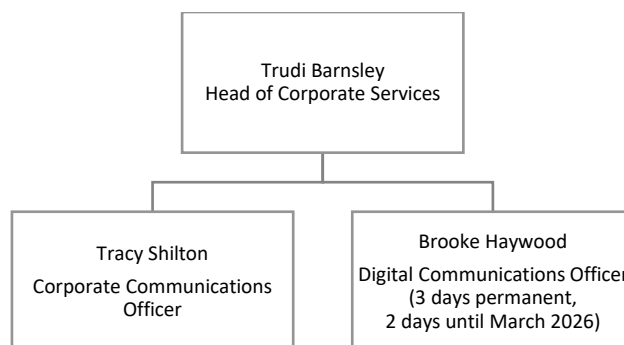
- 1.1 This is a report that provides Members with an update to the work that the Communications team has undertaken for the period April to October 2025.

Recommendation to the Board

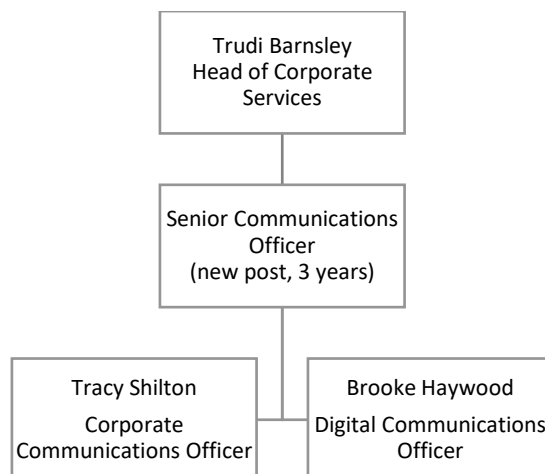
- a That the report is acknowledged; and
- b That the report be noted.

2 Background

- 2.1 The small Communications Team is managed by the Head of Corporate Services who currently reports directly to the Chief Executive who work closely with Management Team. The team are having an extremely busy year so far.
- 2.2 The team structure is as shown below:



- 2.3 If approved at Special Sub-Group Resources Board and Full Council November and December, as part of additional communications to support Simpler recycling and the Leisure project the new structure will be as follows:



- 2.4 The purpose of a the newly created Senior Communications Officer will lead and manage how the Council communicates with its various audiences - residents, businesses, media, stakeholders, and internal staff. They will develop and implement communication strategies aligned with the Council's priorities and public services. Advising senior leadership (e.g., Chief Executive, Corporate Directors and Councillors) on communication risks and opportunities, whilst protecting and enhancing the reputation of the Council through proactive media relations, crisis communications, and public engagement. Monitor public sentiment and respond to misinformation or reputational threats and lead, motivate and manage the Communication Team.

3 The work that the team is undertaking

3.1 Latest news

All press releases issued by North Warwickshire Borough Council can be found on the website: [Latest news – North Warwickshire Borough Council](#). The Council has produced and distributed 56 press releases in the last 6 months, on average 2 per week, compared to 4 last year for the same period. Some statistics will appear on the Council's performance management reporting [dashboard](#).

3.2 Media

All council press releases are signed off internally and by the Leader of the Council or the relevant Councillor, and the Chief Executive, they are then emailed to the press and media enquiries from journalists are handled by the team. The Council obeys the [national code of recommended practice on local authority publicity](#). The Council does not use our resources to promote a particular political view, or to influence the public on policy.

3.3 Social media

The Council has a Facebook, Instagram, LinkedIn, and Twitter accounts, these are all managed by the team. The team use an application called Hootsuite that helps the Council manage social media posts across different platforms and provides analytics the Council knows what is and isn't working. The Council's followers have increased by 730 in the last 6 months. The team produce a plan of campaigns that will be promoted throughout the year, see **Appendix A** for more information.

...

3.4 Email subscriptions

The Council uses an application called govDelivery which is a digital communications solution providing email marketing, campaigns, internal communications (weekly email) and texts. govDelivery allows the Council to personalise the look and feel of emails, automate texts and/or emails and to send targeted messages about specific topics to subscribers. The Council currently has 47,997 subscribers which equates to 73%.

3.5 Website and Intranet

The team carry out updates, modifications and deletions to the website and intranet. Major design changes and upgrades are carried out by the Transformation team.

3.6 Noticeboards and Photo's in the Committee Room

The team ensure the content is current and relevant.

3.7 Events

The Communications team are involved in promoting major events, they are:

- County Council and 2 North Warwickshire bi-elections – May 2025,
- Since May, producing a 'summary' of what the Council achieved. This is done bi-monthly
- Consultation for Caldecote and Hartshill (review of boundary change) – June to August 2025,
- Soft plastics promotions – July 2025,
- Bike Race – September 2025,
- Residents' app launch – October 2025, currently the Council has over 1,000 downloads within the first month since launching, with 750 users subscribed to receive notifications,
- Cancer Awareness Day – November 2025 (The Cancer Research Stand and talks are being funded by Unison and the Health and Wellbeing Working Party),
- Representing the Council at 2 events during November for promotion of the app and raising awareness for recycling,
- Increased information and close working relationships across the Council help with information flowing to the Communications team. Specific examples of where this is working very well is food hygiene ratings, fly-tipping and weekly email to all staff and councillors.

- 3.8 Branding guidelines
The Council's brand is linked to the Council's colour scheme for the website, the corporate branding is being used in corporate design and branding for use in external communications.

... 3.9 One of the Communications Officers attends Extended Management Team on a monthly basis for a proactive discussion of corporate communications. See **Appendix B** for notes.

- 3.10 The Communications team sit on the Warwickshire Local Resilience Forum (WLRf) with counterparts from other Councils.

4 Report Implications

4.1 Finance and Value for Money Implications

- 4.1.1 None arising from this report. However, the Senior Communications Officer is being funded from 50% from Leisure project and 50% from Simpler recycling costs for a period of 3 years. Any banners or additional material that the team have purchased have been funded from existing budgets.

4.2 Legal and Data Protection Implications

- 4.2.1 The Head of Corporate Services works closely with the Head of Legal Services and therefore is acutely aware it is legal obligation to consult the Council's Data Protection Officer (DPO) early in relation to any matters which relate to the protection of personal data and to ensure that they are properly involved in such matters and are therefore able to contribute accordingly. It is also a statutory requirement to provide the DPO with the necessary resources to undertake their role, together with access to all relevant information required. In turn the DPO must advise the Council as to its obligations under data protection legislation. The Head of Legal Services is the Council's DPO.

4.3 Environment, Climate Change and Health Implications

- 4.3.1 Improvements in the communications, engagement and quality of services will contribute to improving the quality of life within the community and the reputation of the Council.

4.4 Risk Management Implications

- 4.4.1 There are several risks that could prevent progress being made, they are:
- Damage to the Council's reputation,
 - Resources
Having insufficient resources available. For example, not having the right people available at the right time, either within the Communications Team and/or other key areas of the Council,
 - Lack of Buy-In, commitment and support from Senior Management, Councillors or colleagues,

- Late and/or inadequate engagement with the DPO or a complete failure to engage them.

4.5 Equalities Implications

- 4.5.1 The recruitment for the Senior Communications Officer will be carried out in line with the Council's Recruitment and Selection Policy.

4.6 Human Resource Implications

- 4.6.1 Detailed in this report.

5.1 Links to Council's Priorities

- 5.1.1 The work that the Communications Team undertake contributes towards the Council's Corporate Plan to promote all elements of the corporate priorities.

The Contact Officer for this report is Trudi Barnsley (719388).

Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

Communications Team Plan

A month-by-month list of the Comms plan to produce and promote on our social media throughout 2025.

March 2025

- 3rd – World Wildlife Day
- 4th – Pancake Day
- 4th – Atherstone Ball Game
- 6th – World Book Day
- 8th – International Women's Day
- 9th – COVID-19 Day of Reflection
- 10th – Commonwealth Day
- 12th – No Smoking Day
- 17th – St Patrick's Day
- 18th – Global Recycling Day
- 20th – World Storytelling Day
- 21st – Comic Relief
- 21st – Great British Spring Clean Campaign Starts
- 30th – Mother's Day

April 2025

- Stress Awareness Month
- 1st – April Fool's Day
- 4th – National Walk to Work Day
- 6th - Great British Spring Clean Campaign Ends
- 7th – World Health Day
- 11th – National Pet Day
- 14th – Easter Holiday starts for schools
- 19th – Bicycle Day
- 20th – Easter Sunday
- 21st – Easter Monday
- 22nd – Fly-tipping Peaks
- 23rd – St George's Day
- 25th – Easter Holiday ends

May 2025

- No Mow May
- 1st – Election Day
- 8th – VE Day 80
- 12th – Mental Health Awareness Week
- 19th – Dementia Action Week
- 20th – World Bike Day
- 20th – World Bee Day
- 21st – Walk to School Week
- 25th – National Children's Gardening Week
- 26th – May Half Term Starts (Schools)
- 30th – May Half Term Ends (Schools)

June 2025

- 1st – Volunteers Week
- 2nd – Child Safety Week
- 3rd – World Bicycle Day
- 7th – World Food Safety Day
- 7th – Great Big Green Week
- 14th – Warton Carnival
- 15th – Father's Day
- 28th – Armed Forces Day

July 2025

- 5th – Tour de France begins
- 13th – The Office (Warton) Charity Fun Run
- 28th – Sherbourne releases information regarding recycling plastic wrap and bags etc.

August 2025

- 7th – Cycle to Work Day
- 14th – A Level Results Day
- 19th – World Photography Day
- 21st – GCSE Results Day
- 25th – Fly tipping peak (All week)
- 29th – Fly tipping peak

September 2025

- 6th – Read a Book Day
- 9th – Assets for Winter Wellness from NWBC (Pre-planning)
- 10th – Suicide Prevention Day
- 22nd – Recycle Week Starts
- 24th – National Fitness Day
- 28th – Recycle Week Ends

October 2025

- Breast Cancer Awareness Month
- 1st – Prepare Halloween Assets
- 10th – World Mental Health Day
- 16th – World Food Day (Try local business)
- 21st – Diwali (21st – 1st Nov)
- 27th – October Half Term for Schools (27th – 31st)
- 31st - Halloween

November 2025

- 5th – Bonfire Night
- 9th – Remembrance Sunday
- 11th – Remembrance Day
- 14th – The King (Charles III) Birthday
- 21st – Children in Need
- 28th – Black Friday

December 2025

- 6th – Small Business Saturday
- 9th – UK Christmas Jumper Day
- 11th – Promote Winter wellness
- 25th – Christmas Day
- 26th – Boxing Day
- 31st – New Years Eve
- Christmas bin collections
- Leisure centre openings
- Office closure for Christmas

Tuesday 1st April

- We have been working alongside Warwickshire County Council to schedule and prepare all our Election content for the County Election on the 1st of May.
- We are planning to communicate the outcome of the Great British Spring Clean on our social media after the election, Birchwood Primary and Outwoods have participated using our free kits, so we're preparing a positive press release, and we will be sharing their stories on social media.
- We have been working alongside our Environmental Crime Officer to share fly-tipping prosecution stories every Friday which have received positive interaction on our social media. We have recently introduced this so we're looking forward to seeing how it will perform over the next few months.
- We have prepared and scheduled comms to put out for our fly-tipping peaks over the Easter weekend.
- We have been reviewing our Operation London Bridge Comms approach over the last few days, and we are finalising everything after the latest meeting. We have updated and prepared everything ready to go.

3 June 2025

- 2 new Borough Councillors – photos taken, and website and poster updated (now distributed)
- Full Council – new Mayor and Deputy Mayor appointed (press release, website and social media, Gov Del) – Mayor is aware that comms will attend some events if required.
- Car cruising – press release produced ready for Sofia to take to court.
- North Warwickshire Borough Council helped the community to celebrate the 80th anniversary of VE Day by awarding 47 grants to successful applicants to host street parties.
- 12th – 18th May – Mental Health Awareness week comms included:
Information of 1st Aiders, tips for mental well-being, activities, lunchtime walk, minutes silence to remember those who we lost to suicide. information about Counselling service and was rounded off with the online presentation by Steve on the Friday with the assistance of WCC.
- Consultation for Caldecote - Community Governance Review – boundary change.
- Gov Del to residents and drop-in sessions in July.
- Meeting With Councillor Bell regarding comms, who would like to see more comms, we also discussed an update overview to go on social media with what the Council has been doing.
- Chris Jones' leaving presentation recorded and shared with staff.
- Fly-tipping members were updated at board and a followed up with a press release – Community Grant given to a local parish council to help fund CCTV cameras in common fly tipping areas.
- National Licensing Week - what precautions should you take before boarding your dog?
- When using taxis in North Warwickshire, always check to make sure the vehicle and driver are licensed. The driver will show you his or her badge if you ask and there should be a plate attached to the rear of the vehicle with the vehicle details on.
- Cancer awareness bus – Saturday 14th June – ALC.

1 July 2025

- We communicated about the fire at Abbey Green Park, an incident where a member of the public set fire to a traffic cone, and it spread to the equipment, leading to the equipment needing to be replaced.
- On 14th June 2025, the Cancer Bus visited Atherstone Leisure Complex. Experts talked through the different cancer screening programmes available and shared information about how regular screening empowers you to be proactive.

2 September 2025

- We have spent lots of time preparing for the Bike Race, which is this Friday. We've been putting lots of Comms out promoting the event and the activities that are going on, such as free health checks from leisure staff, a cycle challenge and much more. We will be communicating the car park and road closures in the weekly email again, but, if possible, could you please remind your teams that the main staff carpark

(Woolpack Way) will be closed all day on Friday. We're encouraging staff to swap their WFH days or to use the South Street carpark by the Co-Op if they come in.

- We've been actively promoting the annual canvass through our social media channels to encourage residents to review and confirm the household information that we hold, which supports the publication of an accurate Register of Electors.
- In addition, we've been raising awareness of the LGR survey both internally and externally, with further promotion planned at the upcoming bike race event.
- We're also building interest in our new app, which will go live at the end of September. We've announced to residents that it's coming soon, and we'll be using the bike race as an opportunity to generate further excitement and engagement.
- Since the 27th of June, we have sent out letters to all of the residents in Caldecote and Hartshill regarding the Community Governance Review, informing them of the consultation that we held, which ended on the 12th of August. We also held two drop-in sessions for residents seeking additional information, on the 9th of July in Caldecote and the 23rd of July in Hartshill. There were 29 responses to the consultation, and the report will go to the Board on 15th September for members to consider the results.
- Since the 28th of July, residents have been able to recycle more types of plastics, such as plastic film, bubble wrap, chocolate wrappers and more. This has been well received by residents.
- We're currently drafting the July to August highlights to showcase our recent work, following a request from members.
- Additionally, in response to another request from members, we have published a series of social media posts featuring the history and heritage of key locations along the Cycle Tour route. These posts have been performing well, and members have been kept informed about their distribution.
- A contract signing photo op for the new Leisure Centre was held today with Leader of Council David Wright, Councillor Margaret Bell and the Regional Director of AtkinsRealis, Dean Williams. The photo is to go alongside an upcoming press release, which will announce that AtkinsRealis has been appointed as the design team.

7 October 2025

- At the beginning of September, the focus was on the Lloyds Tour of Britain cycle race – stage 4. Atherstone hosted the start of the race, on the day the comms team had extra help from Trudi, Ev, Helen, Martin and Mohsin. We used an empty shop in the centre of the town as a base along with the Communities Team. Prior to the event we put lots of comms out promoting the event and the activities that were going on at the event. We also communicated the car park and road closures to the public and staff. Prior to the event the mayor judged a Window Dressing Competition which we attended and took photos and drafted a press release. The event was a great success and between the team we managed to take over 300 photos (some of which are now on display in the Committee Room) and a few excellent videos at various different locations. On the day we kept social media busy using Facebook live and also around the town with the selfie frame which went down really well. We also ran a cycle race photo competition which was judged by Councillors Katie Hobley and David Humphreys and this was followed up with a press release.
- App launch – we have spent the last month promoting that the app is coming soon and the good news is that we are ready to go. This week we will be doing a soft launch to staff that are residents and members asking them to download the app and provide feedback and are planning the full launch to the public on Monday.
Ideas to promote the app:
Social media including a step by step 'how to download and set up the app, Gov Delivery, create an email footer for all staff to use, website with link to app stores, posters and leaflets in Leisure Centres and Community Rooms, looking into the cost of having a QR code printed on all outgoing envelopes, email Councillors asking them to promote/share posts, include the QR code for the app on the Christmas bin hangers, look into the possibility of promoting the app on all council vehicles including bin lorries and vans, ask contact centre to promote app when speaking to residents, QR code will be included in the budget setting letter next year, banner on the railings by OBH.
- On Tuesday 16th September we distributed a press release announcing that announce that AtkinsRealis has been appointed as the design team for the new leisure centre.
Leisure Meetings – we attended 3 meetings in the past 2 weeks where we were introduced to GT3 (architects) and PO'sh Creative. Extra resources for Comms to assist Leisure at Board next week.

- Simpler Recycling Project – we had a meeting to discuss the upcoming food waste service that needs to be implemented by April 2026.
- Jeff Brown leaving presentation was recorded and shared with staff that were unable to attend.
- Comms attended the WLRF emergency comms conference, which was useful and helped to prepare us for future incidents.
- Assisted Democratic Services with social media posts regarding the Annual Canvass, and this week have a meeting to discuss the final phase of the canvass and also postal vote arrangements due to changes that means that if you applied for a permanent postal vote before 31 October 2023 and want to continue voting by post, you will need to reapply before 31 January 2026.
- Trudi, Sofia and Kerry attended a jobs fair run by WM Jobs last week and we are looking at induction packs for new starters.

General Comms

- Recycling Tetrapak – comms has been sent out, and we have had positive feedback from residents
- Successful fly tipping prosecution communicated
- In partnership with the Police have been released about The Bell Inn, Coleshill
- Communicated about the Kingsbury oil terminal injunction being extended for 12 months
- Breast Cancer Awareness month
- Recycling Week – 22nd September

Coming up - Next Week

Press release regarding Atherstone Football Club

Press release for Leisure next week with the designs for the new centre

Brooke attending - Violence against Women Group – help with the communication of Domestic Abuse messages – promote support services

Tracy attending - Disability Forum

Coming up in November

We will be attending 2 Dickens events at Polesworth and Atherstone where will primarily promote the app and give recycling advice and have some fun interactive games for kids with prizes. If anyone has anything that they would like us to share at these events, then please let us know.

Cancer Research Awareness Day – 20th November 2025

Cancer Awareness Stand - The stands allow your employees to have tailored and confidential conversations about health and cancer with our registered nurses.

During the day colleagues and councillors can:

- have one-to-one conversations
- engage with interactive tools
- access a range of information
- play fun quizzes and games
- learn how to reduce their risk of cancer
- learn how to spot cancer early
- learn about sun safety
- check their BMI
- learn the difference between cancer myths and facts
- there will also be cancer talk/s which we can record to share with employees that are unable to attend.

What we aim to do

- Using comms create interest to get as many employees as possible into the office on the day including making sure that staff from different locations are invited to attend
- Request donations for raffle prizes
- Sell raffle tickets to all employees including visiting LHF, depot and leisure centres
- Cake sale on the day
- Dress down on the day
- Special weekly email with personal cancer stories
- ScalpEase will attend on the day and staff can book an Indian Head massage

Freebies and stands

The Council will display the Thrive banner and have corporate branded freebies.

As unison are part funding the day – their logo will be displayed on comms, and they are having a stand on the day to distribute leaflets and give out freebies such as water bottle/key rings/pens etc.

Agenda Item No 12

Executive Board

24 November 2025

Report of the Chief Executive

Emergency Management Plan

1 Summary

- 1.1 Members are asked to approve a revised Emergency Management Plan

Recommendation to the Board:

That the Emergency Management Plan be approved

2 Report

- 2.1 The Council's Emergency Management Plan sets out how the Council would respond to an emergency occurring in or affecting the people, place or environment of the Borough.
- 2.2 The Plan was last reviewed in 2021 and has been comprehensively reviewed with help from the Coventry, Solihull and Warwickshire Resilience team (CSWR). CSWR is a joint team from Coventry City Council, Solihull Metropolitan Council and Warwickshire County Council, and this Council has a service level agreement with CSWR to provide specialist help and support for emergency responses.
- 2.3 The Plan, attached to this report, sets out the Strategic and Tactical responses the Council would make to emergencies, both within the Borough and where involvement is needed in emergencies that happen on a wider geographical footprint.
- 2.4 These responses have been well practiced in recent years as a result of COVID 19 and the impact of that emergency, particularly the use of agile working, has brought about a number of changes to the Plan.
- 2.5 A number of those appointed to the formal roles are new to Emergency Planning and training will be arranged with CSWR and external providers on the general principles of emergency planning and on the specific roles within the response, such as loggists. Walk through and live exercises will be planned next year after this initial training has taken place. Training will also be arranged for Members.

- 2.6 Officers are also reviewing the Council's business continuity plans and a corporate policy will be reported to the next meeting of this Board. Revised templates for updated business continuity plans have been produced by CSWR and workshops will take place with the initial number of priority services with a view to producing revised plans by March 2026.

The Contact Officers for this report is Steve Maxey (01827 719438)