

Lancashire Combined Fire Authority Audit, Risk and Governance Committee

Meeting to be held on Thursday 1 October 2026

External Audit – Audit progress report and sector updates

(Appendix 1 refers)

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Executive Summary

The attached report from Grant Thornton provides the Audit, Risk and Governance Committee with an update on progress in delivering the external audit for 2025-26, together with sector updates on matters of relevance to local government, fire and rescue authorities and audit committees.

Decision Required

The Committee is asked to note the external auditor's progress report and sector updates.

Information

Grant Thornton's External Audit Progress and Sector Update Report provides the Audit, Risk and Governance Committee with an update on the 2025-26 external audit. The audit is progressing to schedule, with risk assessment and systems documentation completed and financial statements fieldwork well underway. The draft accounts and supporting working papers were received on time and were of good quality, with effective engagement from officers. Value for Money work is also progressing, focusing on financial sustainability, the medium-term financial strategy, budget monitoring and follow-up of two improvement recommendations from 2024-25. The Audit Findings Report, Auditor's Report and Annual Auditor's Report are expected in November 2026.

The report also highlights developments across the local government sector, including governance expectations, proposed revisions to Best Value statutory guidance and local government reorganisation. No significant audit issues or formal recommendations have been identified at this stage, and no decisions are required from the Committee. Members are asked to note the progress made, maintain oversight of the remaining audit work and reporting timetable, and consider the potential implications of the wider sector developments outlined in the report.

Financial Implications

The Public Sector Audit Appointments scale fee for the 2025-26 audit is £105,938.

Legal Implications

None

Business Risk Implications

The external audit programme is informed by the risks facing the Authority and the wider local government and fire sector. The progress report assists the Committee in maintaining oversight of the external audit timetable, the auditor's value for money work and relevant sector developments that may affect governance, financial reporting and assurance arrangements.

Environmental Impact

None

Equality and Diversity Implications

None

Human Resource Implications

None

Local Government (Access to Information) Act 1985

List of background papers

N/A

Appendix 1: Audit progress report and sector updates

Glossary of terms used in the report

AGS	Annual Governance Statement
CIPFA	Chartered Institute of Public Finance and Accountancy
LGR	Local Government Re-organisation
MHCLG	Ministry of Housing, Communities and Local Government
PSAA	Public Sector Audit Appointments
SOLACE	Society of Local Authority Chief Executives