MINUTES OF: THE AUDIT AND ACCOUNTS COMMITTEE

DATE OF MEETING: 29th July 2026

PRESENT: Councillor Driver (Chair)
Councillors Ashworth, Norton, Payne, Procter and Woods
Simon McManus, Co-opted Member

IN ATTENDANCE: Kimberly Haworth, Head of Financial Services, s151 Officer, RBC
Ian Walker, Service Assurance Team Leader, RBC
Molly Barton, Accountant, RBC
Andy Dalecki, LCC Internal Auditors
Mark Baskerville, LCC Internal Auditors
Karen Murray, Forvis Mazars External Auditors
Jimly Johny, Forvis Mazars External Auditors
Glenda Ashton, Executive & Democratic Services Officer, RBC

ALSO PRESENT: Councillor Walmsley

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1. APOLOGIES FOR ABSENCE

Apologies were noted for Councillor Kenyon.

2. MINUTES OF THE MEETING HELD ON 18TH FEBRUARY 2026

RESOLVED:

The minutes of the meeting held on 18th February 2026 were agreed as a correct record.

3. URGENT ITEMS OF BUSINESS

There were no urgent items of business.

4. DECLARATIONS OF INTEREST

There were no declarations of interest.

5. PUBLIC QUESTION TIME

There were no public questions.

6. CHAIR'S UPDATE

Councillor M Smith was thanked for her time on the Committee and Councillor Ashworth was welcomed as a new member of the Committee.

During the meeting the Chair recognised the work Paula Lucas had completed throughout her 20 years at the Council. She also recognised the work of the team following Paula's passing.

7. ANNUAL FRAUD REPORT 2025/26

The Service Assurance Team Leader outlined the report which asked the Committee to note the contents of the annual update report.

An error was noted at point 3.30 of the report *"Of note, these figures exclude overpayments* *raised and collected during quarter two, due to a DWP exercise which distorted the figures".* Sentence to be removed.

The following comments were made and clarifications provided:
- The fraudulent activity of an ex-member of staff had been investigated and no fraud had been committed against the authority.
- It was expected that Housing Benefit overpayments would be recovered but re-payment may take some time.
- No significant National Fraud Initiative (NFI) cases had been identified to the Service Assurance Team.
- Due to the volume of work dealt with by the Department for Work and Pensions (DWP), there were significant delays in cases proceeding to court.
- Historically, proactive work with other agencies did not identify significant amounts of fraudulent activity but did create a large workload for Officers. Anti-Fraud networks were more useful.
- In-house Cyber Security training was mandatory for all staff and councillors. A rolling quarterly programme was also in place for the Revenues and Benefits Team.
- Fraud and compliance activity savings could not be quantified, however the in-year collection rate was 95%.
- It was acknowledged that Officers were working at capacity and were thanked for their work.

RESOLVED:
1. The Committee noted the Annual Fraud Report Update for 2025/26.

8. REVIEW OF COMMITTEE TERMS OF REFERENCE

The Head of Financial Services outlined the purpose and scope of the Terms of Reference and that no significant changes were necessary at this stage.

The following comments were made and clarifications provided:
- The Internal and External Auditors were happy with the Terms of Reference.
- The Terms of Reference were broadly the same across all authorities.

RESOLVED:
1. The Terms of Reference were considered and adopted for the next 12 months.

9. ADOPTION OF STATUTORY ACCOUNTS FOR FINANCIAL YEAR 2025/26

The Head of Financial Services outlined the report which asked the Committee to note the report and accept the Statutory Accounts for 2025/26. They were also asked to delegate authorities to the relevant Officers and Chair of the Committee.

It was noted that the accounts were published by the 30th June 2026 deadline and residents now had until 11th August to make comments. The Committee were required to approve the audited accounts by 31st January 2027.

The following comments were made and clarifications provided:
- The team were thanked for the report and for publishing the accounts on time.
- Additional colours were requested on the 'staff employed across services' graph to make it easier to read.
- The 'estimated use of reserves' figure on page 13 was a favourable variance so should

be shown in black not red.

- The delegations requested were for minor changes only and the Committee would have sight of the final version of the accounts before approving.
- Following a national revaluation of businesses in 2023, the Council had to provide estimates based on unknown figures therefore the Business Rates/Rateable Value had increased from £41k to £61k.
- The overspend on parks and cemeteries was due to the remedial works needed in cemeteries.

RESOLVED:

1. The Committee noted the contents of the report and accepted the 2025/26 statutory accounts as the final published accounts.
2. The Committee delegated to the Head of Financial Services and the 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.

10. INTERNAL AUDIT CHARTER

The Head of Internal Audit, Lancashire County Council, outlined the report which asked the Committee to consider and approve the Charter.

The following comments were made and clarifications provided:

- The Head of Internal Audit confirmed that he did not have responsibility for Rossendale's audit work which ensured impartiality.
- The Global Standards were not significantly different but there was now more emphasis on organisations ensuring that audit work was supported and resourced.
- Results of the Internal Audit Team self-assessments would be reported back to the Committee. The external EQA was due in March 2028 which would not carry over due to Local Government Reorganisation (LGR).

RESOLVED:

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

11. INTERNAL AUDIT ANNUAL REPORT 2025/26

The Head of Internal Audit, Lancashire County Council, outlined the report which asked the Committee to consider the Internal Audit Annual report for year ended 2025/26.

The following comments were made and clarifications provided:

- The Committee were assured that reasonable assurance was a positive outcome.
- Improvements had been seen in areas where actions were suggested but the auditors looked at different areas at each audit.
- Good progress had been made which was due to the commitment of staff and the Council.
- The auditors were thanked for their report.

RESOLVED:

1. The Committee considered the Internal Audit Annual report for 2025/26.

12. INTERNAL AUDIT ANNUAL PLAN 2026/27

The Head of Internal Audit, Lancashire County Council, outlined the report which asked the Committee to consider the Internal Audit Annual Plan for 2026/27.

The following comments were made and clarifications provided:

- It was thought that Environmental Health Food Safety had not been audited since 2017.
- An audit cycle was not in place and audits were based on risk and the Council's resources. The risk register was reviewed and auditors met the Corporate Management Team to discuss areas of concern and where the auditors could add value.
- The number of audit days had reduced by 15 days which would reduce fees for the Council but would still maintain sufficient audit work. Additional days could be bought if needed and LCC's resources allowed.
- The audit plan was flexible so work could be reprioritised if needed.
- Regeneration was included in the audit plan which met one of the Council's priorities.
- Sufficient resources had been factored in for LGR work but it was too early to tell if that would be enough. Requests for additional resources or assurances would be brought back to the Committee.

RESOLVED:

1. The Committee considered the Internal Audit Annual Plan 2026/27

13. EXTERNAL AUDIT PROGRESS REPORT

The Audit Partner, Forvis Mazars, outlined the report which asked the Committee to consider progress made in delivering their responsibilities.

The following comments were made and clarifications provided:

- The external auditors were thanked for their update.
- Further updates would be provided to the Chair, Head of Financial Services and to the Committee at its scheduled meetings.

RESOLVED:

1. The Committee considered the External Audit Progress Report.

14. CORPORATE RISK REGISTER UPDATE QUARTER 4 2025/26

The Head of Financial Services outlined the report which asked the Committee to note the Council's Corporate Risk Register, risk consequence, mitigation action and residual level of risk.

The following comments were made and clarifications provided:

- The report was now easier to read; thanks to be passed onto the Head of People and Policy.
- Remedial works following the cemeteries inspections were planned to be completed by the end of September. Works to take place on the larger memorials once a contractor had been appointed. Discussions were taking place with the Diocese regarding closed churchyards. It was anticipated that works would be concluded within the budget allocation for this financial year.

RESOLVED:

1. The Committee noted the Council's Corporate Risk Register for Quarter 4 2025/26.
2. Members noted the risk consequence, mitigation action and level of risk as detailed in

Appendix 1.

15. 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.

16. STANDARDS COMPLAINTS UPDATE (VERBAL)

An update was provided in relation to Standards Complaints.

RESOLVED:
- That the update was noted.

17. WHISTLEBLOWING UPDATE (VERBAL)

An update was provided in relation to Whistleblowing.

RESOLVED:
- That the update was noted.

The meeting concluded at 7.45pm

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Signed (Chair) **Date**