

## **Audit Committee MINUTES**

**Of a meeting held in the Penn Chamber, Three Rivers House, Rickmansworth, on Tuesday, 24 March 2026 from 7.30 pm - 8.34 pm.**

**Present:** Councillors

Tony Humphreys (Chair), Keith Martin, Stephen King, David Major, Ciaran Reed, Mike Sims and Chris Mitchell (In place of Cheryl Stungo)

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### **Officers in Attendance:**

Michelle Howell, Interim Head of Finance  
Anita Hibbs, Committee Officer  
Robert Thurlow, Chief Accountant

### **External in Attendance:**

Leigha Britnell, Hertfordshire County Council  
Ayesha Ahmede, Hertfordshire County Council

### **AC43/26      APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Harry Davies, Chery Stungo (substitute Councillor Chris Mitchell), and Lisa Hudson.

### **AC44/26      MINUTES OF PREVIOUS MEETING**

The minutes of the Audit Committee held on 19 February 2026 were confirmed as a correct record and signed by the Chair of the meeting.

### **AC45/26      NOTICE OF ANY OTHER BUSINESS**

There was no other business.

### **AC46/26      DECLARATIONS OF INTEREST**

There were no declarations of interest.

### **AC47/26      STATEMENT OF ACCOUNTS UPDATE 2025/26**

The Chief Accountant introduced the report.

In response to a question regarding the annual revaluation of assets, the officer explained that assets are either formally valued or revalued through an indexation calculation each year. The conversation also touched on the accessibility of the final asset database, which the officer was unsure about but offered to find out. Members inquired about the potential impact of asset

reevaluation on workload and whether external consultants will be needed, noting that current documentation suggests no direct cost implications. The officer responded that the proposed changes are expected to reduce the workload by allowing external valuers to work with the team to determine appropriate indices, enabling the team to calculate asset values rather than commissioning full valuations every year. This approach requires at least one formal valuation within a five-year period. The main challenge highlighted is ensuring consistency in the indexation method and obtaining approval from external auditors before implementation.

The Committee noted the report.

RESOLVED:

- To note the update in relation to the 2025/26 Statement of Accounts timeframes.
- To review the draft Accounting Policies for 2025/26 as set out in Appendix 1 and note that a further update will be presented to the Committee at the next meeting.

#### **AC48/26      SIAS PROGRESS REPORT AGAINST AUDIT PLAN 2025/26**

Leigha Britnell, Client Audit Manager introduced the report.

The Committee discussed the internal audit process in the context of the impending Local Government Reorganisation (LGR), expected to conclude in April 2028.

Key points include concerns about the value and feasibility of implementing audit recommendations given the limited time before the Council ceases to exist. There is a focus on prioritising audit work to ensure cost-effectiveness and compliance, avoiding unnecessary pressure on staff, and distinguishing between statutory requirements and non-essential activities. The Committee acknowledged the complexity and uncertainty surrounding the LGR timeline, emphasising the need for a cost-benefit analysis of audit activities, especially those related to the transition to a unitary authority. Collaboration with other councils and audit departments is underway to align efforts and share experiences, although comprehensive outcomes are still pending. Members also expressed cautious skepticism about the government's ability to meet the proposed schedule, suggesting the need to consider risks if unitarisation is delayed or abandoned.

Councillor Tony Humphreys moved the recommendation as set out in the report.

On being put to the Committee, the motion was declared CARRIED by the Chair, the voting being by general assent.

RESOLVED:

Members are recommended to:

- Note the Internal Audit Progress Report for the period to 6 March 2026
- Approve the Internal Audit Plan changes
- Agree removal of implemented audit recommendations set out in Appendix C
- Note the implementation status of all other internal audit recommendations in Appendix D.

#### **AC49/26      TRDC INTERNAL AUDIT PLAN REPORT 2026/27**

Ayesha Ahmede, Assistant Client Audit Manager introduced the report.

No questions or points were raised.

Councillor Tony Humphreys moved the recommendation as set out in the report.

On being put to the Committee, the motion was declared CARRIED by the Chair, the voting being by general assent.

RESOLVED:

- Members are recommended to approve the proposed Three Rivers District Council Internal Audit Plan for 2026/27.
- Members are requested to note the SIAS Internal Audit Strategy & Service Plan and invited to provide any comments.

**AC50/26      WORK PROGRAMME**

The Chair advised that the Statement of Accounts 2025/26 is to be included for the June meeting on the work programme.

Members raised concerns about the March 2027 meeting date coinciding with the start of the regulated period and nomination period for potential unitary elections, which could affect councillors' availability and capacity to review committee papers. There was uncertainty about the exact timing of elections, with clarifications provided by some members regarding shadow elections for the new unitary authority expected next year and the impact on current council operations. The Committee debated the feasibility of moving the meeting date earlier by one or two weeks to avoid conflicts but acknowledged logistical challenges with audit planning timelines. Ultimately, the consensus was to keep the work programme as is for now and advise on any necessary changes once election details become clearer.

Members also discussed the potential risks stemming from global geopolitical events. The primary concern raised was whether the Council's risk committee has evaluated the emerging risks and how they might impact the Council's financial stability, particularly regarding budget sufficiency. The Interim Head of Finance responded from a financial perspective, noting that the Council currently holds a positive cash position and is unlikely to face immediate borrowing needs or interest rate impacts due to current economic activities. However, she acknowledged the importance of ongoing monitoring, especially concerning potential increases in costs like utilities, and committed to keeping these factors under review as part of financial oversight.

The Committee noted the work programme.

**AC51/26      OTHER BUSINESS - IF APPROVED UNDER ITEM 3 ABOVE**

None

**CHAIR**