Independent auditor’s report to the members of Gravesham Borough Council

Audit completion

Disclaimer of opinion and Qualified opinion on the financial statements

In our auditor’s report, issued on 26 February 2026, for Gravesham Borough Council (the ‘Authority’) for the year ended 31 March 2025, we reported a disclaimer opinion and a qualified opinion on the Authority and Group’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:

- 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. The NAO has now 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 26 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 16 July 2024 we identified a significant weakness in the Authority’s arrangements for financial sustainability for the years ended 31 March 2021, 31 March 2022 and 31 March 2023. This was in relation to the Authority’s financial position becoming significantly more challenging due to increased demands and complexity of service provision, along with the impact of inflation and the cost-of-living crisis, combined with workforce pressures. A failure to properly develop and risk assess savings schemes with appropriate contingencies will further intensify this pressure. We recommended the Council should continue focus on delivery of the ‘Balancing the Budget’ initiative. This includes embedding measures that prioritise structural reform over short-term fixes and rebuilding reserves. It should incorporate the development of a pipeline of multi-year recurrent savings, income generation and service transformation aligned with strategic priorities and compatible with local government reform (LGR).
- On the 25 February 2026 audit we identified a significant weakness in the Authority’s governance arrangements. For the year ended 31 March 2025, the Authority’s arrangements to rebuild assurance post-backstop were noted to require improvement to ensure that the Council is able to fulfil its statutory financial reporting obligations. This includes strengthening the Councils year-end statement of accounts preparation, addressing skills and capacity gaps within the finance team, and ensuring that Councils financial statements are supported by sufficiently evidenced working papers that meet current auditing standards. We recommended that the Authority should urgently strengthen its arrangements to produce accurate and compliant year-end financial statements and the arrangements to service the audit process. This improvement will be supported by implementing the control recommendations set out in

our 2024-25 Audit Findings Report as well as addressing skills and capacity gaps within the finance team.

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 Gravesham 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.

Parris Williams

Parris Williams, Key Audit Partner

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

London

03 August 2026