

Independent auditor's report to the members of Pendle Borough Council

Audit completion

Disclaimer of opinion on the financial statements

In our auditor's report, issued on 23 February 2026, for Pendle Borough Council (the 'Authority') for the year ended 31 March 2025, we reported a disclaimer of opinion on the Authority's financial statements.

We explained that we could not formally conclude the audit and issue the audit certificate for the Authority for the year ended 31 March 2025, in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice, until we had completed the work necessary in relation to the Authority's consolidation returns and received confirmation from the National Audit Office (NAO) that the audit of the Whole of Government Accounts (WGA) is complete for the year ended 31 March 2025. This work is now complete and the NAO has concluded their work in respect of WGA for the year ended 31 March 2025 and confirmed that audit certificates held open in relation to this can be issued. We are therefore satisfied all audit work necessary has been completed.

Report on other legal and regulatory requirements – the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

In our auditor's report for the year ended 31 March 2025 issued on 23 February 2026 we reported that we have nothing to report in respect of whether the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025 except:

- on 18 July 2024 we identified a significant weakness in the Authority's arrangement for financial sustainability. We recommended that the Authority should urgently prepare and agree short and medium term plans to close its budget gap using reserves to meet a significant part of the gap is unsustainable.
- on 18 July 2024 we identified significant weaknesses in the Authority's arrangements for governance. This was in relation to:
 - governance arrangements underpinning the Authority's relationships with its joint venture companies. We recommended that the Authority commission independent legal advice on its relationships with and governance of its joint venture companies.
 - the arrangements for determining planning applications were inconsistent. We recommended that the Authority commission a focussed independent legal report on the consistency, costs and efficiency of its planning process and the potential future impacts of continuing with the current arrangements.
- on 29 January 2025 we also identified further significant weaknesses in the Authority's arrangements for governance. This was in relation to internal audit identifying issues with information governance and issuing a limited assurance opinion in July 2024. We recommended that the Authority should urgently implement the actions identified by Internal Audit to address fundamental weaknesses identified in the Authority's information governance processes.

No matters have come to our attention since that date that would have resulted in any additional exception reporting on the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

Report on other legal and regulatory requirements – audit certificate

We certify that we have completed the audit of Pendle Borough Council for the year ended 31 March 2025 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Use of our report

This report is made solely to the members of the Authority, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 85 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Authority's members those matters we are required to state to them in an auditor's 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 Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

Georgia Jones

Georgia Jones, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

Liverpool

22 July 2026