

MINUTES OF: THE AUDIT AND ACCOUNTS COMMITTEE

DATE OF MEETING: 28th July 2025

PRESENT: Councillor Bleakley (Chair)
Councillors Driver (sub), Norton, Payne, Procter and Woods

IN ATTENDANCE: Chris Warren, Director of Resources (s151 Officer), RBC
Kimberly Haworth, Head of Financial Services, RBC
Ian Walker, Service Assurance Team Leader, RBC
Andy Dalecki, LCC Internal Auditors
Katie Kingston, Forvis Mazars External Auditors
Glenda Ashton, Committee Officer, RBC

ALSO PRESENT: Councillor Walmsley

1. APOLOGIES FOR ABSENCE

- 1.1 Apologies were received from Councillor M Smith and Mr S McManus, Co-opted member.

2. MINUTES OF THE MEETING HELD ON 24TH FEBRUARY 2025

RESOLVED:

The minutes of the meeting held on 24th February 2025 were agreed as a correct record.

3. URGENT ITEMS OF BUSINESS

- 3.1 There were no urgent items of business.

4. DECLARATIONS OF INTEREST

- 4.1 There were no declarations of interest.

5. PUBLIC QUESTION TIME

- 5.1 There were no public questions.

6. CHAIR'S UPDATE

- 6.1 Following a restructure of the Economic Development Team, all staff had been placed on permanent contracts. Also, an external organisation had been employed to deliver key projects which would bring resilience to project management due to the level of personnel that can be called on.

In addition, further project management training would be provided and a piece of project management software purchased. The situation would be kept under review as new funding was secured and new projects developed.

- 6.2 The Risk Management Strategy was approved by Cabinet on 19th March. This included a recommendation that annual refresher training be completed by members and officers. This has now been completed for 2025/26.
- 6.3 The Contract Procedure Rules audit report was circulated to the Committee in February.

- 6.4 Officers with delegations to approve on system orders up to £25k was outlined.
- 6.5 A copy of the Internal Audit Annual Audit Plan 2025/26 was circulated to the Committee in March.
- 6.6 A copy of Rossendale Leisure Trust's cashflow had been received and was available for scrutiny by members. As this was the Trust's data, it would not be publicly available.
- 6.7 A review of the Debt Management Policy was in progress and would be shared as soon as completed. The policies would be taken to the Overview & Scrutiny Committee and Cabinet following reviews and benchmarking against policies of a selection of other authorities.
- 6.8 The Cross-Party Working Group was still on hold and may not be needed following the strategic leisure review.
- 6.9 Simon McManus' term of office as co-opted member had been extended for a further 2 years from September 2025.

7. REVIEW OF AUDIT & ACCOUNTS COMMITTEE TERMS OF REFERENCE

- 7.1 The Director of Resources advised that there had been no changes to the Terms of Reference and that it was good practice to review annually.

RESOLVED:

1. Members approved the Audit & Accounts Committee Terms of Reference.

8. ANNUAL FRAUD REPORT 2024/25

- 8.1 The Service Assurance Team Leader outlined the report which asked the Committee to note the update for 2024/25.
- 8.2 The following comments were made and clarifications provided:
- Fraud Awareness training was mandatory for all staff. Information on the completion rate was not known but would be passed onto the Committee following enquiries.
 - Approximately 40 officers had attended the 'lunch and learn' session which was well received. The team were thanked for providing this essential training.
 - The council publicised methods of reporting fraud including notices circulated to residents with their annual Council Tax statements.
 - In relation to 4.7.3 of the report, the Service Assurance Team Leader agreed to investigate what 'other' fraud related to.

RESOLVED:

1. The Committee noted the update on the work of the Fraud and Compliance Officer for 2024/25.

9. INTERNAL AUDIT ANNUAL REPORT 2024/25

- 9.1 The Head of Internal Audit outlined the report which asked the Committee to consider the Internal Audit Annual report for 2024/25.
- 9.2 The following comments were made and clarifications provided:
- Action plans were closely monitored by the audit team and no concerns had been

raised.

- Committee to be advised if improvements had been seen regarding accounts payable/ retrospective orders.
- The Debt Management Policy was currently being drafted.
- The Suspense Account was a live account which fluctuated daily. Monies were posted to the account pending investigation and the account was reconciled monthly.

RESOLVED:

1. The Committee considered the Internal Audit Annual report for 2024/25.

10. INTERNAL AUDIT CHARTER

- 10.1 The Head of Internal Audit outlined the report which asked the Committee to approve the amended Charter. New standards came into force on 1st April 2025 which set out the regulations, roles and responsibilities for the Internal Auditors to follow.

RESOLVED:

1. The Committee considered and approved the Internal Audit Charter.

11. APPROVAL OF UNAUDITED STATEMENT OF ACCOUNTS FOR 2024/25

- 11.1 The report asked the Committee to accept the 2024/25 statutory accounts and to delegate authority to the Director of Resources, Monitoring Officer and Committee Chair to make any final amendments as necessary.

- 11.2 The following comment was made:

- The Committee recognised the achievements of the small Finance Team and thanked them for publishing the accounts by the deadline.

RESOLVED:

1. The Committee noted the contents of the report and accepted the 2024/25 statutory accounts as the final published unaudited accounts.
2. The Committee delegated to the Director of Resources and Monitoring Officer in conjunction with the Chair of the Audit and Accounts Committee, the ability to amend the documents to finalise the presentation of the statutory accounts to include the addition of the signed audit opinion and any referencing adjustments or minor amendments as necessary.

12. EXTERNAL AUDIT PROGRESS REPORT

- 12.1 The Audit Manager outlined the report which asked the Committee to consider the Audit Progress Report.

- 12.2 The following clarifications were provided:

- In order to build back assurance for the unaudited accounts from 2018/19, a thorough risk assessment would initially be completed. The first category would look at the council's internal controls with staff members at the time. The second category would look at the reserve balance and any significant risks.
- 'Proof in total' may be used in some areas but if not appropriate, balances from 2018/19 would be tested.
- Accurate balances for year 2018/19 would provide the auditors with some confidence but balances for the following 5 years would most likely need to be checked.
- Given the work that was required to build back assurance in 2024/25, accounts would

receive a disclaimed audit report.

- A clearer timeline to achieve an unmodified audit report continued to be built but was heavily dependent on the detailed risk assessment work noted above.

RESOLVED:

1. The Committee noted the External Audit Progress Report.

13. CORPORATE RISK REGISTER UPDATE QUARTER 4 2024/25

- 13.1 The Director of Resources outlined the report which asked the Committee to note the council's Corporate Risk Register, risk consequence, mitigation action and level of risk.

- 13.2 The following clarifications were provided:

- The only current red risk for the council was the sustainability of council owned leisure assets.
- It was hoped that the strategic review of council owned leisure assets would be completed by the end of the year.
- Service Area Managers had assessed Risk 3 as Amber due to the heavy-duty machinery used and work completed, including work at heights within the Operations Teams. Also, the council owned assets which stretched across the borough and many, were rightly, freely open to the public which increased the risk of accident.
- The RAG status for Risk 10 had reduced due to recruitment within the Economic Development Team, employment of third-party consultants to provide support and challenge, completion of training and the purchase of a project management tool. This risk would continue to be monitored.
- The council had a robust approach to cyber security with strong policies in place including mandatory training for members and officers and malware protection which updated daily.

RESOLVED:

1. The Committee noted the council's Corporate Risk Register for Quarter 4 2024/25.
2. Members noted the risk consequence, mitigation action and level of risk as detailed in Appendix 1.

14. EXCLUSION OF PUBLIC AND PRESS

RESOLVED:

That the public and press be excluded from the following items of business under Section 100(A)(4) of the Local Government Act 1972 since the items involved the likely disclosure of exempt information under Paragraphs 1 and 2 of Schedule 12A to the Local Government Act 1972.

15. STANDARDS COMPLAINTS UPDATE (VERBAL)

- 15.1 An update was provided in relation to Standards Complaints.

RESOLVED:

- That the update was noted.

16. WHISTLEBLOWING UPDATE (VERBAL)

- 16.1 An update was provided in relation to Whistleblowing.

RESOLVED:

- That the update was noted.

The meeting concluded at 7.15pm

Signed (Chair)

Date