

MINUTES OF AUDIT AND ETHICS COMMITTEE

21 JULY 2025

PRESENT: Mr P Dudfield (Chair), Councillors Howling and Roodhouse.

ALSO PRESENT:

Laura Hinsley, Head of Public Sector Audit, Azets – Part 1, Agenda Item 4.

1. MINUTES

The minutes of the meeting held on 3 April were approved and signed by the Chair.

2. APOLOGIES

Apologies for absence were received from Mr J Eves (Vice-Chair) and Councillor Maoudis.

3. DECLARATIONS OF INTEREST

No interests were declared.

4. EXTERNAL AUDITORS ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2024

The Committee considered the report of Azets, the Council's appointed external auditors (Part 1 – Agenda Item 4). The representative from Azets highlighted the following points when making their presentation.

- This offers a similar opinion to the previous External Auditor's Report but is now prepared to be public facing and includes the Value for Money commentary.
- The Audit for 2024/2025 is progressing well and there are tangible changes from the previous year's audit.
- There would be some edits made to the report to ensure factual accuracy.
- The Committee recorded their thanks to the team at Azets for their work on the external audit.

RESOLVED THAT –

1. The Auditor's Annual Report for Year Ended 31 March 2024 be noted; and
2. An update be provided at a future meeting on the Centre for Governance and Scrutiny action plan implementation.

5. TREASURY MANAGEMENT OUTTURN REPORT

The Committee considered the report of the Chief Officer – Finance and Performance (Part 1 – Agenda Item 5) concerning the Treasury Management Outturn for 2024/25.

The Finance Manager provided an update concerning three main points, which included that there had been no new long-term borrowing, there had been two breaches to the policy and that all but one indicator was met. The Committee

received assurances regarding the breaches of the policy, including that safeguards had been put in place to prevent further administrative error.

RESOLVED THAT –

1. The Treasury Management Report for 2024/25 be considered; and
2. It be recommended to Council that the actual 2024/25 prudential and treasury management indicators (Appendix A) be approved.

6. PRE-AUDIT STATEMENT OF ACCOUNTS 2024/25

The Committee considered the report of the Chief Officer – Finance and Performance (Part 1 – Agenda Item 6) concerning the Pre-Audited Statement of Accounts prior to the completion of the external audit.

RESOLVED THAT –

1. The summary of the Pre-Audit Draft Statement Accounts be noted; and
2. The Chief Officer – Finance and Performance to share any LGA or CIPFA courses with the Committee aimed at Audit Committees and the accounts.

7. ANNUAL GOVERNANCE STATEMENT

The Committee received the report of the Chief Officer – Finance and Performance (Part 1 – Agenda Item 7) concerning the Annual Governance Statement. The Committee discussed the inclusion of Working Groups in the statement and when the Statement would be finalised.

RESOLVED THAT –

1. The Annual Governance Statement (AGS) for 2024/25 be approved subject to no further comments being received from the Committee; and
2. The Chief Officer – Finance and Performance to update the AGS concerning the Working Groups.

8. INTERNAL AUDIT PROGRESS REPORT

The Committee considered the report of the Chief Officer – Finance and Performance (Part 1 – Agenda Item 8) concerning the Internal Audit Progress Report 2024/25.

The Interim Corporate Assurance Manager provided a verbal update which covered the forthcoming two limited assurance audits and the proposed changes to the Audit Plan by moving audits which were yet to start into 2025/26. The Committee discussed the need for transparency with the Audit Updates for the next year on the capabilities of the Corporate Assurance team.

RESOLVED THAT –

1. The changes to the 2024/25 audit plan be approved; and
2. A session be arranged for the Committee prior to the September meeting on the process used to plan and prioritise audits.

9. ANNUAL AUDIT ASSURANCE REPORT 2024/25

The Committee received the report of the Chief Officer – Finance and Performance (Part 1 – Agenda Item 9) concerning the Annual Audit Assurance Report 2024/25.

The Committee considered the positive opinion given by the Interim Corporate Assurance Manager and sought assurance that the opinion remained valid.

RESOLVED THAT – the Committee note the Head of Internal Audit’s opinion following completion of the 2024/25 audit plan.

10. AUDIT PROGRESS REPORT 2025/26

The Committee considered the report of the Chief Officer – Finance and Performance (Part 1 – Agenda Item 10) concerning the Audit Progress Report 2025/26.

The Interim Corporate Assurance Manager discussed the dashboards with the Committee to provide a greater level of understanding. The Committee discussed the importance of bringing Officers with outstanding limited assurance actions before the Committee to discuss why no response had been received.

RESOLVED THAT –

1. The Committee noted the update; and
2. The Chief Officer – Finance and Performance to inform Leadership Team that Officers will be called in to the Committee for limited assurance actions where there have been no responses.

11. GLOBAL INTERNAL AUDIT STANDARDS IN THE UK PUBLIC SECTOR

The Committee received the report of the Chief Officer – Finance and Performance (Part 1 – Agenda Item 11) concerning the change in Global Audit Standards.

The Interim Corporate Assurance Manager gave an overview of the new standards and the actions that would need to be taken to ensure compliance.

RESOLVED THAT -

1. The content of the report and the Application Note and the Code of Practice be noted; and
2. A session set up for the Committee to discuss the changes and what should be done at the end of 2025.

12. MOTION TO EXCLUDE THE PUBLIC UNDER SECTION 100(A)(4) OF THE LOCAL GOVERNMENT ACT 1972

RESOLVED THAT – Under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following items on the ground that they involve the likely disclosure of information defined in paragraphs 1, 2 and 3 of Schedule 12A of the Act.

13. EXEMPTION TO CONTRACTS STANDING ORDERS – HR PAYROLL SOFTWARE CONTRACT FOR THREE YEARS

The Committee considered the report of the Acting Chief Executive (Part 2 – Agenda Item 1) concerning an Exemption to Contracts Standing Orders. The Chief Officer – Finance and Performance detailed why this was being reported and the process that had been undertaken.

RESOLVED THAT – the report be noted.

14. VERBAL UPDATE

The Chief Officer – Finance and Performance gave a verbal update to the Committee on the Limited Assurance Report received in April and the action taken to resolve it.

Further updates concerned the Vice-Chair role going out for recruitment and a confidential project.

RESOLVED THAT –

1. The verbal update be noted;
2. The reports regarding the confidential project be shared with the Chair and Vice-Chair; and
3. The Chief Officer – Finance and Performance share the Vice-Chair job advert with the Committee.

15. WHISTLEBLOWING INCIDENTS – STANDING ITEM – TO RECEIVE ANY UPDATES

No issues to report.

16. FRAUD AND CORRUPTION ISSUES – STANDING ITEM – TO RECEIVE ANY UPDATES

No issues to report.

CHAIR