

## **Commentary on the 2024–2025 Audit Opinion**

### **Why have the external auditors issued a “disclaimer of opinion” on the 2024–2025 accounts?**

Across England, the local audit system continues to experience severe pressure due to an unprecedented national backlog of unaudited accounts. This systemic issue has been building for several years. By 30 September 2024, the number of outstanding local government audits had reached close to 1,000, highlighting the scale of the challenge facing the sector.

To address this unsustainable situation and “reset the system”, the Government introduced the Accounts and Audit (Amendment) Regulations 2024, which included statutory “backstop” dates designed to clear historic audits and refocus the system on timelier assurance. For the 2023–2024 financial year, all local authorities were required to publish audited accounts by 28 February 2025. The council received a disclaimed audit opinion for 2024–2025 accounts due to our external auditors not being able to finalise the audit in the necessary time.

Wigan Council complied with statutory requirements and published its draft 2024–2025 accounts on 30 June 2025. However, as happened nationally in 2023–2024, the Council’s external auditors, Forvis Mazars, were unable to obtain the required audit evidence within the regulatory timetable due to capacity constraints linked to the national backlog.

Because the audit could not be completed by the relevant backstop date, the auditors have issued again a “disclaimer of opinion.” This means they are not able to express an opinion on whether the Council’s financial statements present a true and fair view. A significant amount of the audit was complete but the auditors were unable to obtain the necessary assurance over the 2023/24 closing balances, which form the opening balances for 2024/25, and which are fundamental to providing full audit assurance in subsequent years. Despite this, the auditors have fulfilled their other statutory responsibilities, including reporting on the Council’s Value for Money arrangements.

The Council’s position reflects a national trend rather than local failings. For the previous year (2023–2024), auditors issued 216 disclaimed opinions due to the backstop date, representing almost half of all 459 audit opinions required that year. Similar patterns were seen in earlier years, with the Government noting that many opinions are disclaimed due to circumstances “largely outside of local bodies’ control”.

### **What will the impact of this be on future audit opinions?**

The process of restoring full assurance over the Council’s financial reporting will continue through the 2025–2026 accounts, which will be the next set of statements subject to a full audit. As part of this work, the audit of the 2025–2026 accounts will also

include the necessary rebuild and assurance work relating to the 2023–2024 accounts, following the national reset process and the issuing of disclaimed opinions linked to backstop deadlines. This combined approach is intended to ensure that the Council’s audit trail is fully re-established and that future years’ accounts can return to a normal assurance cycle.

Nationally, the Government, the Financial Reporting Council (FRC), and Public Sector Audit Appointments (PSAA) continue to implement long-term reforms to rebuild the local audit system. The Government has indicated that the overall reset and recovery period will run through to 2027/28, reflecting the complexity of clearing the backlog and stabilising the system.

### **Where can I find out more information?**

Further detail on the national approach and the implications of disclaimed audit opinions is available in the following published sources:

- **Government consultation response:**  
*Addressing the local audit backlog in England – GOV.UK*  
Explains the policy approach and the reasoning behind introducing statutory backstop dates. [[Local audit delays: Joint statement on update to proposals to clear the backlog and embed timely audit - GOV.UK](#)]
- **Government policy paper:**  
*Addressing the local audit backlog: modified or disclaimed audit opinions – GOV.UK*  
Provides contextual information on why many authorities are receiving disclaimed opinions due to national backlog measures. [[gov.uk](#)]
- **Public Sector Audit Appointments (PSAA) releases:**  
Summaries of national audit outcomes, including the number of unmodified, qualified and disclaimed audit opinions for each year.  
For example, PSAA reported **216 disclaimed (backstop)** opinions for 2023–2024. [[psaa.co.uk](#)]
- **Financial Reporting Council accessible guide:**  
Provides a clear explanation of the impact of disclaimed opinions and the sector-wide pressures driving them. [[accountingweb.co.uk](#)]