

Report to: Meeting of the Full Council: 10 February 2026

Committee Chair: Councillor Sylvia Michael, Audit & Accounts Committee

Director Lead: Sanjiv Kohli, Deputy Chief Executive/Director of Resources and S151 Officer

Lead Officer: Nick Wilson, Business Manager – Financial Services, Ext 5317

Report Summary	
<b>Report Title</b>	Audit & Accounts (Governance) Committee Annual Report
<b>Purpose of Report</b>	To inform Members of the activity undertaken by the Audit and Governance Committee between 25 September 2024 and 2 July 2025.
<b>Recommendations</b>	That Full Council note the report.
<b>Reason for Recommendation</b>	To ensure that the Committee discharges its responsibilities as per its delegated authority within the Councils Constitution.

## **1.0 Background**

- 1.1 As part of the bi-annual review of the effectiveness of the Audit & Accounts Committee which was undertaken during July 2019, an action plan was presented to the Audit & Accounts Committee at the meeting in November 2019. One of the actions identified within that plan was to produce an annual report of the activity of the Audit & Accounts Committee.
- 1.2 Section 7.2 of Part C of the Constitution sets out the terms of reference for the Committee. This report details how the Committee has discharged those responsibilities throughout the year. The Council will be aware that during this time period the Committee remit fell to the Audit & Governance Committee.

## **2.0 Activity undertaken during the year**

- 2.1 During the year, the Committee discharged its responsibilities as described within the Constitution as follows:

## **25 September 2024**

- 2.2 Members were updated with the forecast outturn position for the 2024/25 financial year for the Council's General Fund and Housing Revenue Account revenue and capital budgets and to show performance against the approved estimates of revenue expenditure and income.
- 2.3 The Members were provided with a summary of Internal Audit work undertaken during 2024/25 against the agreed audit plan.
- 2.4 Members were informed of the Local Government and Social Care Ombudsman annual review updates.
- 2.5 An overview was provided of the of the circumstances of making a self-referral to the Regulator of Social Housing (RSH) for a breach of the Home Standard for failures in the Council's HRA Gas Servicing Programme.
- 2.6 The Members approved updates and revisions to the Council's Arrangements for dealing with Code of Conduct Complaints regarding Councillors.

## **11 December 2024**

- 2.7 Internal Audit provided a summary of Internal Audit work undertaken during 2024/25 against the agreed audit plan.
- 2.8 The External Auditor's Progress Report was presented for Newark and Sherwood District Council for 2023/24.
- 2.9 The Members noted the activity undertaken by the Audit and Governance Committee between 27 September 2023 and 31 July 2024. The report provided a summary of the activities, to then be taken to February's Full Council.
- 2.10 The update gave the forecast outturn position for the 2024/25 financial year for the Council's General Fund and Housing Revenue Account revenue and capital budgets. The report showing performance against the approved estimates of revenue expenditure and income. The report was provided to Members as a slimdown version as it had already been to Cabinet.
- 2.11 Update on the Council's Treasury Activity and Prudential Indicators for the first half of 2024/25. The report advised no breach to indicators and to expect interest rate levels to go down.
- 2.12 The Committee also received reports on:
  - Outcome of Local Government and Social Care Ombudsman Investigation
  - Outcome of Housing Ombudsman Investigation
  - Housing Ombudsman Annual Review Update
  - Strategic Risk Management
  - Update on the LGA Newark and Sherwood District Council Cyber 360 Report
  - Government Consultation – Enabling Remote Attendance and Proxy Voting at Local Authority Meetings

- Review of the Council's Constitution
- Review of Policies – Anti-Fraud and Corruption Strategy, Guidance for Dealing with Irregularities and Anti-Money Laundering Policy
- Conduct and Public Service
- Annual Report Detailing Exempt Reports considered by the Audit & Governance Committee

## **19 February 2025**

- 2.13 Members took part in a survey with reported outcomes, completed by 20 Members out of 39. Members gave approval for Officers to undertake work to develop an action plan.
- 2.14 The Committee considered the customer feedback report to be able to see what complaints were being submitted across the organisation for half year 1, the Committee noted the report and recommended PPIC conduct a performance review for any areas of concern.
- 2.15 The Members were provided with a summary of Internal Audit work undertaken during 2024/25 against the agreed audit plan.
- 2.16 The External Auditor's Annual Audit Completion Report for Newark and Sherwood District Council for 2023/24 was presented by Mazars, Mark Surridge.
- 2.17 The Annual Audit Report confirmed that the External Auditor anticipates issuing an unqualified opinion of the 2023/24 Statement of Accounts. Approval of the Statement of Accounts by this Committee was being taken elsewhere on the agenda.
- 2.18 The final version of the Statement of Accounts, having brought the draft to the Audit & Governance Committee on 31 July 2024.
- 2.19 Members were provided with reports which had been approved at Cabinet on 18 February 2025.
- 2.20 The Committee considered a report seeking approval to the Capital Strategy 2025/26, this incorporated the Minimum Revenue Provision Policy and Capital Prudential Indicators, updated in accordance with latest guidance.

The Committee approved the key elements and recommended these to Full Council on 6 March 2025 while noting that as the budgets were still being finalised and some of the figures within the Strategy were advised may alter.

- 2.21 The Committee also received reports on:
- Investment Strategy 2025/26
  - Treasury Management Strategy 2025/26
  - Review of Significant Issues in the Annual Governance Statement
  - Whistleblowing Policy Annual Report
  - Gifts and Hospitality Annual Report
  - Whistleblowing Policy Annual Report
  - Regulation of Investigatory Powers Act 2000 (RIPA) – Annual Report
  - Code of Conduct – Update and Government Consultation

## **16 April 2025**

- 2.22 The Committee considered a report presenting the External Audit Strategy Memorandum for the 2024/25 Statement of Accounts work for Members to review. The External Audit Strategy Memorandum at Appendix A of the report set out the proposed work of the Council's external auditors for 2024/25, relating to the audit of the financial statements and the commentary on the Council's Value for Money arrangements.
- 2.23 The report highlighted that in accordance with the Risk Management Policy, a facilitated strategic risk workshop was undertaken with the Senior Leadership Team (SLT) in February 2025. This workshop evaluated all existing strategic risks and identified emerging risks for the forth coming year.
- 2.24 The report provided an update to the forecast outturn position for the 2024/25 financial year for the Council's General Fund and Housing Revenue Account revenue and capital budgets, showing performance against the approved estimates of revenue expenditure and income.
- 2.25 The Committee were provided with updates to the Council's accounting policies in relation to the closedown of the 2024/2025 financial year.
- 2.26 The Committee also received reports on:
- Underlying Pension Assumptions for 2024/2025 Statement of Accounts
  - Underlying Valuation Assumptions for 2024/2025 Statement of Accounts
  - Counter-Fraud Activities form 1 May 2024 to 31 March 2025
  - Fraud Risk Assessment

## **7 May 2025**

- 2.27 The Committee reviewed the Council's Contract Procedure Rules, to approve the revisions where appropriate and recommend to Council for adoption.
- 2.28 The Committee reviewed the Council's Financial Procedure Rules, to approve the revisions where appropriate and recommend to Council for adoption.
- 2.29 Members were informed of the outcome of an investigation where the Ombudsman found fault with the Council. The report advised that Corporate ASB training has been added to the 2025/2026 programme and will include the lessons learnt from this determination. Training will take place following the implementation of the new housing management system in May 2025.
- 2.30 Members were informed of the outcome of another investigation where the Ombudsman found fault with the Council. The report highlighted that findings of maladministration are published regularly on the Housing Ombudsman Service website along with spotlight reports which focus on specific issues or service areas to raise awareness and help landlords improve.
- 2.31 The Committee were provided with the recommendations from the Local Government Association Peer Challenge that had been delegated to Audit & Governance Committee. Amendments and updates endorsed by this Committee to be recommended to Full Council for approval at the Annual Meeting in May and the

Council's Independent Remuneration Panel will be asked to undertake a review in respect of any changes in Committee Terms of Reference.

- 2.32 The report provided progress on implementation of the Full Council resolution 'Conduct and Public Service' made on 15 October 2024.

## **2 July 2025**

- 2.33 The Internal Auditors provided a summary of Internal Audit work undertaken during 2024/25 and to support the Annual Governance Statement by providing an opinion on the organisation's governance, risk, financial and internal control environment.
- 2.34 The External Auditors provided an Audit Progress report for 2024/25 and they advised the Committee that progress to mid-June had no issues to note.
- 2.35 The Going Concern Status of the Council is assessed by the Section 151 Officer of the Council and is required for the preparation and approval of the Statement of Accounts for the financial year ended 31 March 2025.
- 2.36 The Members were provided with provisional 2024/25 financial outturn position on the Council's revenue and capital budgets, as well as showing the performance against the approved estimates of revenue and capital expenditure and income.
- 2.37 The Committee were able to review the Annual Treasury Outturn report, to be presented to Council on 21 October 2025. There were no breaches of the approved prudential indicators during 2024/25 and further information was provided in Section 6 of Appendix A of the report.
- 2.38 The Committee considered the report to consider terms of reference and membership for two new Committees – Audit & Accounts Committee and Governance, General Purposes & Local Government Reorganisation (LGR) Committee which will replace this Committee as per the Full Council decision taken on 20 May 2025.

## **3.0 Conclusion**

- 3.1 As can be seen from the account of the year, the Committee has discharged its responsibilities as per the Constitution.
- 3.2 The Committee has continued to add value to the organisation, in continuing with the independent member to the Committee. Adding skills to the Committee which benefit the whole organisation as further scrutiny over the reports presented to the Committee is achieved.

## **3.0 Implications**

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

<b>Implications Considered</b>			
<b>Yes – relevant and included / NA – not applicable</b>			
Financial	NA	Equality & Diversity	NA
Human Resources	NA	Human Rights	NA
Legal	NA	Data Protection	NA
Digital & Cyber Security	NA	Safeguarding	NA
Sustainability	NA	Crime & Disorder	NA
LGR	NA	Tenant Consultation	NA

### **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

None