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# Chelmsford City Council Audit and Risk Committee

**26<sup>th</sup> November 2025**

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## **Draft Auditor's Annual Report for financial year ended 31 March 2025**

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### **Report by:**

Accountancy Services Manager (Section 151 officer)

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### **Officer Contact:**

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### **Purpose**

The Draft Auditor's Annual Report, prepared by the Council's external auditor, Ernst & Young, presents the key findings arising from audit work undertaken to date for 2024/25 financial year.

### **Recommendations**

Members note the content of the Draft Auditor's Annual Report for the year ended 31 March 2025. (report to follow)

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## **1. Background**

- 1.1. The Government has introduced statutory backstop dates, under the amended Accounts and Audit Regulations, to set a deadline for local authorities to publish their audited annual accounts, to address the existing audit backlog.
- 1.2. The back stop date for 2024/25 accounts is 27 February 2026.

- 1.3. To provide Members with a timely assessment of the Council's arrangements for managing its resources, auditors are required to issue their Annual Auditor's Report including their Value for Money assessment (VFM) by 30 November each year.

## 2. Auditor's Annual Report

- 2.1. The Council's audit on statement of accounts is ongoing, and the auditors are expected to report on their findings to the Audit and Risk Committee in January 2026. The audit report to follow will provide an update on the progress of the audit.
- 2.2. Auditors are required to provide commentary on following specific criteria for Value for Money:
  - Financial sustainability
  - Governance
  - Improving economy, efficiency and effectiveness
- 2.3. The external auditor provided a copy of the report to officers on Monday 18<sup>th</sup> November. Officers are reviewing it with Audit and Risk Chair. The report will be circulated before the meeting but following the publication of this agenda. The draft report does not identify any significant risks or weaknesses in the Council's arrangements in place to secure economy, efficiency and effectiveness on its use of resources.

## 3. Conclusion

- 3.1. Based on the work performed, the auditors concluded that the Council had proper arrangements in place in 2024/25 to plan and manage its resources to ensure it can continue to deliver its services.

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## Corporate Implications

### Legal/Constitutional:

The Code of Audit Practice 2024, issued by National Audit Office, requires auditors to issue their draft auditor's annual report to those charged with governance by 30 November each year.

Financial: The Auditor's Annual Report is intended to provide assurance to those charged with governance of the proper use of the Council resources.

Potential impact on climate change and the environment: None

Contribution toward achieving a net zero carbon position by 2030: None

Personnel: None

Risk Management: None

Equality and Diversity: None

(For new or revised policies or procedures has an equalities impact assessment been carried out? If not, explain why)

Health and Safety: None

Digital: None

Other: None

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Consultees: None

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Relevant Policies and Strategies: None directly relevant.

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