



AUDIT AND GOVERNANCE COMMITTEE

23rd October 2025 at 10.30am.

Present: Mr. Paul Stone (in the Chair)
Councillors Beasant, Boyd, Crofts (substitute for Silvester), Holland,
Kaczmarek and Patrick,

Officers in attendance:

- Carolina Borgstrom (Director of Economy, Environment and Infrastructure)
- Simon Jones (Assistant Director Law and Governance)
- Guy Lonsdale (Section 151 Officer)
- Claire Swainson (Strategic Lead Finance)
- Steve Turner (Audit Business Partner, Law and Governance)
- Caroline Wilson (Strategic Lead – Risk and Assurance)
- Paul Windley (Democratic and Scrutiny Team Manager)

Also in attendance:

- Councillor Harness (Portfolio Holder for Finance, Assets and Resources)
- Gavin Barker (Audit Director, Mazars)

AC.19 APOLOGIES FOR ABSENCE

Apologies for absence were received for this meeting from Councillors Hasthorpe, Mickleburgh, Parkinson and Silvester and from the second independent member Walter Leschenko.

AC.20 DECLARATIONS OF INTEREST

There were no declarations of interest made with regard to any items on the agenda for this meeting.

AC.21 MINUTES

RESOLVED – That the minutes of the Audit and Governance Committee meeting held on 17th July 2025 be approved as a correct record.

AC.22 TRACKING OF RECOMMENDATIONS

The committee received a report from the Assistant Director Policy, Strategy and Resources on tracking of recommendations of the Audit and Governance Committee.

At AC.7, Mr Jones reported that the minutes of the Assurance Board from July 2025 would be circulated as soon as possible. He added that the minutes of the previous meeting had already been circulated to members of this committee.

RESOLVED – That the update be noted and that items AC.10 (Treasury Management 2024-25 Outturn Report) and AC.7 (Assurance Board minutes) be marked as complete and removed from the tracking report .

AC.23 UPDATE ON EQUANS TRANSITION ARRANGEMENTS

The committee received a report that provided an update on how the governance arrangements and risks had changed following the conclusion of the Equans contract on 30th June 2025.

It was proposed by Councillor Patrick and seconded by Councillor Crofts that the press and public be excluded as consideration of this item was likely to disclose Exempt information within paragraphs 3 and 4 of Schedule 12A to the Local Government Act 1972. This was agreed upon a vote.

RESOLVED – That the press and public be excluded for consideration of this item as it would disclose exempt information within paragraphs 3 and 4 of Schedule 12A to the Local Government Act 1972.

Having received the update, the committee was keen to understand any remaining risks and financial liabilities. There were also questions around re-procurement, lessons learned from the contract and how enforcement activity would be affected.

The committee thanked officers for the effective handling of the transition.

RESOLVED – That the update be noted.

The meeting was re-opened to the press and public at this point.

AC.24 STATEMENT OF ACCOUNTS, EXTERNAL AUDIT COMPLETION REPORT AND ANNUAL GOVERNANCE STATEMENT

The committee received a report from the Interim Section 151 Officer introducing the Annual Governance Statement for 2024/25 and seeking approval of the Council's statement of accounts. The committee also received the external audit completion report which appeared as a separate item on the agenda for this meeting but, because it related to the audit of the

statement of accounts, was considered together with the Interim Section 151 Officer's report.

Mr Lonsdale introduced his report and noted that the statement of accounts was important in reassuring residents that there was appropriate stewardship of public funds. Officers were now working towards final sign off of the financial statements by the end of February 2026.

Mr Barker was then invited to summarise the content of the External Audit Completion report. His overall impression was that the organization took pride in its financial statements. He noted that the audit was now substantially complete and there were unlikely to be any further changes. An update letter would be provided when the statements were ready to be signed off and he asked that this be shared with committee members. He anticipated that the sign off would be well in advance of the February deadline. Overall, he anticipated an unqualified opinion on the statement of accounts and no significant weaknesses had been identified in relation to value for money. He summarized the findings of the audit and highlighted that the significant weakness previously reported in Children's Services had now been removed due to the improvements made during the period of this audit, as highlighted in the most recent Ofsted inspection report.

The committee sought clarification on a number of points, including the management of exit packages, the Dedicated Schools Grant deficit, and the risk of call-in on the council's "Lender option, borrower's option" (LOBO) loans. Officers provided clarification on these points.

On the Annual Governance Statement, Mr Jones noted that the Assurance Board had suggested some minor amendments relating to the Integrated Care Board arrangements and Local Government Reorganisation.

The Chair thanked the Finance team for their work in preparing the statement of accounts and Mr Barker for his presentation.

RESOLVED –

1. That the External Audit Completion Report be noted.
2. That the Annual Governance Statement for 2024/2025 approved for sign off by the Chief Executive and Leader, subject to updated wording to reflect the External Auditor's opinion on the Statement of Accounts and minor changes proposed by the Assurance Board regarding the Integrated Care Board arrangements and Local Government Reorganisation.
3. That the Statement of Accounts for 2024/2025 be approved.
4. That Management's response to external audit's (Mazars) request for information be noted.
5. That the updated Going Concern Assessment be noted.

There being no further business and no issues for discussion with the external auditors, the Chair declared the meeting closed at 12.11 p.m.