

Auditor's Annual Report Dartmoor National Park Authority

For the year ended 31 March 2025



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PRIVATE & CONFIDENTIAL

Members of the Audit & Governance Committee
Dartmoor National Park Authority
Parke
Bovey Tracey
Newton Abbott
TQ13 9JQ

Dear Members

Dartmoor National Park Authority (the Authority) – Auditor’s Annual Report 2024/25

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

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

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

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

Yours faithfully

Bishop Fleming Audit Limited

BISHOP FLEMING AUDIT LIMITED

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1. Introduction

Our Auditor's Annual Report (AAR) summarises the work that we completed for Dartmoor National Park Authority (the Authority) for the year ended 31 March 2025.

The Authority is responsible for:

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

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

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

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

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

In addition, we are also responsible for reviewing the Authority's arrangements in place to secure economy, efficiency and effectiveness in its use of resources. The Code requires us to report on the Authority's arrangements under three specified reporting criteria:

- Financial sustainability – how the Authority plans and manages its resources to ensure it can continue to deliver its services;
- Governance – how the Authority ensures it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness – how the Authority uses information about its costs and performance to improve the way it manages and delivers its services.

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

2. Executive summary

Results from the audit of the financial statements

We have substantially completed our audit of the financial statements, and we anticipate issuing an unmodified audit opinion. See Section 3 for more details.

On finalisation of the external audit, we completed the component auditor procedures, in line with the National Audit Office group auditor instructions for the work required on the Whole of Government Accounts return. There are no issues to report to the Authority.




Results on our work on other matters

Our work relating to other matters has been completed in line with our audit plan. For those minor areas that have required updates or amendments, management have engaged constructively with us and responded positively to our requests. See Section 3 for more details.




Results from our work on VFM arrangements

Under the National audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether the Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

Our conclusions are summarised below. See Sections 4 to 8 for more details.

Financial sustainability		<i>Green</i>	We have not identified any significant weaknesses in the Authority's arrangements for financial sustainability.
Governance		<i>Amber</i>	We have not identified any significant weaknesses in the Authority's arrangements for governance. We have raised one recommendation in the current year.
Improving economy, efficiency and effectiveness		<i>Green</i>	We have not identified any significant weaknesses in the Authority's arrangements for financial sustainability.

Key:

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

3. Audit of the financial statements

Audit opinion on the financial statements

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

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

Our audit of the financial statements has been completed, and we issued an unmodified audit report on 24 February 2026.

Key issues arising from the accounts audit

Our testing and review of the financial statements to date has not identified any significant issues that need to be brought to the attention of those charged with governance. The unaudited accounts and working papers provided were of a good quality, with only a few amendments required.

Other matters

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

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

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

Audit certificate

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

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

4. Value for Money

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

The Code requires us to report our commentary on the Authority's arrangements under three specified reporting criteria:

- Financial sustainability – how the Authority plans and manages its resources to ensure it can continue to deliver its services;
- Governance – how the Authority ensures it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness – how the Authority uses information about its costs and performance to improve the way it manages and delivers its services.

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

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

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

Our commentary on the Authority's arrangements in each of these three areas is set out in Sections 5, 6 and 7 of this report.

Our recommendations for improvement are included in Section 8.

5. Financial sustainability

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

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

Overview and 2024/25 outturn

The Authority's 2024/25 financial outturn was an £8.5k surplus (2023/24: £12.6k surplus). This includes particularly favourable income generation, as the Authority secured additional external grant income of £587k above budget, and generated £953k in income from fees, charges, sales and other income (2023/24: £898k). There was also staff cost savings of £323k realised due to the nationally set pay award being lower than budgeted and vacancy savings arising from turnover in staff. The additional income and savings were netted against overspends such as improvements to public rights of way (£98.2k), repairs and maintenance at visitor centres (£89k), and ranger vehicle maintenance and lease hire (£66.7k).

Additional capital funding of £250k was also notified and received from the Department for Environment, Food and Rural Affairs (DEFRA) for 2024/25 after the Authority's budget was finalised. The Authority has used this across a range of capital projects, including public rights of way and Parke capital infrastructure enhancements (£90.1k), replacing vehicles for the rangers and estates teams (£71k), and meeting room public recording system and office equipment (£45.7k).

The final Surplus on Provision of Services of £734k and an overall increase in reserves of £54k is favourable compared with the 2024/25 Medium-Term Financial Plan (MTFP), which forecast a balanced budget which included a contribution from reserves of £409k.

Financial planning and monitoring

The Authority keeps its budget position under review throughout the year, presenting a bi-annual Financial Management Monitoring Report to the Audit and Governance Committee, including a full year Financial Outturn Report. This is presented on a timely basis in May each year, two months after the year-end.

The Authority's Business Plan for 2025/26 sets out the details of the Authority's plans for the year, and links in with the Government's 25 Year Environment Plan, the Environmental Improvement Plan and the Outcomes and Targets Framework for Protected Landscapes. The plan is structured around five priorities, plus 'be an excellent organisation'. There are 21 key action and targets linked to priorities. These are monitored throughout the year by the Leadership Team, the Audit and Governance Committee and the Authority meetings. There is quarterly reporting reviewing progress against the actions using a RAG (Red, Amber, Green) rating, budget monitoring and an annual review of the performance indicators.

The Authority has received an allocation of capital funding from DEFRA for 2025/26, for which the Authority is now reviewing and exploring their investment opportunities. Any major capital investment decisions are made on an individual basis and subject to the submission of a business plan, as well as scrutiny by the Leadership Team and the Authority's members.

Achieving efficiency savings

The Authority's performance is monitored on a line-by-line basis against the budget through the bi-annual Financial Management Monitoring Report and annual Financial Outturn Report. Savings plans are built into the balanced budget and MTFP, and therefore are monitored through the variance analysis in the reports.

In 2024/25 a specific saving of £322.6k was achieved through the nationally set pay award being lower than budgeted for and vacancy savings realised due to staff turnover throughout the year.

The Authority operates in a context whereby most income is provided through external grants (i.e. the fixed national parks grant from DEFRA). The main revenue grant received is the National Park Grant (NPG) which has remained unchanged from 2023/24 to 2024/25 at £3,825k. The Authority builds in planned use of reserves to cover funding gaps. There also has been a focus on obtaining additional income through grants, which in 2024/25 resulted in an increase of grant income of £587.6k against budget. However, for 2025/26 DEFRA has announced that there will be an anticipated 9% cut (approximately £500k) to the revenue grant, and instead allocations of capital funding will be awarded in its place. This will change the way that the Authority is able to allocate and use its income and funding.

2025/26 financial planning

The Authority presented its 2025/26 Budget Book and MTFP at an Authority meeting in March 2025. The Members were presented with three possible scenarios, one with no change forecasted in relation to the National Park Grant (NPG) core revenue grant of £3,825k, one based on the assumption of a 9% cut to the NPG in 2025/26, and one based on a 9% cut for each year throughout the MTFP.

The 2025/26 budget forecasted that there would be a gap of £270k in the revenue budget, which would need to be funded by the reserves for scenario 1, where there could be a requirement for funding from the reserves of £615k for scenario 2. In March 2025, the Authority approved the budget, based on scenario 1, but also approved the use of earmarked reserves noting the need to take up to £615k from reserves to balance the budget in 2025/26. In May 2025 the Authority received notice that the NPG core revenue grant for 2025/26 would be £3,512k, an 8.2% decrease but less than the scenario 2 decrease considered by the Authority.

The MTFP highlights that if no increases in the national park grant are received over the period of the MTFP, that reserves are forecast to fall by over 64% by 2027/28.

Before now, the Authority has not required a Capital Programme due to the small-scale nature of the assets that they invest in. However, the 2025/26 NPG includes £1,454k of core capital grant funding. The Authority has received guidance from DEFRA over how this grant funding should be spent, including that it is required to be spent in 2025/26. Options over how this capital funding is to be utilised have been considered by the Authority and a Capital Investment Strategy was received at the September 2025 Authority meeting.

The MTFP includes risks and assumptions that have been built into the modelling, along with an acknowledgement that many assumptions may need amending depending on future National Park Grant settlements, including that of 2025/26. We consider that the assumptions included in the MTFP are reasonable and not overly optimistic.

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

6. Governance

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

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

Risk management

Risk management is the responsibility of the Chief Executive and of the whole Membership of the Authority, who together have a responsibility to maintain a sound system of internal control that supports the achievement of the Authority's policies. The Authority has a Risk Management Strategy in place, monitored by the Head of Organisational Development, which is subject to an annual review by the Audit and Governance Committee. This sets out the process of identifying and reporting risks, and the responses and monitoring processes which will be put in place. The most recent scrutiny and update to the strategic risk register is evidenced in the minutes of Audit and Governance Committee in May 2025. Each risk on the strategic risk register is linked to a specific category (Performance, Strategy, Finance or Governance) with a description and RAG rating.

The Leadership Team monitor and review the Strategic Risk Register on a quarterly basis to ensure they are clear about potential risks and the mitigations in place. From our review of the Authority's risk reporting, we can see the Authority has procedures in place such as whistleblowing and anti-fraud and corruption to flag any risks that occur throughout the year. We are content that there are adequate arrangements in place to monitor and raise risks, with new risks being identified throughout the year.

Internal control

Internal audit at the Authority is provided by Devon Assurance Partnership, a shared service agreement between a number of the local authorities in Devon. Internal Audit agree an annual audit plan with the Head of Business Support and then present the Plan to the Audit and Governance Committee for approval. The 2024/25 Internal Audit plan was approved at the 31 May 2025 Audit and Governance Committee meeting.

The Audit and Governance Committee use the work and findings of internal audit to consider the operation of key controls during the year which is used to draft the Annual Governance Statement. Internal Audit also issued an Annual Report summarising their work for the year along with the Head of Internal Audit's Opinion which provided Substantial Assurance for 2024/25, their highest rating, as well as the internal audit plan for the 2025/26. The findings and opinion for the 2024/25 were presented to the Authority at the November 2025 Audit and Governance Committee meeting.

An Internal Audit Review of the Key Financial Systems was carried out with regard to the new finance system, which was implemented after the year end (April 2025) and the review did not identify any significant issues.

Through our review of the Internal Audit reports along with the Audit and Governance Committee minutes and papers, we have not identified any significant gaps in the assurance the Authority's receives over matters in the work programme.

We are satisfied that the Authority has adequate arrangements in place for the prevention and detection of fraud through the design and implementation of appropriate policies and procedures.

Budget setting and budgetary control

The Authority approves a Treasury Management Policy & Investment Strategy annually. This 2024/25 strategy was presented and discussed by the Authority at the March 2024 meeting. This sets out the detail on how the treasury function is to be conducted and sets out the Minimum Revenue Provision (MRP) policy.

Consistent with prior years, the Authority's budget setting process is collaborative and takes place using a centralised, shared Microsoft Teams document. Initially, budget holders submit their bids. The Head of Business Support then holds individual meetings with each budget holder to discuss their submissions where proposals to reduce cost pressures are considered. These are then presented to the Leadership Team for scrutiny before being brought to the Authority meeting to review and approve as budget and Medium Term Financial Plan (MTFP).

There are clear systems in place for oversight of budget monitoring. Budget monitoring reports are provided to service teams monthly. Any matters arising are also then considered at Leadership Team meetings using standing agenda items, detailing the financial position. Adverse variances are discussed at Leadership Team meetings, including agreement on how to reduce these variances.

Reserve funding is allocated or matched with expenditure according to project requirements. However, it should be noted that some projects straddle more than one financial year, or are dependent on partnerships, where timing of spend is uncertain. Therefore, forecasting beyond the current year is usually subject to more change.

From our review of the Authority's budget reporting, we have assurance that there are appropriate segregation of duties, and financial reporting is clear and includes sufficient qualitative detail to support decision making.

The Authority did not produce and publish an unaudited set of 2024/25 accounts by the 30 June 2025 statutory deadline. This was due to the finalisation and processing of the accounting entries in relation to the newly adopted leases accounting standard, IFRS16, for 2024/25. These were subsequently published on 7 July 2025. We have raised a recommendation in respect of this, see Section 8 for further details.

Decision making

The Authority intends to meet nine times a year, and appropriate minutes are approved and documented online. Papers and information prepared for the Authority is of suitable detail to enable review of relevant information before meetings such that suitable discussion and challenge can be raised when major decisions are taken. The Head of Business Support / Section 151 officer has appropriate access to engage with senior leadership body.

The Audit and Governance Committee meet three times per year and reviews decisions to ensure they are well-founded and align with the Authority's objectives and regulations. This scrutiny helps identify potential issues or areas for improvement before decisions are finalised.

In 2023/24 we noted that it is commonplace for the Audit and Governance Committee to be combined with the main Authority meeting. We noted that this risk reducing the necessary level of detailed scrutiny that the Audit and Governance Committee should provide. We found only a single combined meeting between the Audit and Governance and Development Management Committees, but none with the Authority. Management have confirmed that joint meetings of the Authority and Audit and Governance Committee shall be convened only in exceptional circumstances.

Ensuring appropriate standards

Financial Regulations provide a framework for managing the Authority's financial affairs. They apply to every Member and Officer of the Authority and anyone acting on its behalf. As a public organisation the Authority aims to maintain the highest standards of conduct and integrity. The Authority seeks to express the highest standards of corporate behaviour and responsibility.

Members must declare any interests they have which may cause conflict with their role. An interest is any matter - such as ownership of land or company, or membership of a group or club - which may influence their judgment. The Register of Interests includes all Members and co-opted members. Declaration of Interest is a standing item on every meeting agenda.

The Authority has a range of policies in place designed to ensure compliance with legislation and regulatory standards including Codes of Conduct for Members and staff, Local Code of Corporate governance, along with a range of Human Resources procedures (Whistleblowing and Anti-fraud and corruption). All gifts are recorded and agreed by the Head of Business Support

From our review of the Authority, we have gained assurance that the Authority has sufficient policies and standards in place to ensure high standards are maintained.

Based on the work carried out, we are satisfied that there are no significant weaknesses in the Authority's governance arrangements. We have made recommendations for areas of improvement in Section 8.

7. Improving economy, efficiency and effectiveness

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

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

Assessing performance and evaluating service delivery

The Authority puts together a business plan which informs Members of the Authority's performance against key actions. The Authority uses a spreadsheet (traffic light system) to track progress, this is then reviewed by the Leadership Team every quarter. The Business Plan identifies 21 key actions relating to the following priorities:

1. Better for Nature
2. Better for Cultural Heritage
3. Better for Farming and Forestry
4. Better for People
5. Better for Communities and Business
6. Be an excellent organisation

Our review identified that performance against the actions is monitored well. Actual progress against the 21 key actions is briefly outlined across all four quarters to easily highlight progress made. This report therefore provides accessible and useful information to the reader of how the Authority work towards assessing performance.

There is a Performance Indicator framework in place reported in the "*Performance Indicators, Annual Ombudsman Letter 2024/25 and Health & Safety Policy 2025*" at the 30 May 2025 Audit and Governance Committee meeting. This report detailed of a set of 41 indicators. These indicators include 'state of the park' indicators as well as more specific indicators about the Authority's performance. After assessing the Performance Indicators, we have read that there has been a mixed response regarding meeting these targets. The report provided by the Authority highlights to us that they are aware of the shortfalls (indicated in red on the report), which appeared to predominantly circle around vacancies or lack of staff hours available. From the reports provided, we can therefore see the Authority is able to monitor their own performance and identify their areas for improvement.

The Authority reviews and addresses recommendations raised by external bodies such as internal and external audit. We have noted below in Section 8 how the Authority has addressed recommendations raised in previous years' Auditor's Annual Reports. To demonstrate the application of learnings and previous recommendations, the Authority has also provided an internal audit review memo of key financial systems prepared by Devon Assurance Partnership, in relation to their changeover to a new financial system, reviewing the key systems in place for 2024/25. Regarding improving economy, efficiency, and effectiveness, there were no significant weaknesses identified. This demonstrates that the Authority has taken account of recommendations made in previous years and applied them when moving to the new system.

The Authority is also reviewed internally by the Leadership Team, and we can see this throughout the minutes where there is discussion of performance of previous months, reviewing. From the above provided to us, we can then confirm that the Authority reviews and challenges strategic priorities and cost-effectiveness of existing activities.

Partnership working

The Authority has established in the past how Partnership working is a clear aim and this is evident through their work as part of the National Parks Partnership LLP (NPP). The aim is securing commercial sponsorship opportunities to benefit 15 National parks within NPP. From the key reports provided, we can come to the conclusion that the Authority has arrangements in place to monitor whether significant partnerships are meeting their stated objectives.

We have seen plenty of other examples of the Authority's approach to partnership working within the following areas:

- South West Water Recreation and Conservation Forum – with the aim to advise South West Water on recreation and conservation issues linked to its land and water holding. A representative of the Authority is involved with the Forum.
- Meldon Viaduct Company – With the purpose of maintaining the Viaduct to ensure its future. The Authority has appointed a member to sit on the Board of Directors of the company.
- National Parks England – 10 English National Park Authorities to feed their views up to a national level. The directors being made up of various chairs of the included National Parks.
- Dartmoor Dynamic Landscapes – Local partnership to focus on the creation of naturally resilient landscapes and help community connections, with £3.1m of funding awarded by the National Lottery Heritage Fund for the programme of work to 2030.

The above involvements reflect how the Authority clearly ensures it delivers its role within significant partnerships. We are satisfied that the Authority engages with key stakeholders within the local area in order to determine their priorities for resources and savings.

Commissioning and procuring services

The Authority has provided their procurement strategy, which includes procedures clearly outlining the steps to delivering effective procurement in various different situations. The procurement procedures documents and systems are kept under review to ensure that they are fit for purpose and comply with the relevant legislation.

The fact that the detailed policy has been put in place as well as consciously considered each year shows that the Authority have an up to date procurement policy in place.

The Authority has also displayed to us that arrangements are in place to monitor the performance of key service providers / sub-contractors.

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

8. Recommendations

KEY:



Red


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



Amber

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

Current Year Issues

Final Accounts Production – Governance	
 <i>Amber</i>	
<p>The 30 June 2025 statutory deadline for publication of the 2024/25 draft financial statements was not met.</p> <p>The financial statements were published on 7 July 2025. This was primarily due to delays in relation to the newly adopted IFRS16 requirements around leases.</p>	<p><u>Recommendation</u> We would recommend that going forward any new statutory requirements are reviewed early to identify the challenges and requirements to achieve delivery to statutory deadlines.</p> <p><u>Management Comment</u> Management acknowledges the delay in meeting the 30 June 2025 statutory deadline for the publication of the 2024/25 draft financial statements. The primary contributing factor was the implementation of the newly adopted IFRS 16 requirements, which introduced a level of complexity not previously encountered in our lease accounting processes.</p> <p>In particular, work on the relevant lease assessments had commenced early; however, four differing steers on the appropriate treatment of the same lease were received during the preparation period. This resulted in significant uncertainty and rework. During the audit process, the auditors expressed difficulty in determining the correct approach, but after discussions, a final and consistent treatment was agreed.</p>

Prior Year Issues – Resolved

Prior Year Recommendation – Governance

Audit and Governance Committee Meetings throughout the summer of 2024 were cancelled due to a lack of items to be discussed on the agenda. As the committee only meets three times per year, we consider holding fewer meetings runs the risk of a lack of frequent and effective scrutiny.

In addition, in the past, Audit and Governance Committee meetings sometimes have been combined with the main Authority, which could lead to a lack of detailed scrutiny normally provided at sub-committees.

2024/25 Update

We note that the 7 February 2025 Audit and Governance Committee minutes noted that the 1 November 2024 committee meeting was subsumed by an Authority meeting held on the same day, and that the combined minutes of the meeting were approved and signed at the Authority meeting held on 6 December 2024.

Management have confirmed that joint meetings of the Authority and Audit and Governance Committee shall be convened only in exceptional circumstances.

2023/24 Recommendation

Meetings of the Audit and Governance Committee should be no less frequent than three times per year.

Meetings of the Audit and Governance Committee should, if possible, be held separately to the main Authority.

2023/24 Management Comment

In the past year, the Authority has convened a combined meeting of the Authority and the Audit and Governance Committee, which was an exceptional circumstance. This was necessary to ensure that members were informed about matters that needed to be discussed and debated in Part II (Private, without the presence of public and press).

All members in attendance were able to scrutinize all items on the agenda, in contrast to the numbers at the Audit and Governance Committee, a smaller sized committee. Given the size of the Authority and the fact that many members are involved in other local Authority meetings and consideration to timings, the decision was made to combine the two meetings.

2024/25 Conclusion

We are satisfied that this recommendation has been resolved.

Issues raised by the predecessor auditor – Resolved

Prior Year Recommendation – Improving economy, efficiency and effectiveness	
<p>The Authority has 37 different performance indicators tracking a variety of different aspects of its performance. The Authority should seek to review its indicators and, where relevant, understand reasons where these have not been achieved.</p> <p>Where achievement is unrealistic, the Authority should consider revising the indicator to become achievable.</p> <p>Where this is inappropriate or impossible (e.g. for nationally determined indicators), the Authority should agree specific actions to improve performance against indicators, especially those where performance is worsening. Risks to delivery or performance should be reflected in the Risk Register.</p> <p><u>2024/25 Update</u> We have been able to see from the 30 May 2025 full Authority report that the basis for the KPIs has been set out as part of the Business Plan. Each indicator has a target or comment, a responsible officer, monitoring and colour coding to aid with easier identification.</p>	<p><u>2022/23 Progress</u> A review is ongoing.</p> <p><u>2023/24 Management Comment</u> A review of the indicators has been undertaken, some are nationally set and out of our control. Those internally set have now been reviewed and methodologies written up with updated PI's being monitored in 2024/25.</p> <p><u>2023/24 Conclusion</u> This recommendation will remain open until next year, when we will review the 2024/25 performance indicators.</p> <p><u>2024/25 Conclusion</u> We are satisfied that this recommendation has been resolved.</p>
Prior Year Recommendation - Governance	
<p>Introduce an annual self-assessment effectiveness review of the Audit and Governance Committee which is the Committee considered to be Those Charged with Governance.</p> <p><u>2024/25 Update</u> The self-assessment questionnaire was emailed to the Audit and Governance Committee with a deadline to complete by 31/07/2025. We have reviewed the responses to the questionnaire that was provided and have received confirmation that this information will be presented at the November 2025 meeting in a report which is currently not yet drafted.</p>	<p><u>2022/23 Progress</u> Once completed, the outcome will be reported in the Annual Governance Statement</p> <p><u>2023/24 Management Comment</u> A self-assessment has been created but has yet to be reviewed and implemented.</p> <p><u>2023/24 Conclusion</u> As the self-assessment has not yet been implemented, we consider this to be unresolved and will review in 2024/25.</p> <p><u>2024/25 Conclusion</u> We are satisfied that this recommendation has been resolved.</p>



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