

## **Annual Council – 13 May 2026**

### **Annual Report of the Audit and Governance Committee 2025/2026:**

#### **Councillor Chris Burhop, Chair of Audit and Governance Committee**

### **Introduction and Foreword**

I'm pleased to present the annual report of the committee for the year to April 2026.

The terms of reference of the committee as laid out in the Council's constitution state "The purpose of the Audit and Governance Committee is to provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority's financial and nonfinancial performance to the extent it affects the authority's exposure to risk and weakens the control environment, and to oversee the financial reporting process."

In my opinion the committee has once again functioned adequately in this regard and indeed has seen significant progress in some areas, especially external audit and also in the reduction of outstanding internal audit actions.

I would like to thank the committee members who have diligently reviewed and often challenged the information provided. I would also like to thank all officers who have presented to the committee and faced sometimes probing questions so professionally.

Special mention goes to Simon Davey and John Symes, Peter Barber of Grant Thornton and Connor McLaughlin Nester from South West Audit Partnership.

### **Peer Review Challenge 2024**

The Peer Review Challenge back in 2024 made recommendations for the A&G committee and these have been embraced and integrated into the operation of the committee.

We continue to improve our committee's knowledge with frequent training sessions for councillors prior to each A&G committee which have been well – received and enlightening.

Both myself and the Vice – Chair, Olly Davey, have attended the SW A&G Chairs committee meetings which provide a forum for additional learning and inter – council comparisons.

### **Training**

The training programme which commenced in September 2024 has continued throughout the year with most of the A&G meetings being preceded by a training session.

The session on statutory accounts in September 2025 was particularly salient, given the tremendous work towards completing the year end audit this year. It was noteworthy, too, that this session occurred just as the audit was commencing and budgets were being formulated for the coming year.

## **External Audit**

My annual report last year said that we would take on board the learning points from the 23/24 YE audit and I am pleased to say that this was exactly what happened.

Planning for the audit commenced much earlier, with excellent early work from both the external auditors and our own officers paying dividends later in the process and allowing us to get the year end audit “over the line” this year – for the first time in 4 years.

The length of time since our last assured audit made this year’s review even harder, with more work for both sides to gain satisfactory assurances of the year end position. Nevertheless both teams worked extremely hard to ensure the deadline for completion was hit – in fact the audit report and accounts were presented to the A&G committee on 29<sup>th</sup> January – 4 weeks before the legal deadline.

The result was again a disclaimed audit opinion however this was fully expected as the previous year’s opening balances had not been verified making it impossible to gain complete assurance for the year. With the completion of this year’s audit and confirmed assurance over the closing balances we expect full confidence to be reconfirmed in the coming years’ audits.

I would like to express my sincere thanks to John Symes and his team for applying themselves so wholeheartedly amidst conflicting priorities and pushing forward with this to a successful conclusion.

## **Internal Audit**

If used properly internal audit can be a vital tool for assurance and continuous improvement. The attitude of officers towards internal audit is vital in this regard and I believe that in most cases officers have embraced these IA processes and recognise the benefits from them.

This year we have seen IA being used more for “spot reports” where suspected issues have been identified by management and IA have been used as an

investigative, objective resource to confirm suspected problems and proffer solutions.

In my second year as Chair of the A&G I am pleased to report that significant progress has been made on the backlog of outstanding action points from internal audit reports.

### **Internal Audit Actions**

	On time	Overdue	Total
YTD Q3 24/25	75	48	123
YTD Q3 25/26	58	2	60

Of the 2 overdue actions at the time of this report, they are <30 days overdue and are both P2 actions.

Clearly the above shows significant continuous improvement over the course of the year and, I believe, shows the benefit of scrutiny not just from the A&G committee but also by the SLT who have supported the messaging of the importance of completing these outstanding actions.

### **Information Governance**

2025/26 was the first full year of the IG Board under the Chair of Melanie Wellman and, whilst it took a little bit of time to stabilise the team of officers who work in this area we have made excellent progress in improving the policies and procedures which feed into the control of our IT and data.

Melanie's annual report is available in the A&G minutes of 29/1/26 so I don't propose to replicate them here, but they are well worth a read!

### **Recommendations**

Last year's recommendations focussed on the targeting of resources towards the growing numbers of outstanding actions from internal (and external) audits. I am pleased to say that very significant inroads have been made which are perhaps indicative of a "cultural shift" towards embracing these actions rather than seeing them as a chore.

This year I look forward to another successful year of audit scrutiny and seeing the council continue to improve.