

**AUDIT COMMITTEE**

**Minutes of the Meeting held**

Wednesday 11th February 2026, 4.00 pm

**Councillors:** David Biddleston (Chair), Sam Ross (Vice-Chair), Toby Simon and George Tomlin

**Independent Member:** John Barker

**Guests in attendance:** Beth Bowers (Grant Thornton (External Auditors))

**26 EMERGENCY EVACUATION PROCEDURE**

The Democratic Services Officer drew attention to the emergency evacuation procedure as set out on the agenda.

**27 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS**

There were apologies from Councillor Malcolm Treby.

**28 DECLARATIONS OF INTEREST**

There were none.

**29 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR**

There was none.

**30 ITEMS FROM THE PUBLIC - TO RECEIVE STATEMENTS, PETITIONS OR QUESTIONS**

There were none.

**31 ITEMS FROM COUNCILLORS AND CO-OPTED AND ADDED MEMBERS**

There were none.

**32 MINUTES - 26TH NOVEMBER 2025**

**RESOLVED** that the minutes of the meeting held on 26<sup>th</sup> November 2025 be confirmed as a correct record and signed by the Chair.

**33 EXTERNAL AUDIT - UPDATE**

The External Auditor stated that the report gave an update on the audit plan and they were early in the planning cycle. The detailed plan would be submitted to the next committee in May 2026.

In response to Members' questions the following points were confirmed:

- It was noted that there only around 4 schools maintained by the local authority, the rest being academies, but it was confirmed that the fees in respect of teacher's pensions were not significant. However, an audit was required and the auditor must be off the approved list. This was something that education policy makers should think about. (Councillor Toby Simon)
- In respect of the timetable for 2027 meetings of the committee, there would be a meeting in early April due to the elections in May that year. (Councillor Toby Simon)
- In relation to Council spending on SEND, there had been a very recent government announcement that 90% of the deficit would be covered by the government. Clarification on the residual amount was still awaited. (Councillor David Biddleston)
- It was stated that part of the review of Annual Governance was the Code of Corporate Governance. Beth Bowers (External Auditor) stated a recent webinar by the external auditor in respect of this, would be made available to councillors. (Councillor David Biddleston)

**RESOLVED** to note the Audit Update Report.

#### **34 TREASURY MANAGEMENT STRATEGY STATEMENT 2026/27**

The Group Accountant presented the report which was an annual requirement of the CIPFA Code and set the framework for officers to work within. The report would be submitted to Cabinet and Council.

Following questions the points below were confirmed:

- PWLB loans had been taken out over a long time when the interest rates were lower, now rates had increased due to uncertainty. It was necessary to budget at the current rates. (Councillor George Tomlin)
- With LOBO loans the borrower received options whether to accept the increase/decrease or refinance. If the rates went up the loan might be repaid. This would be a decision for the Section 151 Officer in April. (Councillor Toby Simon)
- In relation to paragraph 3.4.2 with some local authorities being re-organised this would be factored into the process. (Councillor Toby Simon)
- The liability benchmarking chart in the report was explained to members of the committee.

#### **RESOLVED**

- 1) To recommend the actions proposed within the Treasury Management Strategy Statement 2026/27 (**Appendix 1**) to Council; and
- 2) To note the Treasury Management Indicators detailed in **Appendix 1**.

#### **35 RISK MANAGEMENT - UPDATE REPORT - FINANCIAL MANAGEMENT SYSTEM**

The Director of Assurance, Risk and Pensions One West (Finance) introduced the report and reminded Members that there was an update on risk management to

each meeting of the Audit Committee. This report detailed the replacement of the Council's financial management system. The Head of Financial Governance made the presentation on the new system which had been circulated to Members before the meeting.

Following questions the points below were confirmed:

- The new system was reactive to change and BANES was the first local authority to implement ERPx. The department was in discussions with Devon, Bristol and Warwickshire. (Councillor David Biddleston)
- The team working on implementation of the new system were going above and beyond, doing two jobs working on both the old and new system.
- The audit team were involved in the implementation of the new system and it would be included in next year's audit plan. (John Barker – Independent Member)
- The control mechanisms, audit logs and data control would be of huge benefit with the new system.

On a motion from Councillor David Biddleston, seconded by Councillor Sam Ross it was

**RESOLVED** to note the report and receive a further update in six months on progress with regards to the implementation process of the Council's financial management system.

### **36 CONSULTATION ON THE DEVELOPMENT OF THE INTERNAL AUDIT PLAN 2026/27**

The Head of Audit and Assurance One West (Finance) presented the report which outlined the consultation on the internal audit plan. He stated the main areas of concern were cyber security, Section 106 and the Dedicated Schools Grant (DSG).

During discussion the following issues arose to be considered for inclusion in the internal audit plan 2026/27:

- The placement of children in unregulated children's homes and value for money in delivering care for vulnerable children. (Councillor Toby Simon)
- The increasingly high cost of such care, the high level of staffing, out-county placements and whether statutory obligations were being met. (Councillor David Biddleston)
- Ensuring money spent on highways maintenance and improvements for public safety on the roads. (Councillor David Biddleston)

The Director of Assurance, Risk and Pensions One West (Finance) reminded Members that the audit plan was dynamic and would come back to Committee.

### **RESOLVED**

- 1) To comment on any areas or themes that they would like to be considered for inclusion in the Internal Audit Plan for 2026/27; and

- 2) To note the intention to keep the plan under regular review, including a six-month progress assessment, in order to prioritise resources as required.

**37 ANNUAL GOVERNANCE STATEMENT UPDATE**

The Head of Audit and Assurance One West (Finance) presented the report which outlined the Annual Governance process in order that the Audit Committee fulfils its responsibilities.

There were no questions on the report.

**RESOLVED** to note the report and process for the Annual Governance Statement.

**38 AUDIT COMMITTEE - DRAFT WORKPLAN**

The Director of Assurance, Risk and Pensions One West (Finance) presented the workplan and would include the following:

- Update on the DSG (direct to the Chair)
- Audit plans to the next meeting in May.

**RESOLVED** to note the 2026/27 workplan for the Committee subject to any proposed amendments.

The meeting ended at 5.45 pm

Chair(person) .....

Date Confirmed and Signed .....

**Prepared by Democratic Services**