AUDIT AND GOVERNANCE COMMITTEE

Thursday, 16 July 2026

Attendance:

Councillors

Chamberlain (Vice-chairperson in the chair)

Chamberlain
Adams
Aron
Bailey-Morgan
Bennett
Brophy
Godfrey

Apologies for Absence:

Councillors Morris and Achwal S

Deputy Members:

Councillor Pinniger

Other members in attendance:

Councillor Cutler (Cabinet Member for Finance and Transformation)

Video recording of this meeting

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1. APOLOGIES

Apologies were received from Councillor S Achwal (for whom Councillor Pinniger was deputising) and Councillor Morris as noted above.

Apologies were also received from Councillor Becker (Cabinet Member for Healthy Communities).

2. DISCLOSURE OF INTERESTS

There were no declarations of interest made.

3. APPOINTMENT OF VICE-CHAIRPERSON FOR 2026/27

RESOLVED:

That Councillor Chamberlain be appointed as vice-chairperson for the 2026/27 municipal year.

4. **CHAIRPERSON'S ANNOUNCEMENTS**

There were no announcements made.

5. **TO NOTE THE AUDIT & GOVERNANCE WORK PROGRAMME 2026/27**

RESOLVED:

That the work programme for 2026/27 be noted.

6. **MINUTES OF THE PREVIOUS MEETING HELD ON 5 MARCH 2026**

RESOLVED:

That the minutes of the previous meeting held 5 March 2026 be agreed as a correct record.

7. **PUBLIC PARTICIPATION**

There were no members of the public registered to speak.

8. **EXTERNAL AUDIT PLAN 25/26**
(AG191)

Simon Mathers (EY) introduced the report which set out the intended work of EY to be able to issue an opinion on the council's financial statement and report on its value for money arrangements.

In response to Members' questions, the Service Lead: Finance confirmed that the detailed information regarding the valuation of assets requested at the 29 January 2026 meeting had been supplied by EY and shared with the council's valuers. Mr Mathers also confirmed a commitment for their work on valuation assets to begin earlier in the audit process to give more time for any differences of opinion between valuers to be discussed.

Mr Mathers responded to members' questions on the methodology of valuations and emphasised that aside from the valuation differences, EY were satisfied with the financial information and arrangements provided by the council.

The committee requested that a verbal update on the progress made regarding valuation be made to the next committee meeting on 24 September 2026.

RESOLVED:

1. That the external auditor's Audit Strategy for 2025/26 and the approach to rebuilding assurance towards full assurance and an unqualified opinion be noted.

2. That the indicative 2025/26 annual audit fee be approved.

9. **TREASURY MANAGEMENT OUTTURN REPORT 2025/26**
(AG192)

Daniel O'Rourke (HCC) introduced the report which confirmed that all treasury activity in the previous year complied with the Treasury Management Strategy and relevant legislation and accounting standards. The Service Lead: Finance also responded to questions regarding the level of the council's internal borrowing.

RESOLVED:

That the Annual Treasury Outturn Report 2025/26 be noted.

10. **WORKFORCE REPORT 25/26**
(AG186)

The Service Lead: Human Resources introduced the report and responded to Members' questions, including on the various preparations being undertaken in advance of the proposed Local Government Reorganisation.

The Service Lead agreed to provide further details to committee members on the following queries raised:

a) Further information on the posts currently filled by the six apprentices employed by the council.
b) Further detail on which council teams the increase in FTEs had been deployed to.

RESOLVED:

That the report and the data in the appendices be noted.

11. **INTERNAL AUDIT ANNUAL CONCLUSION 25/26**
(AG187)

Antony Harvey (SIAP) introduced the report and highlighted that overall his conclusion was that the framework of governance, risk management and control were 'reasonable'.

Mr Harvey and the Senior Policy and Programme Manager responded to questions from members including confirming that a senior officer group met monthly to monitor the progress following the no assurance finding in relation to Housing Asset Management – Repairs and Maintenance. Quarterly updates were also reported to this committee as part of the regular governance monitoring reports. It was noted that updates were also provided to the Cabinet Committee: Housing.

RESOLVED:

That the Internal Audit Annual Conclusion for 2025-26 attached as Appendix 1 of the report be noted.

12. **Q4 GOVERNANCE MONITORING**
(AG188)

The Senior Policy and Programme Manager introduced the report and responded to members' questions thereon.

One member expressed disappointment that two climate related risks (CR010 and CR011) have been deescalated to the operational risk register. The Director: Legal agreed to raise these concerns through the Executive Leadership Board (ELB) at the next risk review meeting.

RESOLVED:

That the contents of the report be noted, including the progress made against the actions in the Annual Governance Statement.

13. **EQUALITY, DIVERSITY & INCLUSION – ANNUAL EQUALITY REPORT 25/26**
(AG190)

The Senior Policy and Programme Manager introduced the report and responded to members' questions thereon.

Members queried whether it would be possible to request voluntary data on other protected characteristics in addition to social background. The Service Lead: Human Resources agreed to investigate these suggestions further.

RESOLVED:

That the council's equality work undertaken during the past year be noted, in addition to the progress achieved towards the council's Equality, Diversity and Inclusion Action Plan.

14. **ANNUAL GOVERNANCE STATEMENT 25/26**
(AG189)

The Senior Policy and Programme Manager introduced the report and drew members' attention to the action plan and the overall conclusion of the Annual Governance Statement (AGS) that the council is satisfied that its governance arrangements remain fit for purpose and that it is in a good position to continue to meet current and future challenges.

The Senior Policy and Programme Manager responded to questions from members. He confirmed that a target date in relation to the Building Control QMS action plan would be included in the final version of the AGS for signing and inclusion in the Annual Financial Report.

RESOLVED:

1. That the annual governance statement for 2025/26 as set out in Appendix 1 of the report be approved for inclusion in the Annual Financial Report 2025/26.

2. That the issues arising, and actions identified in Appendix 1 be noted and that progress against the actions be brought back to the Audit and Governance Committee as an appendix to the quarterly governance monitoring report.

The meeting commenced at 6.30 pm and concluded at 8.20 pm

Chairperson