

# Oxford City Council

Auditor's Annual Report  
Year ended 31 March 2025  
Issue date 26<sup>th</sup> March 2026



The better the question. The better the answer. The better the world works.



Shape the future  
with confidence



Audit & Governance Committee  
Oxford City Council  
Oxford Town Hall,  
St Aldate's,  
Oxford,  
OX1 1BX

26<sup>th</sup> March 2026

Dear Audit & Governance Committee Members

### 2024/25 Auditor's Annual Report

We are pleased to attach our Auditor's Annual Report including the commentary on the Value for Money (VFM) arrangements for Oxford City Council. This report and commentary explains the work we have undertaken during the year and highlights any significant weaknesses identified along with recommendations for improvement. The commentary covers our findings for audit year 2024/25.

The Statement of Accounts audit [has been completed](#) as of the date of this report. [Changes from the draft annual auditors report published on the 27<sup>th</sup> November 2025 has been indicated in blue.](#)

This report is intended to draw to the attention of the Members of the Oxford City Council, any relevant issues arising from our work up to the date of issuing the report. It is not intended for, and should not be used for, any other purpose.

The [2025 Transparency Report](#) for EY UK provides details regarding the firm's system of quality management, including EY UK's system of quality management annual evaluation conclusion as of 30 June 2025.

Yours faithfully

Andrew Brittain  
Partner, For and on behalf of Ernst & Young LLP  
Enc

# Contents

**01** Executive Summary

**02** Audit of financial statements

**03** Value for Money Commentary

Public Sector Audit Appointments Ltd (PSAA) issued the “Statement of responsibilities of auditors and audited bodies”. It is available from the PSAA website (<https://www.psa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/statement-of-responsibilities-of-auditors-and-audited-bodies-from-2023-24-audits>)

The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The “Terms of Appointment and further guidance (updated July 2021)” issued by the PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code), and in legislation, and covers matters of practice and procedure which are of a recurring nature.

This report is made solely to the Audit & Governance Committee and management of Oxford City Council in accordance with the statement of responsibilities. Our work has been undertaken so that we might state to the Audit & Governance Committee and management of Oxford City Council those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the Audit & Governance Committee and management of Oxford City Council for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



# 01 Executive Summary

204

# Executive Summary

## Purpose

The Auditor's Annual Report summarises the year's audit work, including value for money commentary and confirmation of the financial statement opinion. It also references any use by the auditor of their additional powers and duties under the Local Audit and Accountability Act 2014. In line with the NAO Code of Audit Practice 2024 ("the 2024 Code") and Auditor Guidance Note 03 (AGN 03), this report provides an overview to Oxford City Council and the public, detailing current recommendations and a review of prior years' actions, including our assessment of whether they have been satisfactorily implemented. The Audit & Governance Committee is 'Those Charged with Governance' at the Oxford City Council.

## Responsibilities of the appointed auditor

We have undertaken our 2024/25 audit work in accordance with the Audit Plan that we issued on 29 April 2025. We have complied with the 2024 Code, other guidance issued by the NAO and International Standards on Auditing (UK).

As auditors we are responsible for:

Expressing an opinion on:

- whether the financial statements give a true and fair view of the financial position of the Council and its expenditure and income for the year; and
- have been prepared properly in accordance with the relevant accounting and reporting framework.

Reporting by exception:

- if the Annual Governance Statement does not comply with relevant guidance or is not consistent with our understanding of the Oxford City Council;
- the use of additional powers and duties, for example making written recommendations under Section 24 and Schedule 7 of the Act or making a report in the public interest; and
- if we identify a significant weakness in the Oxford City Council's arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

## Responsibilities of the Council

The Council is responsible for the preparation of the financial statement, including the narrative statement and governance statement, in accordance with the CIPFA Code and for having internal controls in place to ensure these financial statements are free from material error. It is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

205

# Executive Summary (cont'd)

## 2024/25 conclusions

206

<p>Financial statements</p>	<p>Disclaimer: As reported in our February 2025 Audit Results Report we issued a disclaimer of opinion on the Oxford City Council's 2023/24, 2022/23 and 2021/22 Statement of Accounts under the arrangements to reset and recover local government audit.</p> <p>In 2024/25, we continued to audit the closing balance sheet and in-year transactions.</p> <p>As a result of the disclaimer of opinion on the 2023/24 Statement of Accounts, we do not have assurance over some brought forward balances from 2023/24 where we did not gain assurance (the opening balances). This means we do not have assurance over all 2024/25 in-year movements and the comparative prior year movements. We also do not have assurance over all the 2023/24 comparative balances disclosed in the 2024/25 Statement of Accounts. In addition, due to capacity constraints within the Council, there were specific areas of the accounts where officers agreed that we would not be in a position to obtain assurance over the closing balances and therefore complete our planned procedures. These were Plant, Property and Equipment, Investment Property, Capital Expenditure &amp; Financing, the Comprehensive Income and Expenditure Statement and Reserves.</p> <p>With the requirement to conclude our work by the 2024/25 back stop date, the lack of evidence over these movements and balances mean we are unable to conclude that the 2024/25 Statement of Accounts are free from material and pervasive misstatement, and we therefore issued a disclaimed 2024/25 audit opinion on 27 February 2026.</p>
<p>Going concern</p>	<p>Where a disclaimer of opinion is issued on the Statement of Accounts, we do not conclude on whether the use of the going concern basis of accounting is appropriate.</p>
<p>Consistency of the other information published with the financial statements</p>	<p>Financial information published with the financial statements was consistent with the audited accounts.</p>
<p>Value for money (VFM)</p>	<p>We have identified a matter to report by exception on the Council's VFM arrangements. We have included our VFM commentary in Section 03.</p>
<p>Consistency of the annual governance statement</p>	<p>We were satisfied that the annual governance statement was consistent with our understanding of the Council.</p>

# Executive Summary (cont'd)

## 2024/25 conclusions (cont'd)

Additional powers and duties	We had no reason to use our auditor powers.
Whole of Government Accounts	We have not yet concluded the procedures required by the National Audit Office (NAO) on the Whole of Government Accounts submission, as the NAO have not yet confirmed the final reporting position and whether any questions will be raised on individual returns. We cannot issue our Audit Certificate until these procedures are complete.
Certificate	We will issue our certificate once we have completed Whole of Government Accounts procedures following confirmation from the NAO.

207

# Executive Summary (cont'd)

## Value for money scope

Under the 2024 Code, we are required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. The Code requires the auditor to design their work to provide them with sufficient assurance to enable them to report to Council a commentary against specified reporting criteria (see below) on the arrangements the Council has in place to secure value for money through economic, efficient and effective use of its resources for the relevant period.

We do not issue a 'conclusion' or 'opinion', but where significant weaknesses are identified we will report by exception in the auditor's report on the financial statements.

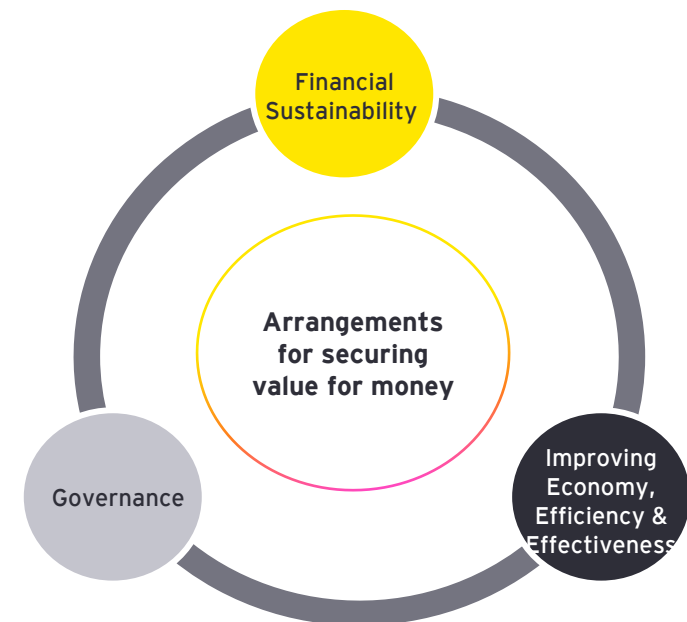
The specified reporting criteria are:

- 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.

208

In undertaking our procedures to understand the body's arrangements against the specified reporting criteria, we identify whether there are risks of significant weakness which require us to complete additional risk-based procedures. AGN 03 sets out considerations for auditors in completing and documenting their work and includes consideration of:

- our cumulative audit knowledge and experience as your auditor;
- reports from internal audit which may provide an indication of arrangements that are not operating effectively;
- our review of Council committee reports;
- meetings with the S151 Officer (Nigel Kennedy);
- information from external sources; and
- evaluation of associated documentation through our regular engagement with Council management and the finance team.



# Executive Summary (cont'd)

## Reporting

Our commentary for 2024/25 is presented in Section 03. This section provides a summary of our understanding of the arrangements at Council, as determined from our evaluation of the evidence obtained in relation to the three reporting criteria (see table below) throughout 2024/25 and up to the date of issuing this [final Auditor's Annual Report](#), which must be issued by 27<sup>th</sup> February 2026.

In compliance with the 2024 Code, we are required to provide commentary against the three specified reporting criteria. The table below outlines these criteria, indicates whether a significant risk of weakness was identified during our planning procedures, and details our current conclusions regarding any significant weaknesses within your arrangements.

209

Reporting criteria	Risks of significant weaknesses in arrangements identified?	Actual significant weaknesses in arrangements identified?
<b>Financial sustainability:</b> How the Council plans and manages its resources to ensure it can continue to deliver its services	No significant risks identified	No significant weakness identified
<b>Governance:</b> How the Council ensures that it makes informed decisions and properly manages its risks	No significant risks identified	A significant weakness was identified. See our VFM commentary in Section 03, slide 32.
<b>Improving economy, efficiency and effectiveness:</b> How the Council uses information about its costs and performance to improve the way it manages and delivers its services	No significant risks identified	No significant weakness identified

# Executive Summary (cont'd)

## Independence

The FRC Ethical Standard requires that we provide details of all relationships between Ernst & Young (EY) and Council, and its members and senior management and its affiliates, including all services provided by us and our network to the Council, its members and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on the our integrity or objectivity, including those that could compromise independence and the related safeguards that are in place and why they address the threats.

There are no relationships from 1 April 2024 to the date of this report, which we consider may reasonably be thought to bear on our independence and objectivity.

## EY Transparency Report 2025

Ernst & Young (EY) has policies and procedures that instil professional values as part of firm culture and ensure that the highest standards of objectivity, independence and integrity are maintained.

Details of the key policies and processes in place within EY for maintaining objectivity and independence can be found in our annual Transparency Report which the firm is required to publish by law. The most recent version of this Report is :

[EY-UK-2025-transparency-report.pdf](#)

210



# 02

# Audit of financial statements

# Audit of financial statements

## Key findings

The Statement of Accounts is an important tool for the Council to show how it has used public money and how it can demonstrate its financial management and financial health.

On 27th February 2026, we issued a disclaimed opinion on the financial statements. We outline below the key issues identified as part of our audit.

## Audit risks and areas of focus

Risk/area of focus	Risk identified	Conclusion
Misstatement due to fraud or error	Fraud risk	No significant matters have been identified in the completion of our work.
212 Risk of fraud in revenue and expenditure recognition, through inappropriate capitalisation of revenue expenditure	Fraud Risk	No significant matters have been identified in the completion of our work.
Inappropriate revenue recognition of rental income	Fraud risk	No significant matters have been identified in the completion of our work.
Valuation of Land and Buildings	Significant Risk	<p>Similar to the prior year, we have been unable to obtain sufficient supporting evidence for our sample selected for Property, Plant and Equipment (PPE) valuation testing and additions testing. Therefore, officers have agreed that we will not be in a position to obtain assurance over the closing balance of PPE in advance of the backstop date which is 27 February 2026.</p> <p>Similar to the prior year, we have not been able to obtain sufficient supporting evidence for all of our samples selected for our testing of Investment Property (IP) valuations. Therefore, officers have agreed that we will not be in a position to obtain assurance over the closing balance of IP in advance of the backstop date which is 27 February 2026.</p>

# Audit of financial statements

## Audit risks and areas of focus

Risk/area of focus	Risk identified	Conclusion
Pension Liability Valuation	Inherent risk	<p>We have completed our testing in this area. As part of our testing, we identified the following:</p> <p>2024/25: The Council had not applied the IAS 19 asset ceiling in the draft financial statements, resulting in an overstated pension asset of £82.791m. Our review of the March 2025 results schedule indicated that a total asset-ceiling adjustment of £104.592m was required, impacting the CIES, Balance Sheet, and related pension disclosures. The Council has confirmed that the final accounts will be updated to reflect the full asset-ceiling impact.</p> <p>2023/24: We also identified that the asset-ceiling impact for the prior year, amounting to £36.34m, had not been reflected in the Council's 2023/24 financial statements.</p>
Group Consolidation	Inherent risk	<p>No issues were identified during the completion of our procedures, except for a £4.5m misclassification in the Group accounts. This related to an amount recorded within Group other operating income that should have been classified as Group other operating expenditure; management has agreed to correct this.</p> <p>In addition, several disclosure misstatements were noted, which management has also agreed to amend.</p>
IFRS-16 Leases	Inherent risk	<p>No issues were identified during the completion of our procedures, except</p> <p>A Correction of IFRS 16 lease accounting for "1-5 Broad Street", including depreciation and interest adjustments of £0.065m, and the remeasurement of the right-of-use asset and corresponding lease liability amounting to £4.3m.</p> <p>IFRS 16 reclassification for peppercorn leases, transferring recognition from service charges to Taxation &amp; Non-Specific Grant Income, totalling £9.5m.</p> <p>In addition, we completed procedures over the IFRS 16-related disclosures and their compliance with the CIPFA Code of Practice on Local Authority Accounting and noted several disclosure misstatements which required amendment.</p>

213

# Audit of financial statements

## Financial Statement reporting assessment

Management, and the Audit and Governance Committee, as the Council's body charged with governance, have an essential role in supporting the delivery of an efficient and effective audit. Our ability to complete the audit is dependent on the timely formulation of appropriately supported accounting judgements, provision of accurate and relevant supporting evidence, access to the finance team and management's responsiveness to issues identified during the audit. The table below sets out our views on the effectiveness of the Council's arrangements to support external financial across a range of relevant measures.

Our audit of the Statement of Accounts is currently still in progress and therefore our assessment will be made once we have concluded our work and reported first within the Audit Results Report.

Where we have been unable to undertake all planned procedures, this is likely to extend the timetable to recover assurance on the Council's Statement of Accounts.

In addition, the illustrative timescale for the process of re-building assurance set out in the NAO's Local Audit Reset and Recovery Implementation Guidance (LARRIG) 01, together with our view of the Council's actual progress against that timescale, the reasons for that and what still needs to be done to successfully rebuild assurance is set out on page 16.

The timetable set out in LARRIG 01 assumes that disclaimers for 2022/23 and all prior open audit years were issued by the statutory backstop date of 13 December 2024. This was the case for the Council.

214

# Executive Summary (cont'd)

## Financial Statement reporting assessment

Area	Status			Explanation	Further detail
	R	A	G		
Timeliness of the draft financial statements	Requires improvement			The financial statements were not published by the 30 <sup>th</sup> June 2025 deadline set out in the Accounts and Audit Regulations.	Following the cyber-attack on Oxford City Council, key systems were taken offline as a precaution, which delayed the publication of the draft accounts.
Quality and completeness of the draft financial statements	Effective			When received, the draft financial statements were complete. There were a few of non-material internal inconsistencies, typographical and arithmetic errors in the draft financial statements that should have been detected through internal quality review prior to publication.	
Delivery of working papers in accordance with agreed client assistance schedule	Effective			Majority of the working papers were provided to the agreed timetable.	N/A
Quality of working papers and supporting evidence	Requires improvement			The quality of the working papers and supporting evidence were generally below the standard required to support an efficient audit. For instance, in a number of areas we had to return the evidence given since it was not the third-party evidence that we had requested. In several instances, we were provided with complex internal workings spread across multiple tabs of a workbook, without any explanation of the calculations or how they linked to the evidence that we had requested.	This has resulted in an additional audit effort and therefore we expect to raise a scale fee variation in respect of this.
Timeliness and quality of evidence supporting key accounting estimates	Requires improvement			Delays were experienced in the provision of supporting evidence for walkthroughs, leases, samples across various significant accounts. The delay in providing evidence contributed to a delay to the audit process being completed.	This has resulted in an additional audit effort and therefore we expect to raise a scale fee variation in respect of this.
Access to finance team and personnel to support the audit in accordance with agreed project plan	Requires improvement			Generally there were no issues with access to the finance team and key personnel. However, ongoing capacity constraints have limited their ability to support the external audit, resulting in delays in providing responses and addressing audit queries.	N/A
Volume and value of identified misstatements	Requires improvement			A high volume and significant value of misstatements were identified during our audit, including several material adjustments relating to pensions (IAS 19), leases (IFRS 16) and income recognition. This indicates that further improvements are required in the quality of financial reporting processes.	N/A

215

# Executive Summary (cont'd)

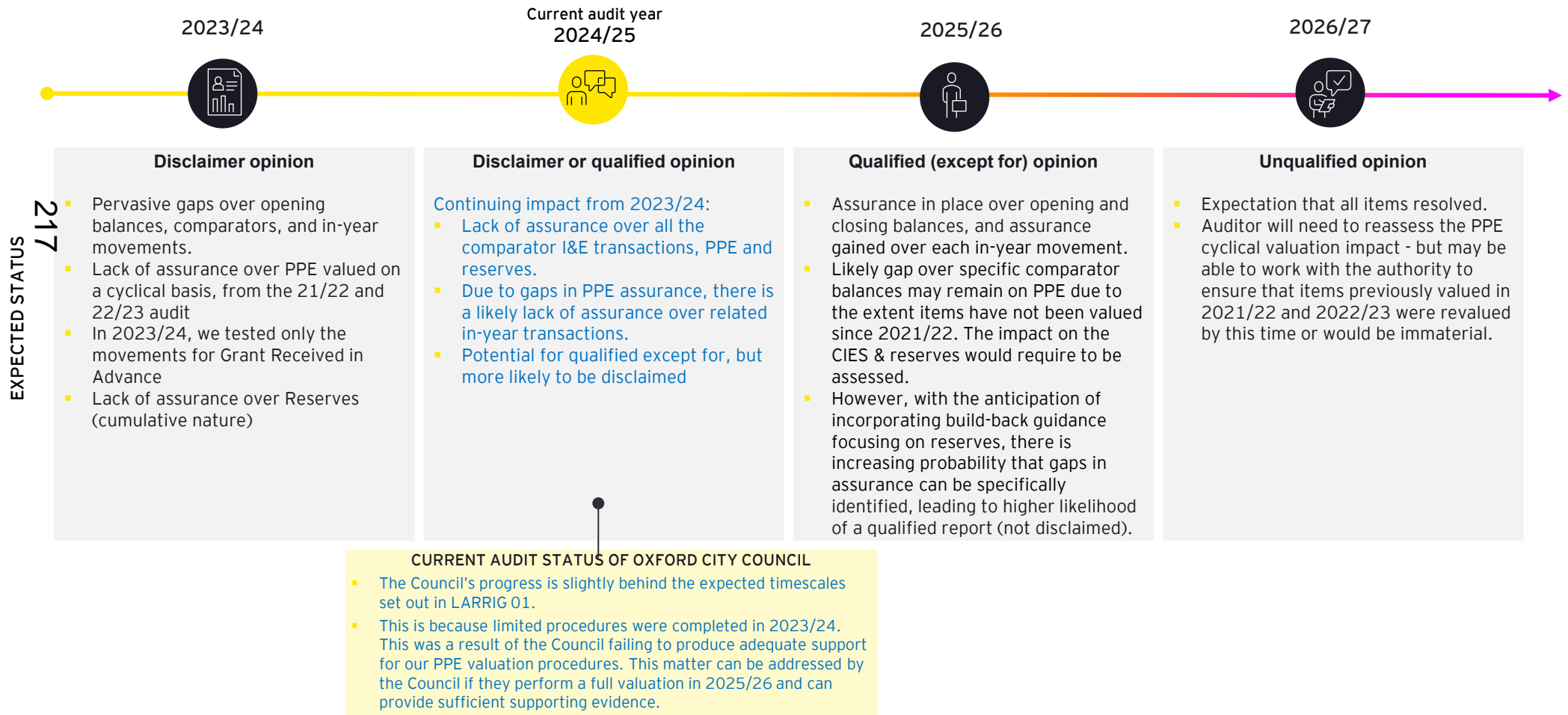
## Factors impacting the execution of the audit (cont'd)

Area	Status			Explanation	Further detail
	R	A	G		
Volume of misstatements in disclosure	Requires improvement			A substantial number of disclosure misstatements were identified, particularly in the areas of leases (IFRS 16) and Group Accounts. While most have been corrected, the volume of issues highlights the need for strengthened oversight of financial statement disclosures. We acknowledge that this is the first year of the Council implementing IFRS 16.	N/A

# Appendix A – Progress to full assurance

## Progress to full assurance

Set out below is the illustrative timescale for the process of re-building assurance set out in the NAO’s Local Audit Reset and Recovery Implementation Guidance (LARRIG) 01, together with our view of the Council’s actual progress against that timescale, the reasons for that and what still needs to be done to successfully rebuild assurance. The timetable set out in LARRIG 01 assumes that disclaimers for 2022/23 and all prior open audit years were issued by the statutory backstop date of 13 December 2024.





# 03

# Value for Money commentary

# Value for Money

## The Council's responsibilities for value for money

The Council is required to maintain an effective system of internal control that supports the achievement of its policies, aims and objectives while safeguarding and securing value for money from the public funds and other resources at its disposal.

As part of the material published with the financial statements, the Council is required to bring together commentary on the governance framework and how this has operated during the period in a governance statement. In preparing the governance statement, the Council tailors the content to reflect its own individual circumstances, consistent with the requirements of the relevant accounting and reporting framework and having regard to any guidance issued in support of that framework. This includes a requirement to provide commentary on arrangements for securing value for money from the use of resources.

## Our responsibilities

Under the revised NAO Code we are required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. The Code requires the auditor to design their work to provide them with sufficient assurance to enable them to report to the Council a commentary against specified reporting criteria on the arrangements the Council has in place to secure value for money through economic, efficient and effective use of its resources for the relevant period. Our summary is below:

219

	Significant risk identified	Significant weakness identified
 <p><b>Financial sustainability</b> How the Council plans and manages its resources to ensure it can continue to deliver its services.</p>	<ul style="list-style-type: none"> <li>No significant risk identified</li> </ul>	<ul style="list-style-type: none"> <li>No significant weakness identified.</li> </ul>
 <p><b>Governance</b> How the Council ensures that it makes informed decisions and properly manages its risks.</p>	<ul style="list-style-type: none"> <li>No significant risk identified</li> </ul>	<ul style="list-style-type: none"> <li>Significant weakness identified. See page 26 - 33</li> </ul>
 <p><b>Improving economy, efficiency and effectiveness</b> How the Council uses information about its costs and performance to improve the way it manages and delivers its services.</p>	<ul style="list-style-type: none"> <li>No significant risk identified</li> </ul>	<ul style="list-style-type: none"> <li>No significant weakness identified.</li> </ul>



# VFM commentary: Financial Sustainability

## Financial sustainability: Our audit procedures

Our audit procedures obtained assurance over the arrangements in place for the Financial Sustainability sub-criteria set out in AGN03:

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

## Significant risks identified during planning procedures

220 Within our Audit Planning Report presented at the 23 July 2025 Audit & Governance Committee meeting, we reported that we had not completed our value for money (VFM) risk assessment but expected the areas of focus to be on the arrangements that the Council has in place in relation to financial sustainability. Having updated and completed the planned procedures in this area we did not identify a risk of a significant weakness in the Council's arrangements for financial sustainability.

In prior years, no significant weaknesses were identified and there are no outstanding recommendations relating to prior years. The Council's underlying arrangements in relation to financial sustainability are not significantly different in 2024/25.

## Overview of our conclusions

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



# Financial Sustainability considerations

## Medium Term Financial Strategy

Oxford City Council presented its Medium-Term Financial Strategy (MTFS) for 2025/26 to 2028/29 on 5 February 2025. The Council has a robust process to set the budget and Medium Term Financial Strategy. The process is detailed and developing the budget considers factors such as the ongoing impact of inflation rates, demographic assumptions, current year pressures, implications of future capital programme and the need to establish prudent levels of balances and reserves.

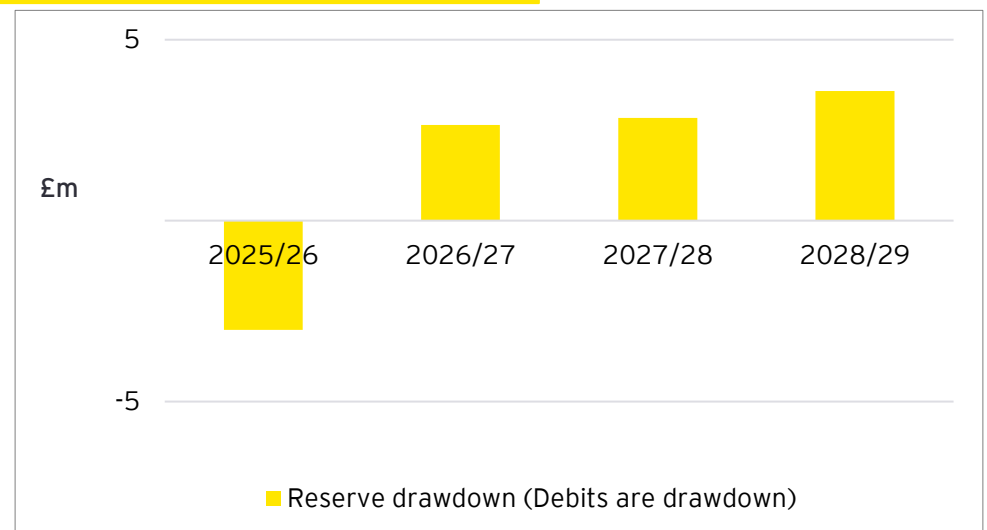
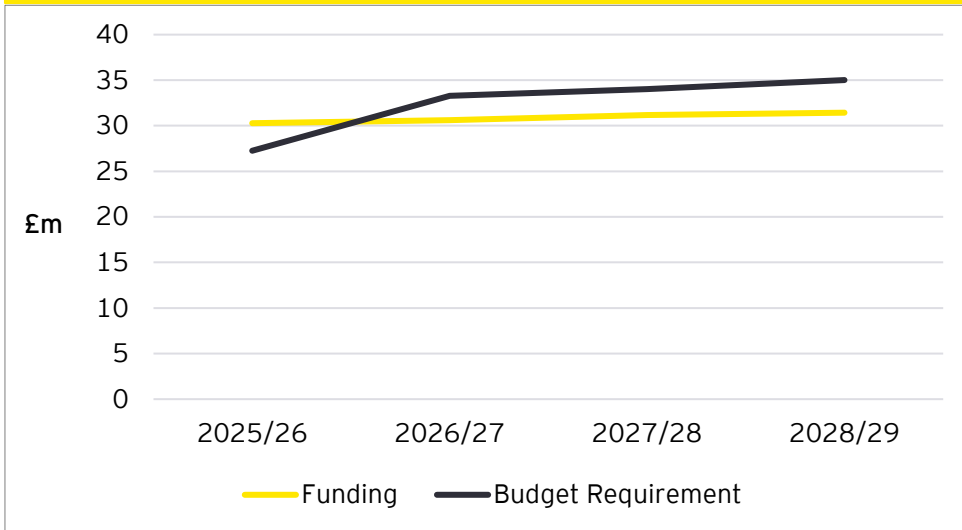
The 2025/26 Budget is reported to reach a balanced budget with £3.0m transferred to reserves. This was to be achieved with savings and new grants that were projected to be in place during the financial year. The MTFS projects a structural funding gap from 2026/27 onwards, even after applying annual council tax increases of 2.99% resulting in drawdowns in reserves; the reserve drawdowns are £2.6m in 2026/27, £2.8m in 2027/28, and £3.6m in 2028/29. This results in a cumulative shortfall of £6.0m over the period (see Exhibit A).

The MTFS highlights continuing financial uncertainty for Oxford City Council. Key challenges for 2025/26 include inflationary impacts on service costs, increased employer National Insurance contributions of approximately £800k each year, and a funding guarantee that was removed from FY 25/26 onwards of approximately £500k each year.

221

To mitigate these pressures, the Council proposes a 2.99% increase in Council Tax, generating an additional £335k in 2025/26 and raising cumulatively £750k additional income by 2028/29. Despite these measures, the Council remains committed to maintaining vital services and supporting community groups while managing financial resilience in a volatile environment

### Exhibit A: The Council's MTFP outlines a cumulative gap of £6.0 million by 2028/29





# Financial Sustainability considerations

## Budget Monitoring

Budget monitoring reports are critical for elected members to make decisions about the prioritisation of resources.

Exhibit B highlights a £3.7m surplus (actual income vs actual expenditure) for FY 2024/25 (General Fund and Housing Revenue Account). This was driven by £2.0m less money was borrowed so less interest rates were required to be paid during the year.

Exhibit B also highlights an underspend against service budget for Quarter 1 of 2025/26 for which was presented to the Cabinet on 17 September 2025. Oxford City Council reported a £6.9m surplus before transfers to or from reserves when the general fund and Housing Revenue Account (HRA) are monitored together.

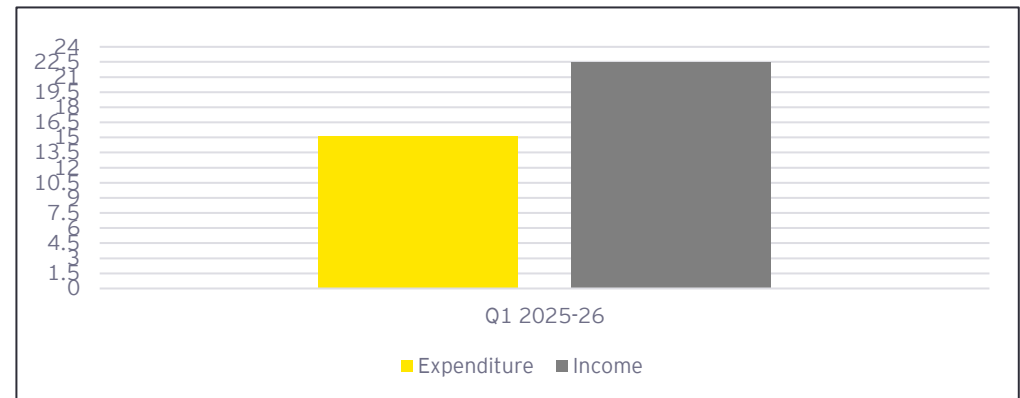
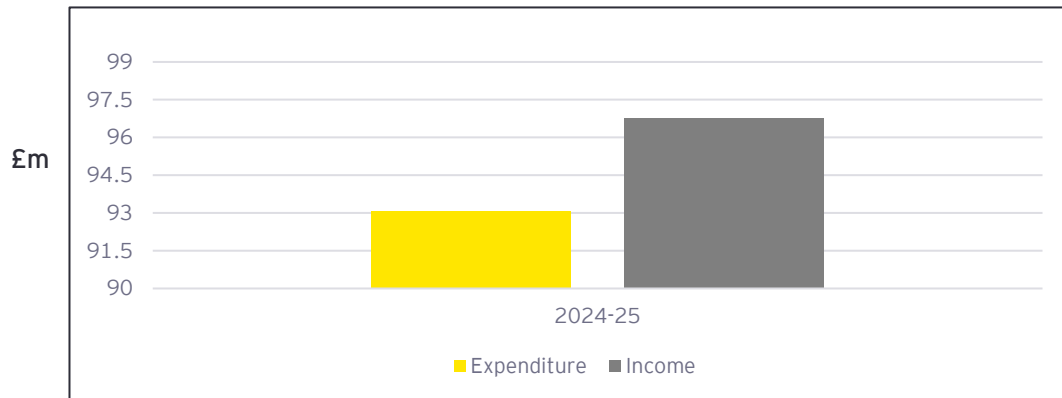
When reviewed separately, General fund as of Q1 of 2025/26 is current at a £1.3m deficit (actual income vs actual expenditure) and is forecasting a £0.7m outturn deficit (actual vs budget) at the end of the year. This position is driven by shortfall in rental income by £0.4m, unbudgeted temporary staff cost of £0.3m and use of specialist to address cyber incident in June 2025 of £0.2m. Council reported that this was early stages of the financial year and that there are plans that will mitigate the deficit later in the financial year.

For HRA quarter 1 of 2025/26, Oxford City Council currently have a favourable variance to budget of £1.2m (actual vs budget) with £8.7m surplus (actual income vs actual expenditure) mainly due an underspend on Responsive & Cyclical Repairs; the budget for this expenditure category has been increased from 2024/25 and it is expected to be fully spent by 31 March 2026. Stock related Management & Services contributed a favourable variance of £0.47m.

222 Overall, the Council's financial outlook at 2025/26 Q1 reports a £7.4m surplus, but ongoing monitoring remains essential

We have no recommendations to make regarding budget monitoring arrangements. While the Council faces medium-term challenges, including a £6.0m drawdown of reserves by 2028/29, its approach, comprising regular monitoring and a multi-pronged savings strategy, provides a reasonable basis for maintaining financial resilience. Continued focus on delivering planned savings and managing emerging risks will be critical.

### Exhibit B: The Council's budget monitoring (including HRA) reports outlined a surplus (actual income vs actual expenditure) as of FY 24/25 and Q1 of FY 2025/26





# Financial Sustainability considerations

## Savings plans

It is not unusual for a Council to have a funding gap for future years when the budget is set. The medium term planning process is a cyclical process that is ongoing and the Council will continually identify efficiency opportunities and savings measures. These proposals are initially formulated over the summer and presented to the Members in the autumn in order to consider how to close the budget gap. Any savings proposal which results in a change in service to the public is also subject to a full consultation process.

The Council's financial strategy for 2024/25 focused on embedding recurring efficiencies and transformations to reduce reliance on reserves to maintain long-term sustainability. The planned savings target was £1.9 million, comprising £1.2 million from transformation & new efficiencies, £0.2 million through service reduction, £0.1m through existing efficiencies and £0.4 million from invest to save. The actual savings for 2024/25 were below expectations, delivering a £0.3 million of savings.

Oxford City Council reported a final outturn position at 31 March 2025 a deficit of £1.5m mainly attributable to significant cost pressures such as Temporary Accommodation and net cost of housing benefit payments

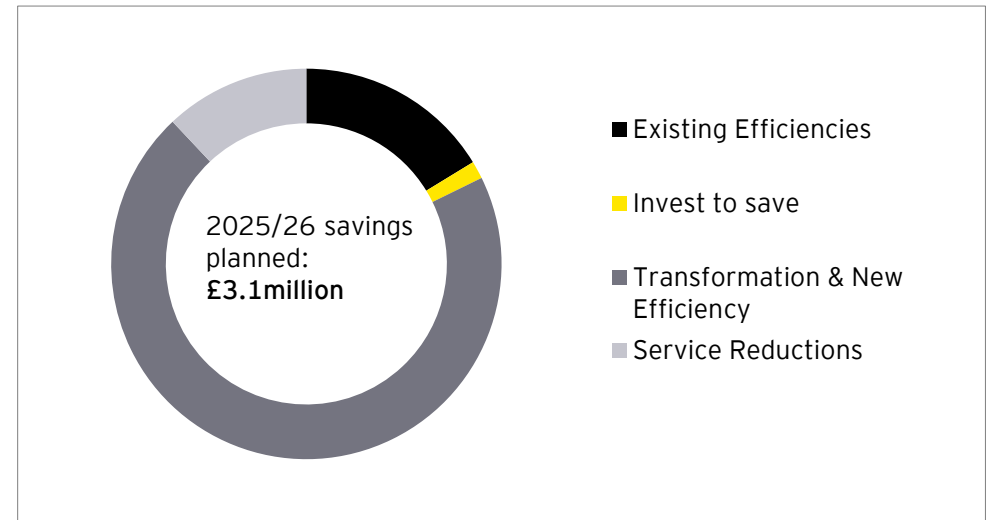
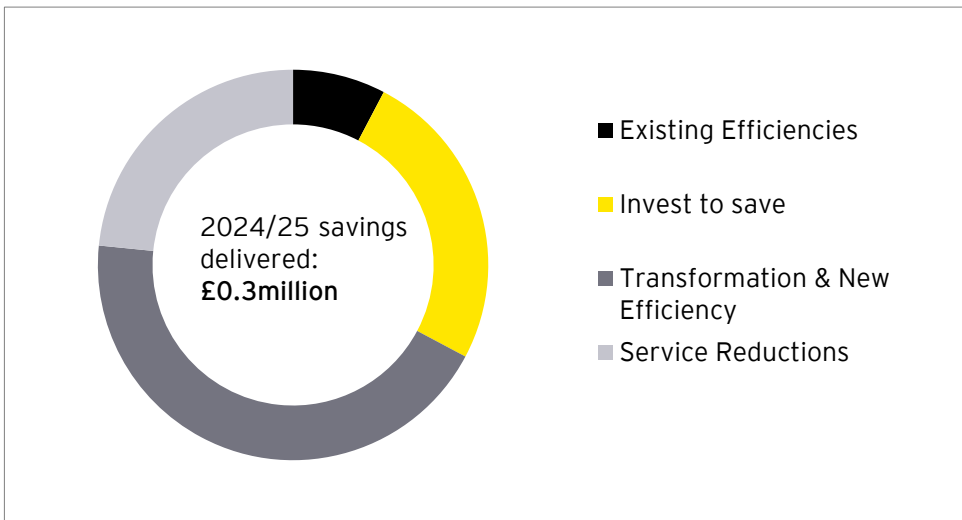
Housing Revenue Account (HRA) achieved £2.9m surplus. This favourable variance is mainly achieved via a lower revenue contribution to capital by £8.69m and an unbudgeted gain on the sale of fixed assets of £6.882m offset by an overspend on repairs of £7.82m and

Capital programme achieving a £19.5m underspend against budget. This variance relates to £9.3m slippage of programme activity into 2025/26 and a net underspend of £10.214m on budgeted projects mainly associated with the HRA demand driven spend on communal, internal and external works on council houses.

223

Given the saving targets performance in 2024/25, the Council initiated an ambitious savings programme. For periods 2025/26 to 2028/29, the Medium-Term Financial Strategy sets an estimated savings target of £3.1m. This saving plan was submitted and approved by Cabinet on the 5<sup>th</sup> February 2025 and Council on the 13<sup>th</sup> February 2025.

## Exhibit C: The Council delivered £0.3 million of recurring savings in 2024/25, and expects to deliver a further £3.1 million in 2025/26





# Financial Sustainability considerations

## Reserves position

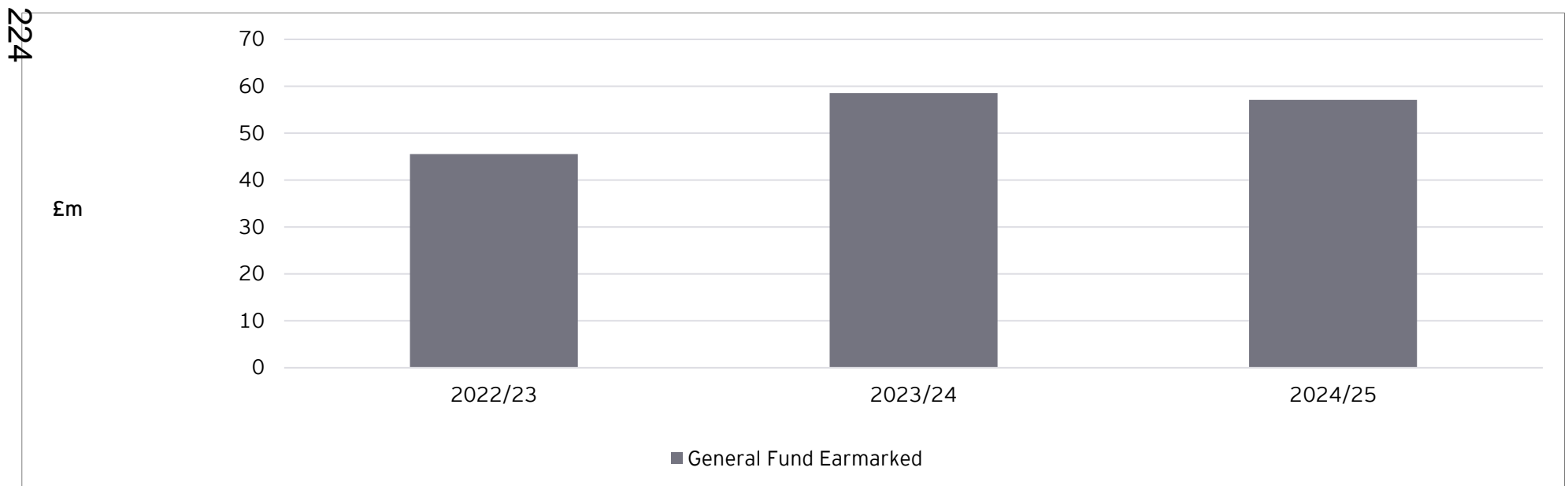
Group Finance Director (Section 151 officer) published his Section 25 of the Local Government Act 2003 where he reported the adequacy of proposed financial reserves for 2025/26 in February 2025.

The Council is holding substantial earmarked reserves for specific future commitments, risk mitigation, and service continuity. Overall, the Council's Earmarked General Reserves amounted to £58.47 million in 2023/24 and £56.85 million in 2024/25.

The Section 151 officer reported that the reserves below will be adequate but that financial sustainability depends on the performance of council-owned companies, business rate retention, an increase in efficiency & income generated.

Overall, earmarked reserves had grown between FY 2022/23 and FY 2023/24, it has stabilised in FY 2024/25 which plans in place to further increase the reserves. This shows there is prudent financial management given there will be future pressures (e.g., funding changes, cost inflation).

## Exhibit D: The Council's General Earmarked Reserve position over the years





# Financial Sustainability considerations

## Outturn position - General Fund

Oxford City Council delivered a £1.5m overspend for general fund services in the financial year 2024/25. This was a reversal on position compared to the financial year 2023/24 as Oxford City reported a surplus of £3.9m

### Significant contributions to the deficit:

- Increase demand in temporary housing
- Migration of individual systems to Azure cloud based system
- Cost pressure from specialists services to reassess valuation for business rate collection
- Overspend on Housing Benefit

### Exhibit E: The Council recorded an overall overspend of £1.5m against budget in 2024/25

225

Services	Budget £m	Expenditure / (Income) £m	(Underspend) / Overspend £m
ODS Development Director	11,821	9,059	(2,762)
City and Citizens' Services	18,305	19,970	1,665
Corporate Services	11,895	12,766	871
Place	(4,252)	(4,297)	(45)
SLA's & Capital Charges	(9,612)	(8,366)	1,246
Corporate Accounts & Contingencies	2,610	2,660	50
Transfers To/From Earmarked Reserves	46	569	523
Funding	(30,812)	(30,812)	-
<b>Net</b>	-	<b>1,549</b>	<b>1,549</b>



# Financial Sustainability considerations

## Outturn position - HRA (Housing Revenue Account)

Oxford City Council delivered a £9.4m surplus for the financial year 2024/25. This was a continuing trend of surpluses recorded on HRA with financial year 2023/24 reporting a surplus position of £1.4m

### Significant contributions to the surplus;

- £1.426m increase in income from the transfer of Ox Place properties with 428 extra tenants from Oxford City Council's subsidiaries. The extra tenants were not budgeted resulting in additional income compared to budget to be recorded during the year. Due this addition, Oxford City Council did not proceed with the full capital programme.
- The Council reported a £6.9m gain on assets disposed during the year that was not forecasted during the MTFS
- Savings in salaries of £1.2m as recruitment was placed on hold until pending Landlord Services Transformations
- £0.7m savings in utilities due to credits paid back in financial year 2024/25

## Exhibit F: The Council recorded an overall overspend of £9.4m against budget in 2024/25

226

HRA	Budget £m	Expenditure / (Income) £m	(Underspend) /Overspend £m
Net Income	(57,180)	(58,606)	(1,426)
Total Expenditure	51,337	55,836	4,676
<b>Net Expenditure</b>	<b>(5,843)</b>	<b>(2,770)</b>	<b>3,249</b>
Total Appropriations	12,325	(151)	(12,652)
<b>Total HRA (surplus) / Deficit</b>	<b>6,482</b>	<b>(2,921)</b>	<b>(9,403)</b>



# VFM commentary: Governance

## Governance: Our audit procedures

Our audit procedures obtained assurance over the arrangements in place for the Governance sub-criteria set out in AGN03:

- How the body monitors and assesses risk and how the body gains assurance over the effective operations of internal controls, including arrangements to prevent and detect fraud;
- How the body approaches and carries out its annual budget setting process;
- How the body 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 body 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 Audit & Governance Committee; and
- How the body monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of officer and member behaviour (such as gifts and hospitality or declarations/conflicts of interests), and for example where it procures or commissions services.

227

## Significant risks identified during planning procedures

Within our Audit Planning Report presented at the 23 July 2025 Audit & Governance Committee meeting, we reported that we had not completed our value for money (VFM) risk assessment but expected the areas of focus to be on the arrangements that the Council has in place in relation to governance. Having updated and completed the planned procedures in this area we did not identify a risk of a significant weakness in the Council's arrangements for governance.

In prior years, no significant weaknesses were identified and there are no outstanding recommendations relating to prior years. The Council's underlying arrangements in relation to governance are not significantly different in 2024/25.

## Overview of our conclusions

Based on the work performed, we identified one significant weakness in how the body maintains adequate processes and systems in place to produce reliable financial information and support its statutory financial reporting requirements. See further discussion in the slide 32



# Governance considerations

## Annual Governance Statement

The Annual Governance Statement (AGS) is prepared in accordance with the CIPFA/SOLACE Framework - Delivering Good Governance in Local Government (2016) - and meets the statutory requirement under the Accounts and Audit Regulations 2015. Oxford City Council confirms that its governance arrangements are designed to ensure lawful, transparent, and accountable decision-making, safeguarding public money and promoting continuous improvement. The governance framework is underpinned by the Local Code of Corporate Governance, which is reviewed and updated as necessary and approved by the Audit & Governance Committee.

The effectiveness of governance arrangements was assessed by the Senior Leadership Team, with oversight from the Audit & Governance Committee. This review considered adherence to the Local Code, risk management processes, internal audit findings, and performance monitoring systems. No material weaknesses were identified that would compromise the Council's ability to deliver statutory duties. However, areas for improvement disclosed in the AGS include timely completion of audits due to sector-wide resource constraints, enhancement of risk registers to reflect emerging financial and operational risks and strengthening cyber security controls in line with national guidance. The AGS also includes an action plan to implement audit recommendations, improve financial resilience and medium-term planning, and enhance transparency through updated reporting protocols.

We reviewed the framework for the preparation of the Annual Governance Statement (AGS). The process, as designed, is adequate to enable the Council to report on the design and operation of arrangements that would ensure they are able to assess sound governance, effective resource and risk management, and robust internal controls.

228

## Risk Management

The Council operates an established and embedded corporate risk management framework that ensures clear allocation of responsibilities for managing individual risks and alignment of risk management strategy with internal control policies to support the achievement of objectives. The framework is overseen by an independent Audit & Governance Committee, which provides assurance on risk management and the control environment and makes recommendations that are acted upon. The corporate risk register is reviewed regularly throughout the year by Cabinet, Executive Directors, and the Audit & Governance Committee.

BDO provides the internal audit service to the Council that delivers the annual audit plan in accordance with the approved internal audit strategy and charter. The plan for 2024/25 was presented to the Audit & Governance Committee in April 2024, with progress updates provided at subsequent meetings, including July 2024 and October 2024. Findings from this work, together with other sources of assurance, inform the Annual Head of Audit Opinion, which provides the Audit & Governance Committee with an overall assessment of the adequacy and effectiveness of internal controls.

In addition to internal audit, the Council has an anti-fraud and corruption policy that places responsibility on all employees to remain vigilant and report concerns. Internal audit work includes testing controls designed to prevent and detect fraud and error, with reports highlighting any weaknesses and providing assurance opinions.

The Section 151 Officer is kept informed of significant fraud investigations, particularly where internal fraud is suspected, and acts as the steering officer for such cases, ensuring appropriate oversight and escalation.



# Governance considerations

## Internal audit arrangements

BDO was contracted to carry out the internal audit function for Oxford City Council. The internal audit service operates in accordance with the Global Internal Audit Standards and the CIPFA Application Note for UK Public Sector, ensuring compliance with statutory requirements under the Accounts and Audit Regulations 2015 (as amended).

The Internal Audit Charter, approved by the Audit & Governance Committee, defines the purpose, authority, and responsibility of the function. Internal audit provides independent and objective assurance on the adequacy and effectiveness of governance, risk management, and internal control processes across all Council activities.

The Audit & Governance Committee oversees the internal audit arrangements and receives regular progress reports against the agreed annual audit plan. The plan is risk-based and designed to provide assurance that significant risks to the achievement of the Council's objectives are managed effectively. Advisory work is also undertaken to support continuous improvement.

Based on the work completed during the year, internal audit issued a moderate assurance on the Council's governance, risk management, and internal control framework. From the internal audit reporting, we found the following;

229

- Risk maturity. This was an advisory report so no opinions were provided on control design or effectiveness but BDO has given an update on that further work need to be performed
- Fire Risk Assessment. This was an advisory report so no opinions were provided on control design or effectiveness
- Homelessness prevention. This was given a moderate assurance in both design and operational effectiveness
- Accounts payable. This was given a moderate assurance in both design and operational effectiveness
- Data Analytics. This was given a moderate assurance in both design and operational effectiveness
- Affordable Housing - Project Management. This was given a substantial assurance in both design and operational effectiveness
- QL Optimisation. This was given a substantial assurance in both design and operational effectiveness
- Income generation. This was given a substantial assurance in design but a moderate rating for operational effectiveness
- GDPR and high level Freedom of information. Operational effectiveness was given a moderate rating but design was given a limited rating. BDO identified gaps in data protection controls in key areas. They specifically noted key issues in the Council's central Record of Processing Activities (RoPA), associated ongoing work with individual service areas and the arrangements for sharing data with third parties.



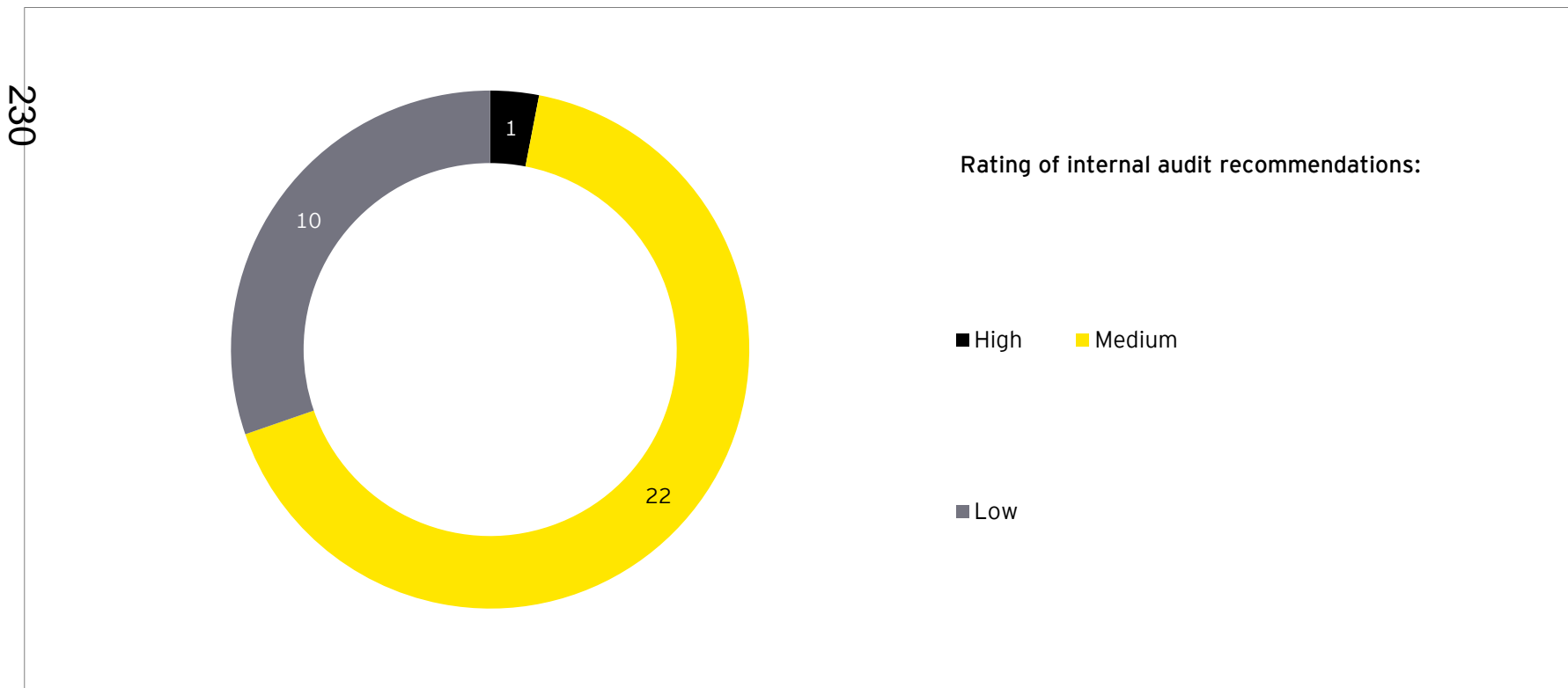
# Governance considerations

## Internal audit arrangements

We reviewed BDO's internal audit opinion and found that the impact of the limited finding is not significant. The GDPR risk relates to compliance with data protection regulations and safeguarding personal data. It does not directly impact Value for Money (VfM) because VfM focuses on achieving the best balance of cost, quality, and outcomes. While GDPR compliance is a legal requirement, it does not inherently change the cost-benefit analysis or efficiency of the service.

Therefore the findings from the previous slide does not show a significant weaknesses were identified that would materially impact the Council's ability to deliver its objectives.

## Exhibit G: Internal audit's follow up of recommendations noted that 33 procedures that were planned to be reviewed were completed





# Governance considerations

## Informed decision making and member challenge

The Council has a number of arrangements in place to ensure that appropriate decisions are made. Council decisions may be made either at Full Council meetings, at committees of Council, at a meeting of all executive members i.e., 'Cabinet' or by individual executive members at 'decision days'.

The Constitution, including the Scheme of Delegation to Officers, sets out how different types of decisions are made, including who has the responsibility for making them and what procedures should be followed. Procedures include publishing committee report on the Council's website in advance of meetings.

The Constitution contains a detailed explanation of roles and responsibilities of each committee which in turn lead to effective working of the Council.

The Cabinet is the part of the Council that is responsible for most day-to-day decisions. As per the Constitution, the Cabinet (including the Leader) comprises the Leader and eight other councillors who are appointed by the Leader. When major decisions are to be discussed or made, these are published in the Cabinet's forward plan in so far as they can be anticipated. If these major decisions are to be discussed with council officers at a meeting of the Cabinet, this will generally be open for the public to attend except when personal or confidential matters are being discussed. The Cabinet must make decisions that are in line with the Council's overall policies and budget. If it wishes to make a decision that is outside the budget or policy framework, this must be referred to the Council as a whole to decide.

231 The annual budget setting process in effect runs throughout the year culminating in tax setting in either February or March depending on the council date. The budget report to full Council contains a medium-term financial plan which sets out the pressures expected for the following year. In the spring, these assumptions are refreshed, and Councillors are presented with an updated position and expected gap for the following year. The Council then reviews its services using the Council's main four themes to identify efficiencies and savings. These proposals are considered by Councillors and if accepted then full business cases are developed to support the ideas. In the autumn, these proposals are included in a Cabinet report which will also set out the latest expected pressures and inflationary and demographic demand. The budget is then subject to a public consultation period to allow all stakeholders to add their views. The budget is then updated for the Local Government finance settlement and other corporate matters such as the taxbase, levy determination, collection fund and the cost of the freedom passes for the next year.

The outcomes of the budget consultation are taken to Scrutiny Committee to allow Members to make any changes following that process. Cabinet decides the level of Council Tax for the following year in order to balance the budget, and Cabinet make a recommendation on the budget and Council Tax level to Full Council in February each year.

The Monitoring Officer and s151 Officer maintain their legal responsibilities to ensure that the Council acts legally and within its financial means and are present at all the executive Committee meetings.

Any key decisions due to be made should be published 28 days prior, to enable wider transparency and opportunities for representation to the decision makers.

The Audit & Governance Committee's role is not to challenge the decisions of the Council/Cabinet, that is the role of the Scrutiny Committee. Their role is to review and receive relevant reports related to risk management, fraud, internal and external audit. This includes consideration of all matters relating to the Council's audit function, including receiving the annual audit letter, auditor's reports, and settling the internal audit work programme. The committee meets a minimum of three times a year. We note that the frequency also depends on requirements and importance of discussing areas under the Audit & Governance Committee's remit. In 2024/25, the Audit & Governance committee have met four times.



# Governance considerations

## Informed decision making and member challenge

The Council has three fully owned subsidiaries and two joint ventures (JV).

ODSL is a private limited company with the sole shareholder being the Council. This is the entity's sixth year of operation.

OCHL is wholly owned by the Council and delivers new affordable homes with a range of tenures to help address the city's acute housing need. In FY 2024/25, OCHL's properties were transferred to Oxford City Council as council dwelling assets. OCHL have been replaced with a new entity, OxPlace to carry out the same function as OCHL (see [OX Place | Oxford Needs Homes | Oxford City Council](#))

ODSTL was formed to provide services to the customers other than the Council.

OxWed LLP is a joint venture set-up to develop the Oxford West End area.

Barton LLP is joint venture entered into a partnership with Grosvenor Developments Limited to form a joint venture company to develop housing on land owned by the Council at Barton

The governance of these entities includes JV Boards (50% Council representatives and 50% outside body partner) and board of directors in each wholly owned subsidiaries. Meetings are held regularly where information is presented including risks and challenges of the project to enable informed decisions. The performance reviews are in the form of regular dashboard presentations and detailed update reports.

The Council consolidates the above entities into the Group Statement of Accounts. These subsidiaries are audited by Mazars and OxWed LLP is audited by Wenn Townsend.

232



# Governance considerations

## Ability to support an external audit

We have completed our planned procedures and have determined that there is a significant weakness in the Council's arrangements for supporting its governance process arrangements in relation to and the Council's capacity to support an efficient external audit process.

From 2020/21 through to the ongoing 2024/25 audit, the Council has shown a sustained pattern of weaknesses that significantly impair its ability to support an effective and timely external audit process. While the 2020/21 financial statements ultimately received an unqualified opinion, the audit was heavily delayed due to material errors—particularly in the accounting for COVID-19 grants—and lengthy periods of correction, with sign-off occurring almost a year later than planned.

The situation deteriorated further in 2021/22 and 2022/23, where despite considerable audit effort, the auditor was unable to obtain sufficient appropriate evidence and ultimately issued disclaimed opinions. Key issues included unsupported valuation figures, errors and lack of clarity around internal recharges and PPA adjustments, gaps in audit evidence across multiple core statements, and the Council's inability to prepare Group Accounts. Compounding these weaknesses was the failed implementation of the QL Housing system, which suffered repeated delays, doubled in cost from the original £1.6 million budget, and went live with significant data migration failures. The resulting business interruption placed substantial strain on officer capacity and reduced the reliability of financial information, contributing directly to adverse value-for-money findings in both affected years. These systemic issues persisted into 2023/24.

233 The Council was again unable to demonstrate adequate audit readiness, resulting in another disclaimed opinion. Persistent problems included an absence of sufficient documentation to support PPE and investment property valuations—where requests for evidence were so delayed they ultimately remained unresolved—unsupported year-end balances for grants received in advance, and the identification of £8.18 million held in a suspense account owing to a lack of capacity to allocate transactions to debtors.

The position for 2024/25 shows no meaningful improvement: key evidence such as PPE/IP valuation support remains unavailable, responses to audit queries continue to be significantly delayed, and working papers provided are frequently below the standard required. Our view is this is caused by a lack of capacity within the core team in the Council responsible for financial reporting and supporting the audit process. It is then exacerbated by a lack of understanding of the enhanced requirements to respond to external audit enquiries by those from other functions in the Council. Taken together, these recurring weaknesses demonstrate a fundamental and continuing failure in the Council's arrangements for securing economy, efficiency, and effectiveness, specifically around financial governance, the preparation of financial statements for external audit, and capacity within the finance function.

Delays in responding to our audit enquiries and also issues with the quality of the supporting evidence received have disrupted audit timetables and prevented the completion of planned procedures, leading to multiple consecutive disclaimed opinions. Failure to improve the Council's processes to report financial information timely and support the external assurance over these will also impact its ability to meet statutory financial reporting deadlines and to restore timely financial reporting in accordance with the requirements of the Accounts and Audit (Amendment) Regulations.

We have previously made recommendations in our Audit Progress Report presented to the Audit & Governance Committee on 28 January 2026.

As a result, we have reported by exception details of the significant weakness in the auditor's report. However, the Council recognises the need to address this issue. On this basis, we are not issuing Section 24 recommendations or other statutory reports in 2024/25.



# Governance considerations

## Local Government Reorganisation

Local Government Reorganisation is expected to pose challenges for local authorities over the next year. During this period of change, the Council must maintain essential services and fulfil statutory duties. According to MHCLG guidance issued in July 2025, decisions made by the Council prior to reorganisation regarding ongoing service delivery and the medium-term financial strategy should focus on providing value for money for taxpayers and avoid limiting future decisions or sustainability of new councils.

The government has stated that it will issue directions under section 24 of the 2007 Act after Structural Changes Orders are made, specifying a person authorized to give consent on relevant matters and outlining how this authority should be exercised. MHCLG has noted these directions will follow previous precedents, requiring written consent from the successor council for land disposals and contracts exceeding a specified value.

To comply with MHCLG guidance and forthcoming directions, councillors and statutory officers need to be aware of their responsibilities and ensure that appropriate accounting and governance systems are maintained.

Preparations for local government reorganisation will also result in additional work for the Council's finance team. In recent years, as well as the current year, we have reported concerns regarding the capacity of the finance team to prepare good quality accounts on a timely basis and support an effective audit. With the increasing demands linked to local government reorganisation it is critical that the Council ensures that it has sufficient skills and capacity to support both of these business critical activities.

234

## Failure to Prevent Fraud legislation

The offence of failing to prevent fraud, as introduced by the Economic Crime and Corporate Transparency Act 2023, became effective on 1 September 2025. The Home Office has published statutory guidance (most recently updated in October 2025) which organisations must consider. This guidance outlines the core principles for establishing, reviewing, or enhancing anti-fraud procedures.

It is recommended that authorities review existing fraud policy and procedures against the latest Home Office guidance. If this review has not yet taken place, it should be prioritised to ensure compliance with the Act and to mitigate the risk of enforcement action.



# VFM commentary: Improving economy, efficiency and effectiveness

## Improving economy, efficiency and effectiveness: Our audit procedures

Our audit procedures include:

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

## Significant risks identified during planning procedures

235

Within our Audit Planning Report presented at the 23 July 2025 Audit & Governance Committee meeting, we reported that we had not completed our value for money (VFM) risk assessment. Having updated and completed the planned procedures in these areas we did not identify a risk of a significant weakness in the Council's arrangements for improving economy, efficiency and effectiveness. In prior years, no significant weaknesses were identified and there are no outstanding recommendations relating to prior years. The Council's underlying arrangements in relation to improving economy, efficiency and effectiveness are not significantly different in 2024/25.

## Overview of our conclusions

Based on the work performed, the Council has proper arrangements in place in 2024/25 in how it uses information about its costs and performance to improve the way it manages and delivers its services.



# Improving economy, efficiency and effectiveness considerations

## Financial and performance information

The Council operates a robust monthly budget monitoring process that reviews all income and expenditure against approved budgets by individual budget holders. This process identifies at an early stage any areas where expenditure is being incurred without sufficient budgetary provision. Reports are submitted to the Finance team, who takes corrective action by identifying savings or reallocating resources as necessary. At year-end, any overspent areas are discussed and an action plan is agreed to bring spending under control or update the Medium-Term Financial Strategy (MTFS) and future budgets.

Contract and performance monitoring are embedded in procurement processes through templates and guidance that require consideration of monitoring arrangements from the specification stage, including data protection compliance. Monitoring processes vary according to contract size and risk. This ensures that contract oversight is risk-based and effective.

The Council is currently operating under the "Council Strategy 2024-2028". The Strategy details the Council's high level aims and ambitions as it works towards delivering its long-term Oxford 2050 vision. Oxford 2050 is the Council's blueprint for the future and is based across 5 key themes all of which emerged following extensive public consultation in 2018. Whilst acknowledging that there is a high degree of uncertainty the Council believes that the results of the consultation exercise give the Council a sound basis for pursuing and delivering on these 5 agreed themes:

Work and Learning;

236

- People and Communities;
- Built and Natural Environment;
- Transport and Connectivity;
- Culture and Leisure

Each year the Council produces a Business Plan which details the Council's performance throughout the year, both financial and non-financial. The Council Business Plan for 2024-25 was published in April 2024.

<https://mycouncil.oxford.gov.uk/documents/s78585/Oxford%20City%20Council%20Annual%20Business%20Plan%202024-25.pdf>

This report provides strategic oversight of the Council's performance in year against the Strategic Plan and sets out ways to refresh the Plan and update the Council Performance Management Framework.

## Procurement and contract management

Standing Orders on Procurement and Contracts are set out within the Constitution. This includes the procedures and statutory requirements in terms of the procurement of services. The Council has also developed a Procurement Strategy which sets the framework in which Oxford City Council will work to ensure that procurement delivers value for money across all services and directly contributes to the achievement of their strategic goals.



# Improving economy, efficiency and effectiveness considerations

## Partnership working

The Council has a number of collaborative working arrangements involving both joint ventures and also wholly owned companies. The Council operates within the Oxford Model which effectively states that the Council should be driving internal and external revenue recognition as a means of mitigating the reduction in funding from central government.

So that the Council can assure itself it has effective involvement and oversight with key partners who are independent of the Council, representatives of the Council, usually elected Councillors, sit on the various committees and forums that are responsible for oversight of key partner organisations. Key Partnerships and Joint Committees with Council representation include for example: Fast Growth Cities; Future Oxfordshire Partnership; Health and Wellbeing Board; Thames Valley Police and Crime Panel; and the Oxfordshire LEP.

Risks, including risks arising from partnership arrangements, are managed at both a Corporate and at a Service Level through specific Risk Registers. The Corporate Risk Register is presented quarterly at the Audit & Governance Committee meeting. This identifies and highlights actions required to address specific risks, some of which may arise as a result of engagement with stakeholders and key partners.

237 If further investigation is required to understand where more fundamental improvements are required then the Council will also use Internal Audit resource to support and improve these areas. Recently the Council initiated an ad hoc review, for example, of the governance arrangements in effect within the Council's subsidiaries and this was openly and transparently reported to the Audit & Governance Committee.

## Procurement and commissioning of services

The Council uses a range of mechanisms, both formal and informal, to evaluate its performance in delivering services, and for identifying and delivering service improvement opportunities.

The councillors and Cabinet sets expectation of the Oxford City Council services provided to its residents. This is evaluated through feedback options on various services that Oxford City Council provide through an online customer form - <https://www.oxford.gov.uk/comments-compliments-complaints/make-comment-compliment-complaint>. This can be done through several ways including by phone, email, going to the Council offices, via the website or social media.

The Council also assesses its performance through various sources discussed above including the review of the Corporate Risk Register, Budget monitoring reports etc.

## EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multi-disciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

**All in to shape the future with confidence.**

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](https://ey.com/privacy). EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit [ey.com](https://ey.com).

Ernst & Young LLP

The UK firm Ernst & Young LLP is a limited liability partnership registered in England and Wales with registered number OC300001 and is a member firm of Ernst & Young Global Limited. Ernst & Young LLP, 1 More London Place, London, SE1 2AF.

© 2025 Ernst & Young LLP. Published in the UK.  
All Rights Reserved.

UKC-038566 (UK) 03/25. Creative UK.  
ED None

Information in this publication is intended to provide only a general outline of the subjects covered. It should neither be regarded as comprehensive nor sufficient for making decisions, nor should it be used in place of professional advice. Ernst & Young LLP accepts no responsibility for any loss arising from any action taken or not taken by anyone using this material.

[ey.com/uk](https://ey.com/uk)