

**MINUTES OF THE  
AUDIT AND RISK COMMITTEE  
held on 28 January 2026 at 7pm**

Present:

Councillor N. Walsh (Chair)

Councillors, N. Dudley, S. Rajesh, J. Raven and A. Sosin

Independent Person –  
Ms J Hoeckx

### 1. Apologies for Absence and Substitutions

Apologies for absence were received from Councillors Bonnett, Bugbee and Sismey and Mr Groves.

### 2. Minutes

The minutes of the meeting on 26 November 2025 were confirmed as a correct record.

### 3. Declarations of Interests

All Members were reminded to disclose any interests in items of business on the meeting's agenda and that they should do so at this point on the agenda or as soon as they became aware of the interest. They were also obliged to notify the Monitoring Officer of the interest within 28 days of the meeting if they had not been previously notified. None were made.

### 4. Public Questions

There were no questions or statements from members of the public.

### 5. Announcements

No announcements were made.

### 6. Audit Results Report - Auditors Annual Report and Accounts

The Committee received the Audit Results Report for 2024/25, together with verbal updates from the Section 151 Officer and Ernst & Young (EY). Members were advised that although substantial work had been completed, the external audit could not be finalised before the statutory backstop date so a disclaimed audit opinion was to be issued. This position reflected the national backlog in local government audits and the historic lack of assurance over opening balances arising from previous years' disclaimed opinions.

EY reported that no significant weaknesses or material errors had been identified in the areas reviewed. The Annual Governance Statement was considered consistent with EY's understanding of the Council, and no significant weaknesses had been identified in the value-for-money arrangements. Assurance gaps remained in areas such as PPE valuations, reserves, debtor and creditor listings, and journal testing, largely due to capacity constraints and systemic issues carried forward from prior years.

In response to questions members were informed that;

- EY could not issue an audit certificate because the National Audit Office had not yet confirmed the further procedures required for authorities below the threshold, including Chelmsford. EY confirmed this was a national issue.
- difficulties with debtor and creditor testing stemmed from the need for transaction-level listings across multiple systems, which made sampling challenging.
- In relation to journal testing, EY reported that some queries could not be resolved due to finance team capacity at the time, but spot testing had not identified any issues. The s151 of the Council noted that at the beginning of the audit in October, EY had committed to finish the audit work by Christmas. This recognised the significant resource required by the Council to support the audit, which would be unavailable during a complex 2026/27 budget process. Also, the desire by EY and the Council to return to audits being of an appropriate duration.
- In relation to PPE valuations, EY explained that delays in receiving information from the external valuer continued to hinder progress, and both EY and officers would need to focus on earlier-year work ahead of Local Government Reorganisation.

The s151 committed to providing an update to the committee in September on the issues identified by the auditors. This report would reflect that both EY and Council officers would need to contribute to resolving the current bottle necks in the audit

**RESOLVED** that;

1. The verbal update and the draft Audit Results Report to be noted,
2. The Statement of Accounts 2024/25 be approved and,
3. Authority be delegated to the Chair of the Audit and Risk Committee, in consultation with the Section 151 Officer, to approve any additional steps to finish the audit process and the letter of representation, arising out of any outstanding audit work, and to publish the final Statement alongside the audit opinion.

(7.05pm to 7.43pm)

## 7. Internal Audit Interim Report

The Committee received the Internal Audit Interim Report and noted the current status of Internal Audit work. Committee were advised the plan is on track to be completed by 31<sup>st</sup> March in line with KPI's, and as usual a more detailed update on

the outcomes of completed work will be provided to Committee in the Internal Audit Annual Report.

**RESOLVED** that the report be noted.

(7.43pm to 7.48pm)

## 8. Procurement Update

The Committee received the Annual Procurement Report, which outlined procurement activity, key achievements, legislative updates and planned work. Notable achievements included savings from the HVO fuel tender, joint CCTV procurement with Maldon and Epping Forest District Councils and the renewal of key corporate systems such as Wi-Fi, cashless parking, HR and payroll. The shared service with Uttlesford District Council continued to perform well.

Members noted the implementation of the Procurement Act 2023, with procedures, documentation and training updated in line with the new requirements and several procurements already delivered under the new regime. Additional transparency and reporting duties would come into effect from 2026.

The Committee was updated on compliance activity, including a Council-wide review of the contracts register and spend compliance ahead of Local Government Reorganisation. It was noted that restrictions on new contracts may apply once decisions on Unitary arrangements were confirmed and that additional temporary resource may be needed.

Members were advised of planned work for 2026, including renewal of several high-value contracts and updates to the Procurement Strategy, Social Value Policy and Procurement Manual. Internal Audit would review procurement processes later in the year.

**RESOLVED** that the report be noted.

(7.48pm to 7.59pm)

## 9. Work Programme

The Committee received an update on the work programme for 2025-26.

**RESOLVED** that the work programme of the Committee be noted.

(7.59pm to 8.00pm)

## 10. Urgent Business

The meeting closed at 8:02 pm.

Chair