



Minutes of the meeting of the Audit & Governance Committee held on 24 September 2025 when there were present:-

Chair: Cllr N Harvey

Cllr L Breading
Cllr M Dearson

Cllr A Edwards
Cllr L Larman

INDEPENDENT PERSONS

P Mills

APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr A Harbinson and Cllr J Huntman.

OFFICERS PRESENT

A Hutchings	- Chief Executive
A Law	- Assistant Director, Legal & Democratic Services (MO)
A Barnes	- Head of Internal Audit
C Cox	- Chief Accountant
S Worthington	- Democratic Services Manager (DMO)
H Boyd	- Civic and Democratic Services Officer

88 DECLARATIONS OF INTEREST

There were none.

89 MINUTES

The Minutes of the meeting held on 30 July 2025 were agreed as a correct record and signed by the Chair.

The Independent Person drew attention to a request made by the Committee for future reports to include an assurance rating alongside audit details to assist Members in focusing on areas receiving partial or limited assurance. This was noted.

She also observed that the Committee had requested the inclusion of the work programme on all agendas. This was also noted.

A motion moved by Cllr N Harvey and seconded by Cllr L Breading that item 5 of the agenda to be brought forward first was agreed unanimously on a show of hands.

90 INTERNAL AUDIT – QUARTERLY PROGRESS REPORT

The Committee considered the report of the Head of Internal Audit providing an update on progress made in delivering the 2025/26 Internal Audit Strategy.

The proposed audit plan was approved in March and contributed to the assurance the Committee received regarding the effectiveness of the Council's arrangements for delivering its priorities.

Appendix 1 provided a status update on each piece of work in the plan. It was noted that the plan would be kept under review based on resource demands related to Local Government Reorganisation (LGR) and other emerging issues.

The level of sickness absence within the audit team had improved as a result of changes to staffing within the team. It was noted that finding suitable staff remained challenging and no further changes to staffing had occurred since July. Overall, the work was broadly where expected for this point of the year, progressing towards the annual report scheduled for July 2026.

One third of the planned audits were completed with resources arranged for the remaining two thirds of those scheduled. No further audits had been finalised since July in time for this report; however, completed work was scheduled for reporting to the next meeting.

Members enquired about the timeline for the complaints audit which remained listed as a work in progress since a previous meeting. Officers advised that work had been progressing but had taken longer than estimated due to conflicting demands on the internal staff member handling it. Officers anticipated that this would be completed by November. The Monitoring Officer confirmed that processes and policy were in place and records maintained and clarified that complaints originated from residents, tenants and those who lived or worked in the Borough. It was also confirmed that the Council aimed to follow the same process and rhythm for corporate complaints as that for housing complaints, including identifying themes.

In response to a Member request for provisional assurances on audits completed but not yet reported, officers advised that the audit for sheltered housing was likely to conclude that improvements were needed; management was engaged to progress the necessary changes. The environmental health audit was expected to be positive with no high-level findings; this indicated

that the team was working well. Housing Management had prioritised tackling the issues raised in the audit report.

Officers confirmed that there was nothing of concern regarding governance risk or internal control that required escalation to the Committee at this time. It was further emphasised that managers were now being regularly prompted to update recommendations on the Ideagen system.

Officers clarified, in response to a perceived discrepancy in the status of the fire safety audit, that the work completed in 2024 was part of the 2024/2025 audit plan and the item listed in the current papers was a follow up piece of work for the 2025/2026 plan to check the implementation of the resulting recommendations. Officers advised that follow up pieces of work to confirm implementation of recommendations was undertaken when audits received either minimal assurance or partial assurance.

In response to a query regarding the treasury management and general ledger audits, it was confirmed that these were completed earlier in the year and both received satisfactory assurance; no follow up was therefore required in the 2025/26 plan.

A request was made to continue to include an extra column detailing the dates of completion or receipt of partial assurance in future audit reports. It was also requested that the number of items brought forward from previous years be clarified and officers agreed that this information would be provided to Members outside the meeting.

Officers confirmed that the audit on damp, mould and condensation was confirmed to focus on the housing stock. The audit's purpose was to assess the Council's arrangements for identifying and managing the issues. This was to ensure that the Council was compliant with Awab's Law, which was scheduled to come into effect the following month and applies only to residential properties.

Officers advised that the ICT strategy audit (phase 1), which focused on the structure and content of the strategy, was completed in February. Phase 2, which had not yet begun, was planned to focus on implementing the strategy and assessing if it delivered expected outcomes.

Resolved

- (1) That details of progress made in delivering the 2025/26 Internal Audit Strategy be received.

91 TREASURY MANAGEMENT UPDATE: FIRST QUARTER STAGE

The Committee considered the report of the Assistant Director, Finance & Procurement (S151 Officer) which provided a quarterly update on the Council's treasury management and investment activity for the period 1 April 2025 to 30 June 2025.

The Council had made a planned instalment repayment of the general fund borrowing and had not undertaken any new borrowing. Borrowing levels remained below the authorised and operational boundary limits and interest payable aligned with the budget due to fixed rate investments.

Investment levels had decreased due to a large capital payment in the first quarter. Investment income had increased due to retained higher interest rates, although a decrease in rates was anticipated for the remainder of the year. In response to a Member question around estimated interest rates expectations officers confirmed that a response would be provided to Members outside the meeting.

Members enquired about local authority investments where the Council invests money with other local authorities, asking who those authorities were and what due diligence was performed. Officers advised that they would follow up on this outside the meeting to provide the specific names and due diligence details.

Members sought clarification regarding the statement that further borrowing might be required later in the financial year. Officers clarified that this related to funding the capital programme. Borrowing would be required if the Council faced a shortfall after using the limited reserves. It was confirmed that this was an overall caveat that allowed the Council to progress items and any borrowing would be determined on a project-by-project basis.

A motion moved by Cllr N Harvey and seconded by Cllr Dearson that the recommendations set out at paragraph 3.1 of the report be approved was agreed unanimously on a show of hands.

Resolved

- (1) To endorse the first quarter Treasury Management Report as providing appropriate assurance on compliance with the Council's treasury strategy and prudential indicators.

92 COUNTER FRAUD & INVESTIGATION – ANNUAL REPORT 2024/2025

The Committee agreed to defer the Counter Fraud Investigation Report until the next meeting.

The meeting closed at 7.36 pm.

Chair

Date

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