
Meeting	Audit And Governance Committee
Date	30 July 2025
Present	Councillors Hollyer (Chair), J Burton (Vice-Chair), Fisher, Merrett, Rose and Smalley (Substitute)
Officers In Attendance	Debbie Mitchell – Director of Finance David Walker - Customer Finance Risk & Insurance Claire Foale - Chief Strategy Officer Patrick Looker – Assistant Director Finance Alex Hall - Systems Accountant, Corporate Finance Emma Audrain - Technical Accountant
In Attendance	Mark Outterside - Director, Forvis Mazars Louise Stables – Audit Manager, Forvis Mazars Connor Munro - Assistant Director – Audit Assurance, Veritau Jonathan Dodsworth, Assistant Director – Corporate Fraud, Veritau
Apologies	Councillors Coles, Watson and Independent Member Mr Binney

1. APOLOGIES FOR ABSENCE (17:31)

Apologies were received from Cllr Watson (Cllr Smalley substituting), Cllr Coles, and Independent Member Mr Binney.

2. DECLARATIONS OF INTEREST (17:32)

Members were asked to declare any personal interests not included on the Register of Interests, any prejudicial interests or any disclosable pecuniary interests which they may have in respect of business on the agenda. None were declared.

3. EXCLUSION OF PRESS AND PUBLIC (17:33)

Resolved: That the press and public be excluded from the meeting during consideration of Annexes 2 to 8 to Agenda Item 15 on the grounds that it contains information relating to Information relating to the financial or business affairs of any particular person (including the authority holding that information). This information was classed as exempt under paragraph 3 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by The Local Government (Access to Information) (Variation) Order 2006).

4. MINUTES & ACTION LOG (17:33)

Members considered the minutes from the 14 May 2025 meeting and the Committee's action log. Members suggested amendments to the minutes including reference to discussion potential fraud in Residents Parking Permits being in relation to short term lets. The chair also confirmed that he would enquire with officers regarding updates to some longer standing items in the Committee's action log.

Resolved: That the minutes from the 14 May 2025 be brought back to the Committees next meeting with reference to short term lets in minute 82. Annual Counter Fraud Report.

5. PUBLIC PARTICIPATION (17:36)

It was reported that there had been no registrations to speak at the meeting under the Council's Public Participation Scheme.

6. KEY CORPORATE RISKS MONITOR 1 (17:45)

The Committee considered the Key Corporate Risks Monitor 1 report and raised questions about the Local Plan no longer having its own Key Corporate Risk (KCR). Officers confirmed that the Local Plan KCR was related to the Council not having a Local Plan and the risk this presented to the Council. Now that the Council had adopted a local Plan Officers noted that other risks related to Local Plan would be covered in other KCR's and departmental risk registers. Members noted Officers explanations, however, due to the importance of delivering against the Local Plan including requirements to update the plan

in the future asked officers to review whether it was required to introduce a new KCR connected to the Local Plan.

Members enquired about the changes expected from the Fair Funding Formula review by central government. Officers noted they were working on a response to the governments consultation and could feedback to the Committee about how they responded but there would not be time to bring the response to the Committee prior to having to submit the response.

The Committee considered the annex on KCR 3 Partnerships. Members enquired about whether the multiple boards and strategic groups across the city had disability representation. Officers noted that they had not taken an audit of group memberships, in a lot of cases the Council is an invited partner to these boards, but in cases where they are Council lead, they can seek to ensure they are representative of the city. Officers noted that boards facilitated by the Council were listed on the Council website under Outside Bodies with full membership lists.

The Committee enquired about whether more could be done to formalise their relationships with the Council noting issues that can occur when working with partners. Officers noted that each board has its own terms of reference in terms of standardising these relationships and developing more standard assurances for partners and the Council this would likely be challenging especially if it involved partners taking on new risks. Officers did confirm that very few of these boards have any decision-making powers and instead provide spaces for partnership working.

Resolved:

- i. Officers to review whether a new Key Corporate Risk was required for the Local Plan.

Reason: To ensure the Council monitor and manage its risks effectively.

7. PURCHASING COMPLIANCE (18:11)

Members considered the report on the ongoing review of Purchasing Compliance, encompassing No Purchase Order No Pay (NPONP) processes. Members enquired about whether

there was an expected end point for the reviewing of this work. Officers noted that work would be ongoing in a drive to continue compliance with the policy as they did not expect to reduce the number of purchases without a purchase order to zero. Officers confirmed that Veritau was auditing the work on purchasing compliance with an expectation that it becomes business as usual.

Resolved:

- i. The Committee noted the progress to date.

Reason: To gain assurance that the Council is taking proper action to respond to the agreed audit actions and improvements to purchasing processes are being made where necessary.

8. DRAFT STATEMENT OF ACCOUNTS 2024/25 (18:20)

Officers introduced the draft statement of accounts confirming that they meet the deadline of 30 June 2025 to publish the accounts for 2024/25. The Committee enquired about the number of employees earning over £100,000 with organisations miss reporting a rise in employees earning over £100,000. Officers confirmed that they rebutted these reports at the time, but these may not have been reported as widely. The Committee enquired about funding for the Shop Mobility Trustees having been set at £13,000 for multiple years, officers agreed that this meant that due to inflation funding will have gone down in real terms but noted that this was a budgeting option for the Executive each for to determine funding.

Resolved:

- i. Noted the raft pre-audit statement of accounts, for the financial year ended 31 March 2025.

Reason: To ensure that, in line with best practice, Members have had the opportunity to review the draft pre-audit Statement of Accounts.

9. ANNUAL GOVERNANCE STATEMENT (18:35)

The Director of Finance introduced the Annual Governance Statement 2024/25 report. The Committee noted the report and asked if it the statement could include reference to the Ward Boundary Review taking place by the Council's Corporate Scrutiny Committee and that there were no current plans for the Community Governance Review.

Resolved:

- i. Noted the draft Annual Governance Statement for the financial year ended 31 March 2025.
- ii. To add reference to the Ward Boundary Review taking place by the Council's Corporate Scrutiny Committee and that there were no current plans for the Community Governance Review.

Reason: To ensure that Members have had the opportunity to review the draft Annual Governance Statement.

10. TREASURY MANAGEMENT OUTTURN (18:37)

The Director of Finance introduced the report on Treasury Management, and she noted that the Council had a lot of debt maturing in the next 12 months which was fine and would be monitored throughout the year. The Committee noted the need to have a well spread-out debt profile and enquired about limits to borrowing. The Director of Finance outlined that the Council would borrow what was required sometimes this was larger amounts or several smaller amounts, it depended on the needs at the time.

Resolved:

- i. Noted the Treasury Management Annual Report and Review of Prudential Indicators 2024/25.

Reason: That those responsible for scrutiny and governance arrangements are updated on a regular basis to ensure that those implementing policies and executing transactions have properly fulfilled their responsibilities with regard to delegation and reporting.

11. EXTERNAL AUDIT FEES (18:42)

The Committee noted the report on External Audit Fees.

Resolved:

- i. Noted the contents of the report.

Reason: To keep the Committee informed regarding external audit fees.

12. AUDIT STRATEGY MEMORANDUM 2024/25 (17:37)

Mark Outterside and Louise Stables from Forvis Mazars introduced the report. The Committee noted the External Audit Progress report and enquired about what was included in the £23m assets deemed surplus to requirements as they felt the number was rather high. Officers confirmed they would double check what was included in the £23m of assets and report back to the Committee.

Resolved:

- i. Noted the matters set out in the Audit Progress Report presented by the external auditor.

Reason: To ensure the proper consideration of the progress of the external auditor in respect of the annual audit of accounts and review of the council's arrangements for ensuring value for money

13. COUNTER FRAUD PROGRESS REPORT 2025/26 (18:49)

Jonathan Dodworth from Veritau introduced the Counter Fraud Progress report, he confirmed to the Council's processes were quite robust in relation to questions around Adult Social Care assessments, however, he noted that there could always be some level of fraud in the system as it required some level of trust with applicants, but this would not be unique to York. Members also asked about whether the Council should be exploring fraud relating to holiday and short term lets using household waste rather than paying for commercial waste. Jonathan Dodworth confirmed that they had investigated these businesses paying for commercial waste and found that this would not be an area of high concern for fraud.

Resolved:

- i. Noted current and planned counter fraud activity.

Reason: To enable members to consider the progress of counter fraud work in the current financial year.

14. AUDIT AND GOVERNANCE WORK PLAN (18:54)

The Committee considered its work plan for 2025/26 and noted the high volume of items at the Committees 28 January 2026 and agreed that the chair would discuss with officers about whether some items could be moved to other meeting dates.

Resolved:

- i. For the Chair and officers to discuss the possibility of moving some items form the Committees 28 January 2026 meeting.

Reason: To ensure the Committee has a full and balanced programme of work.

15. INTERNAL AUDIT PROGRESS REPORT 2025/26 (18:58)

Connor Munro from Veritau introduced the Internal Audit Progress report and noted the planned programme of work for the rest of 2025/26. The Committee made highlighted the low attendance for the Member Induction Programme and asked how concerning this was to the auditors and whether the Council should explore midterm training for members. Mr Munro agreed the number of Councillors attending sessions in the induction programme was low and that recommendations from the auditors would be to seek to increase participation as part of work to develop ongoing Councillor support and training.

Members also enquired about the level of assurance given to the Council's Saving Plans. Mr Munro noted that overall delivery against saving plans at the Council had been good but that there were some areas such as controls that the auditors would expect to see before a substantial assurance could be given.

The Committee considered the reset of this item in private session as agreed at minute 3.

Resolved:

- i. To share the Communications Internal Audit Report with the Corporate Scrutiny Committee to consider whether it would wish to review the Council's developing Communications Strategy;
- ii. To share the Member Induction Programme Internal Audit Report with the Joint Standards Committee to support its work on Member training and development;
- iii. To share the Savings Plan Internal Audit Report with the Corporate Scrutiny Committee's Budget Setting Working Group to support their task and finish work;
- iv. Noted the progress made in delivering the 2025/26 internal audit work programme, and plans for delivery over the remainder of the year.

Reason: To enable members to consider the implications of internal audit findings, and to review planned activity for the remainder of 2025/26.

Cllr Hollyer, Chair

[The meeting started at 5.30 pm and finished at 7.53 pm].