

**MINUTES OF THE
AUDIT AND RISK COMMITTEE**
held on 18 March 2026 at 7pm

Present:

Councillor N. Walsh (Chair)

Councillors, G. Bonnett, H. Clark, N. Dudley and A. Sosin

Independent Person –
Mr C Groves

1. Apologies for Absence and Substitutions

Apologies for absence were received from Councillors Bugbee, Rajesh, Raven and Independent Person Ms Hoeckx.

2. Minutes

The minutes of the meeting on 28 January 2026 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. Internal Audit Plan 2026 and Internal Audit Charter

The Committee received the Internal Audit Plan 2026 and Internal Audit Charter Report. Members were advised that the Internal Audit Plan had been developed using a risk based methodology which drew on the Council's corporate plan, risk registers and discussions with senior managers.

It was explained that the plan included a six month programme from April to September with indicative areas for the remainder of the year, allowing flexibility to

respond to emerging risks. Members noted that there were fewer planned audits than in previous years to provide additional contingency for any resource required in connection with Local Government Reorganisation.

The Committee was informed that the plan had been prepared with the available audit resources in mind and that external specialist support would be sought where needed. It was also reported that follow up work would continue to ensure that agreed actions from previous audits had been implemented, and that assurance levels and significant issues identified during the year would be reported to the Committee.

Members were advised that the Internal Audit Charter set out the purpose, authority and responsibilities of the Council's internal audit function, in line with the Global Internal Audit Standards and there were no material changes from the previous year.

RESOLVED that the Committee approved the Internal Audit Plan for 2026 and Internal Audit Charter.

(7.04pm to 7.06pm)

7. Risk Management Report

The Committee received the Risk Management Report for March 2026. Members were advised that the report provided an overview of the Council's Principal Risks and reflected the latest update carried out in January 2026 to ensure the register remained aligned with the current risk profile. It was explained that the Council's risk management framework sought to proactively identify, understand and manage risks in order to support informed decision making, ensure compliance with policies and legislation, and provide assurance to stakeholders that the Council was well managed.

Members noted that the Principal Risk Register was presented to Management Team and included the Council's strategic risks which required regular oversight. Officers reported that work has been undertaken to liaise with risk owners to update each risk and that the Committee received the register biannually to support its monitoring role. It was highlighted that some risks were influenced by external factors beyond the Council's control and that in some areas additional work had been undertaken to maintain current risk levels even where inherent risk had increased.

Members noted that there were no new risks added to the Principal Risk Register and that overall risk scores had remained consistent with previous reporting. It was reported that four risks had decreased in score, and while a number of risks continued to be assessed as high, officers explained that this reflected strong governance and effective oversight rather than unmanaged exposure.

In response to questions raised, Members were advised that:

- In relation to the increased score for the loss or damage to the crematorium, this reflected concerns about capacity and the risk of mechanical failure, and the change had been made at the discretion of the risk owner.

- In relation to risks currently allocated to the Director of Public Places who was due to retire members were informed that the responsibility would change over to the new Assistant Director once established in the position.
- In relation to whether the homelessness risk score should be increasing, officers explained that although the inherent risk was very high, the mitigations in place continued to reduce the impact, resulting in the current score remaining very high but unchanged.
- In relation to the Local Government Reorganisation direction of travel arrow appearing flat, officers confirmed that while the inherent risk remained significant, the expectation was that mitigation would limit the impact as the event approached.
- In relation to the frequency of reviewing mitigations, Members were advised that although the formal review occurred every six months, risk owners monitored their risks continually and directors reported new or emerging risks as they arose.

RESOLVED that the report be noted.

(7.06pm to 7.14pm)

8. Accounting Policies

The Committee received the report on the Accounting Policies for the preparation of the 2025/26 Statement of Accounts. Members were advised that the Council was required to align its accounting policies with the CIPFA Code of Practice on Local Authority Accounting and that it was considered best practice for the Committee to review these policies ahead of approving the final Statement of Accounts. It was reported that the accounting policies had been reviewed to ensure compliance with the 2025/26 Code.

The Committee was informed that one key change had been introduced relating to the valuation of property, plant and equipment. The new Code now permitted less frequent five yearly valuations supported by indexation in intervening years and required desktop valuations in year three where no suitable index was available. Members noted that the Council had already begun to use indexation for some assets in 2024/25 and that this approach would now be expanded where permitted.

It was also confirmed that investment properties would continue to be valued annually as required by accounting standards. Officers explained that the reduction in the number of full valuations was expected to ease workloads for both the Council and external auditors and that the national change had been introduced to help address the wider audit backlog.

RESOLVED that:

1. the Audit & Risk Committee approved the accounting policies to be used in the preparation of the accounts.
2. Authority be delegated to the Financial Services Manger to make amendments.

(7.14pm to 7.18pm)

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.

(7.19pm to 7.20pm)

10. Urgent Business

The Head of Finance provided an update on the external audit position. Members were advised that council had no choice but to agree with the disclaimed opinion to avoid missing the national backstop deadline.

Officers confirmed that a further meeting with the auditors would take place the following week to review outstanding issues and to establish whether any audit areas could be cleared.

An update would be brought back to this Committee.

The meeting closed at 7.31pm.

Chair