
AUDIT COMMITTEE

NOTICE AND AGENDA

For a meeting to be held on Thursday, 25 June 2026 at 7.30 pm at Penn Chamber, Three Rivers House, Rickmansworth.

Members of the Audit Committee:-

Councillors:

Tony Humphreys (Chair)
Shelley Gormley
Lisa Hudson
Matthew Hunt
David Major

Keith Martin (Vice-Chair)
Chris Mitchell
Ciaran Reed
Mike Sims

*Joanne Wagstaffe, Chief Executive
Wednesday, 17 June 2026*

1. APOLOGIES FOR ABSENCE

2. MINUTES OF PREVIOUS MEETING

(Pages 3 - 6)

To confirm, as a correct record, the minutes of the Audit Committee meeting held on 28 May 2026.

3. NOTICE OF ANY OTHER BUSINESS

Items of other business notified under Council Procedure Rule 30 to be announced, together with special circumstances that justify their consideration as a matter of urgency. The Chair to rule on the admission of such items.

4. DECLARATIONS OF INTEREST

To receive any declarations of interest.

5. Statement of Accounts 2025/26 Update

(To Follow)

To follow

6. Annual Fraud Report 2025/26

(Pages 7 - 14)

This report informs Members of the work of the Fraud Section for the financial year 2025/2006 to date and provides updates on progress and developments.

Recommendation

To note the contents of this report.

7. AUDIT PLAN UPDATE (Pages 15 - 18)

Recommendation

Members are recommended to:

- Note the position of the 2026/27 Audit Plan delivery

8. EXTERNAL AUDIT PLAN (Pages 19 - 66)

The External Auditor's Plan for year ended 31 March 2026.

9. WORK PROGRAMME (Pages 67 - 70)

That the Committee consider and makes necessary changes to its Work Programme.

10. OTHER BUSINESS - if approved under item 3 above

General Enquiries: Please contact the Committee Team at
committeeteam@threerivers.gov.uk

The Council welcomes contributions from members of the public on agenda items at the Audit Committee meetings. Details of the procedure are provided below:

For those wishing to speak:

Members of the public are entitled to register and identify which item(s) they wish to speak on from the published agenda for the meeting. Those who wish to register to speak are asked to register on the night of the meeting from 7pm. Please note that contributions will be limited to one person speaking for and one against each item for not more than three minutes.

In the event of registering your interest to speak on an agenda item but not taking up that right because the item is deferred, you will be given the right to speak on that item at the next meeting of the Committee.

Those wishing to observe the meeting are requested to arrive from 7pm.

In accordance with The Openness of Local Government Bodies Regulations 2014 any matters considered under Part I business only of the meeting may be filmed, recorded, photographed, broadcast or reported via social media by any person.

Recording and reporting the Council's meetings is subject to the law and it is the responsibility of those doing the recording and reporting to ensure compliance. This will include the Human Rights Act, the Data Protection Legislation and the laws of libel and defamation.

The meeting may be livestreamed and an audio recording of the meeting will be made.



Three Rivers House
Northway
Rickmansworth
Herts WD3 1RL

Audit Committee MINUTES

Of a meeting held in the Penn Chamber, Three Rivers House, Rickmansworth, on Thursday, 28 May 2026 from 7.30 pm - 8.16 pm.

Present: Councillors

Tony Humphreys (Chair), Keith Martin, Shelley Gormley, Matthew Hunt, David Major, Ciaran Reed, Mike Sims and Narinder Sian (Substitute) (In place of Chris Mitchell)

Officers in Attendance:

Comie Campbell, Interim Head of Finance
Anita Hibbs, Committee Officer
Robert Thurlow, Chief Accountant

External in Attendance:

Leigha Britnell, HCC Client Audit Manager
Ayesha Ahmede, HCC Assistant Client Audit Manager

AC1/26 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Lisa Hudson and Councillor Chris Mitchell. Councillor Narinder Sian attended the meeting as a substitute for Councillor Mitchell.

AC2/26 MINUTES OF PREVIOUS MEETING

The minutes of the Audit Committee, held on 24 March 2026 were confirmed as a correct record and signed by the Chair of the meeting.

AC3/26 NOTICE OF ANY OTHER BUSINESS

There was no other business.

AC4/26 DECLARATIONS OF INTEREST

There were no declarations of interest.

AC5/26 INTERNAL AUDIT ANNUAL REPORT 2025/26

Ayesha Ahmede introduced herself and briefly explained her role as Assistant Client Audit Manager.

The Assistant Client Audit Manager introduced the report.

Members raised concerns regarding the wording of the SIAS Internal Audit Charter 2026/27 at 7.3 and emphasised that the Audit Committee functions as an oversight body rather than being responsible for the effectiveness of governance and risk management, which are operational duties handled by council officers. Members agreed that whilst the Council sets strategy, officers manage day to day operations. Members agreed that the Charter will need to be updated to clarify these responsibilities and avoid confusion.

Councillor Keith Martin proposed an amendment to section 7.3 of the report as follows: The Audit Committee is also responsible for the *oversight* of the governance, risk, and control environment within the Council, holding operational managers to account for its delivery.

Councillor Ciaran Reed seconded the motion.

Councillor Tony Humphreys moved the recommendation as set out in the report with the proposed amendment to section 7.3 of the report.

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

RESOLVED:

Recommendation

Members are recommended to:

- Note the Annual Assurance Statement and Internal Audit Annual Report 2025/26
- Note the results of the self-assessment required by the Global Internal Audit Standards (GIAS) and the Quality Assurance and Improvement Programme (QAIP)
- Approve the SIAS Internal Audit Charter 2026/27 with the amendment to state at:
7.3 The Audit Committee is also responsible for the oversight of the governance, risk, and control environment within the Council, holding operational managers to account for its delivery.
- Seek management assurance that the scope and resources for internal audit were not subject to inappropriate limitations in 2025/26

AC6/26 STATEMENT OF ACCOUNTS UPDATE 2025/26

The Chief Accountant introduced the report, highlighting the key changes for approval and also clarified wording of the report at 3.1.10 that optionality is reinstated, meaning two options being available for treating accumulated depreciation.

There were no questions or comments.

The Committee noted the report.

RESOLVED:

Recommendation

- 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.

AC7/26 ANNUAL GOVERNANCE STATEMENT 2025/26

The Interim Head of Finance introduced the report.

Members inquired about the Equality Impact Assessment (EIA) forms that accompany the report, as only the templates were attached with the report.

The Interim Head of Finance assured that a completed EIA form will be circulated to committee members after the meeting. It was also clarified by officers that these forms would normally be completed with a policy report that is scheduled for another committee. In addition, officers explained that the EIA forms are not relevant to this particular report.

The Committee noted the report.

AC8/26 OTHER BUSINESS - IF APPROVED UNDER ITEM 3 ABOVE

There was no other business.

AC9/26 WORK PROGRAMME

Members discussed various options for training; including in-person and online. There was consensus that online training offers flexibility and can be recorded for catch up, which is beneficial. A hybrid option with in-person training recorded for later access was suggested as a compromise. Officers expressed concerns over half-hour training sessions before meetings; explaining that these would be insufficient for more technical topics such as Statement of Accounts and Treasury management. Separate, longer sessions on non-committee days or online would be preferable for comprehensive training. Members also discussed whether changing the committee start time from 7.30pm to 8.00pm, to accommodate a training session from 7.30pm would be feasible, but this would require approval. Members also emphasised the importance of essential training at the start of the municipal year to equip new Members with fundamental knowledge about the committee's role and functions. Officers emphasised that the training scheduled for 16 June should remain focused on the Statement of Accounts. In terms of the overall training; officers will need to have a discussion with the Director of Finance to determine what is achievable. There may be other resources available such as a new Member briefing pack. The validity of training was also addressed; officers confirming that they are refreshed annually. Training options by the Local Government Association (LGA) was also mentioned as a suitable alternative.

The Committee concluded that officers would have a discussion with the Director of Finance and explore best practice within local authority networks, and bring back options to Members to consider. The Chair also emphasised the importance of going ahead with the training already scheduled on 16 June for the Statement of Accounts as that is an item on the next Audit Committee's agenda.

The Committee noted the work programme.

CHAIR

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Agenda Item 6

Report to: Audit Committee

Date of meeting: Thursday, 25 June 2026

Report author: Interim Head of Finance

Title: Annual Fraud Report 2025/26

1.0 Summary

1.1 This report informs Members of the work of the Fraud Section for the financial year 2025/2006 to date and provides updates on progress and developments.

2.0 Risks

2.1

Nature of risk	Consequence	Suggested Control Measures	Response (treat, tolerate, terminate or transfer)	Risk Rating (combination of severity and likelihood)
Failure to note report or understand the emerging risks	A knowledge gap and lack of scrutiny could leave to a poor understanding of risks that could affect decision making.	Fraud Manager to attend committee to present report and answer questions arising.	Treat	4

3.0 Recommendations

3.1 To note the contents of this report.

Further information:

Comie Campbell
comie.campbell@threerivers.gov.uk

Report approved by: Alison Betts

4.0 Detailed proposal

- 4.1 This report informs members of the work of the Fraud Section for the financial year 2025/2026 and to date and provides updates on progress and developments.
- 4.2 **Details.**
- 4.3 The Fraud Service is provided in-house as part of the finance shared service between Three Rivers DC and Watford BC. Three Rivers DC is the lead authority and employs the staff within the service. The details below apply to both councils unless otherwise stated.
- 4.4 The councils have a zero tolerance of fraud and corruption.
- 4.5 Minimising fraud and irregularity is essential to ensure resources intended to provide services are maintained. Fraud is the most commonly experienced crime in the UK, accounting for around 45% of all crime. In the public sector, it is estimated that at least £55 billion to £81 billion of taxpayer money is lost to fraud and error each year. Fraud is a crime that affects everyone.
- 4.6 Furthermore, it is estimated from the National Fraud and Error report by the Department for Work and Pensions (DWP) for the financial year ending 2025 that Housing Benefit overpayments classified as Fraud nationally amounted to £1,100m (7.2%). In respect of Universal Credit (including housing costs) fraud estimates amounted to £6,350m (9.7%). These statistics are derived from a 0.05% sample of benefit claims randomly selected from DWP's administrative systems (around 12,900 cases were sampled). The number of Housing Benefit payments made by the councils are reducing year on year as customers migrate to Universal Credit which includes payment of housing costs where appropriate. From December 2015 housing benefit only investigations migrated to the DWP following the Government's creation of the Single Fraud Investigation Service (SFIS). The DWP must investigate all Housing Benefit allegations and powers previously available to the council to investigate were removed.
- 4.7 The harm caused by fraud is not just financial: it damages local communities, can cause reputational damage and a loss of confidence amongst the public, stakeholders and have an adverse effect on staff morale. Fraudsters are a committed, capable and evolving adversary and the public sector is just as affected by this crime as other sectors.
- 4.8 It is vital therefore that we have a strong anti-fraud culture underpinned with effective counter-fraud policies and good practices and procedures.
- 4.9 Fraud does not fit neatly within geographical boundaries of the councils. Therefore, the Fraud Team have an important role in collaborative working involving the exchange of information and intelligence between the council and other agencies. It is the conduit for identifying and sharing emerging fraudulent threats in the form of

alerts through its membership of anti-fraud forums and specialist providers including the Fighting Fraud and Corruption Locally Board (FFCLB), the Credit Industry Fraud Avoidance Service (CIFAS), Certified Institute of Public Finance and Accountancy (CIPFA) Finance, National Fraud Intelligence Bureau (NFIB), Fraud Advisory Panel (FAP) and the National Anti-Fraud Network (NAFN).

4.10 The Anti-Fraud & Corruption Strategy (AFCS) , the mechanism for achieving a commitment to reduce losses to fraud and corruption, was revised and approved in 2022 and is currently being reviewed. The AFCS is supported with the Sanctions Policy and Anti Bribery Policy. The Sanctions Policy sets out the councils’ policy towards sanctions, including criminal prosecutions, relating to offences committed by both internal (e.g. employees, members, contactors, etc.) and external offenders. The Anti-Bribery Policy, provides a framework to enable employees and Members to understand and implement arrangements enabling compliance.

4.11 The objectives set out in the AFCS are;



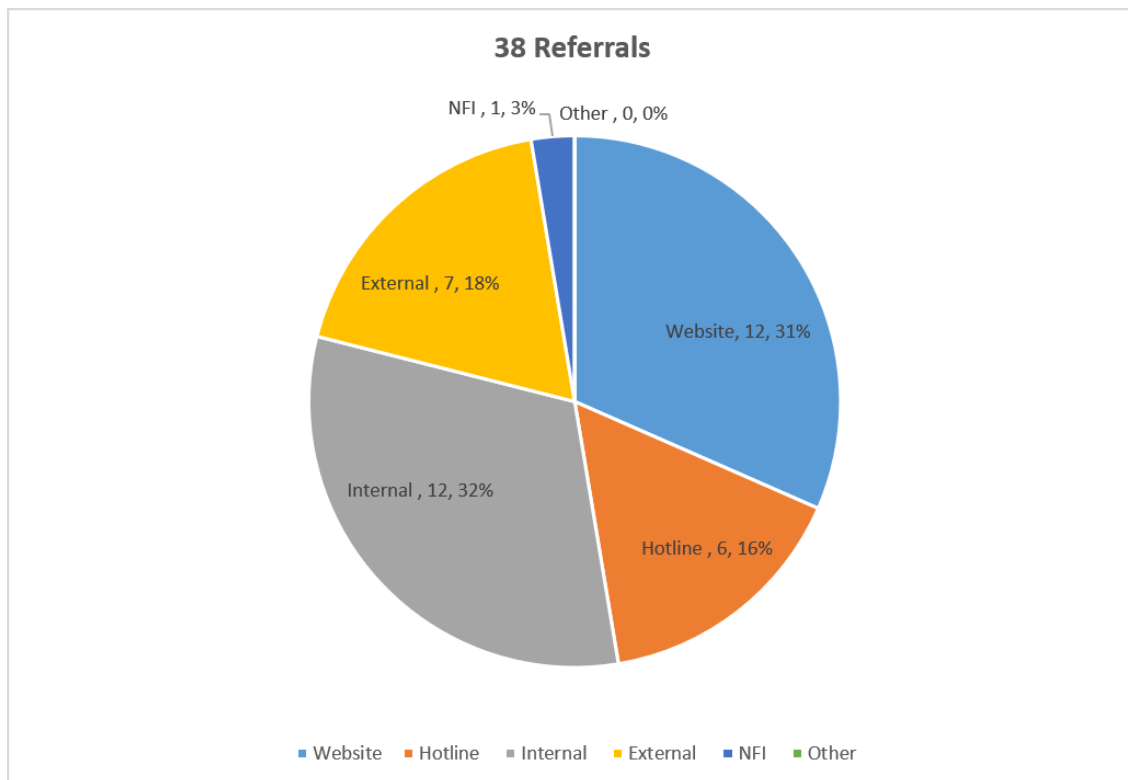
4.12 The council’s Regulation of Investigatory Powers Act 2000 (RIPA) policy was also revised to reflect and align with the new codes of practice and authorising officers.

4.13 The Fraud Team no longer reviews bulk council NFI single person tax discounts and exemptions. This service is now provided by NEC Software Solutions in partnership with Herts County Council and a county wide initiative.

4.14 Joint working with the DWP still remains limited despite a desire from the councils across Hertfordshire. Discussions with them at a senior leadership level continue with a commitment from the DWP to review their resources at an operational level in Herts and Beds.

4.15 During 2025/2026 we responded to 21 requests for intelligence. This involves sharing information legally for the correct purpose and includes providing witness testimony.

4.16 Details of 38 referrals received are shown in the table below;



4.17 We responded to 18 requests for information known as a LAIEF (Local Authority Information Exchange Form) from the DWP. The lawful requests for intelligence and information vary from evidencing documentation held to providing overpayment adjustments and respective supporting witness testimony.

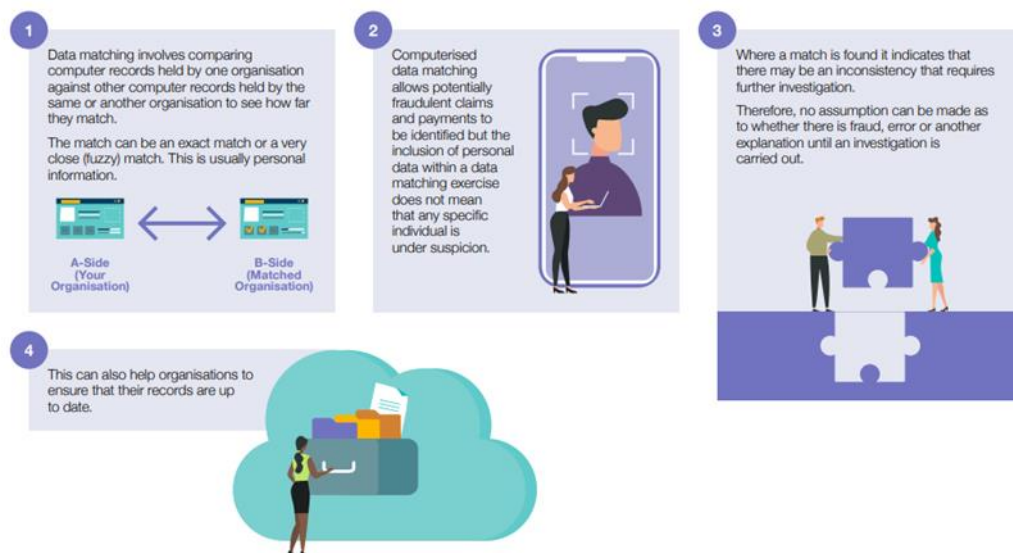
4.18 In respect of Council Tax Reduction, a local legal framework is in place to define who is entitled to the reduction and to reduce fraud from entering the system at inception. It is an integral part of the administration that everyone is aware and vigilant of the risks. Unfortunately, however good the administration of benefits is, it is always likely fraud will enter the system by deliberate acts.

4.19 In April 2024 the Council introduced a revised Council Tax Reduction (CTR) scheme, the previous scheme having been introduced in April 2013 as a replacement for the Council Tax Benefit scheme. The new scheme is divided into two, with pension age applicants receiving reduction under the rules prescribed by Government, and the scheme for working age applicants being determined by the Council. The new discount scheme is intended to be less reactive to changes in circumstances and less costly to administer. Only significant changes in income would affect the level of discount. Furthermore, those recipients in receipt of Council Tax Reduction calculated using their passported benefit Universal Credit (UC) would have to be

investigated the Department for Work and Pensions if it is suspected their UC rate is incorrect or fraudulent. Currently we have 7 CTR investigations and a total of 35 cases were closed during 2025/2026.

4.20 Data Matching

What is data matching?



4.21 The service continues to take part in data-matching exercises. These include the National Fraud Initiative (NFI) which is facilitated by the Cabinet Office and now incorporated into the Data and Intelligence Services of the Public Sector Fraud Authority (PSFA). The PSFA was launched by the Government in August 2022. It is an exercise that brings together a wide range of organisations, working together to tackle fraud using techniques to compare information about individuals held by different public bodies, and on different financial systems, to identify circumstances (matches) that might suggest the existence of fraud or error. Participants of the NFI include 1200 organisations that comprise of other local authorities, police authorities, NHS bodies etc. These matches are not just confined to fraud but also include erroneous payments in respect of creditors and payroll. Examples of some matches are shown below;

Data Match	Possible fraud/ error
Council Tax payments to payroll records, student loans, taxi drivers	Claiming discounts or reductions by failing to disclose an income
Payroll records to records of failed asylum seekers and records of expired visas	Obtaining employment while not entitled to work in the UK
Council Tax records to electoral register	A council taxpayer gets single person's discount and has not declared other persons living in the property

Payroll records to other payroll records	An employee is working for the council but has employment elsewhere that is not declared.
Immigration matches	To identify instances where the person may not be entitled to benefit because of their immigration status.
Housing waiting lists	To identify possible cases where an individual appears to be resident at two different addresses. For example, where an address differs from the one they have declared on their waiting list application

4.22 The NFI national exercise is carried out every two years using data matching/analytics to compare different datasets across participating organisations. The NFI helps these participants identify potentially fraudulent claims, error and overpayments. The following information relates to the current 2024/2025 exercise to date;

TRDC	Matches closed	262
TRDC	Investigations ongoing	4
TRDC	Matches closed not set as error or fraud	247
TRDC	Matches closed as error	15

5.0 Implications

5.1 Financial

5.1.1 The Chief Finance Officer comments that there are no financial implications in this report as expenditure is contained within existing budgets.

5.2 Legal Issues (Monitoring Officer)

5.2.1 The Monitoring Officer comments that there are no specific legal issues contained in this report.

5.3 Equalities, Human Rights and Data Protection

5.3.1 Having had regard to the council's obligations under the General Data Protection Regulation (GDPR) 2018, it is considered that officers are not required to undertake a Data Processing Impact Assessment (DPIA) for this report.

5.4 Staffing

5.4.1 No implications.

5.5 **Accommodation**

5.5.1 No implications.

5.6 **Community Safety/Crime and Disorder**

5.6.1 No implications.

5.7 **Sustainability**

5.7.1 No implications.

Background papers

No papers were used in the preparation of this report.

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Three Rivers District Council
Audit Committee
25 June 2026

Shared Internal Audit Service
2026/27 Plan Update

Members are recommended to:

- Note the position of the 2026/27 Audit Plan delivery

1. Introduction

Background

- 1.1 The work of internal audit is required to be reported to a Member Body so that the Council has an opportunity to review and monitor an essential component of corporate governance and gain assurance that its internal audit provision is fulfilling its statutory obligations.
- 1.2 The 2026/27 Annual Internal Audit Plan was approved by Audit Committee on 25 March 2026. The Audit Committee receives periodic updates on progress against the Annual Internal Audit Plan from SIAS. This short interim report has been produced for Audit Committee to update them with the initial progress of the Audit Plan. A full progress update will be submitted to the November committee.

2. Audit Plan Update

Delivery of Audit Plan

- 2.1 At the Audit Committee meeting on 28 May 2026, Members received the Internal Audit Report, which confirmed that all 2025/26 planned projects have been issued in final. Overall, SIAS met their KPIs, and no significant areas of concern were identified.
- 2.2 This report outlines early progress on the Council's 2026/27 Internal Audit Plan. Q1 audits have recently started, and the initial reviews are now underway and in fieldwork. The Q2, Q3 and Q4 audits have been allocated and are scheduled to commence in line with the agreed timetable.
- 2.3 The table below summarises the current position.

TRDC Audit Plan 2026/27

Quarter One		Quarter Two	
Council Tax Support Scheme (Shared Service Plan) (Fieldwork)	Equalities, Diversity and Inclusion (EDI) (Fieldwork)	IT Project Management (Allocated)	SME Grants (Allocated)
		Payment Card Industry Data Security Standard (Shared Service Plan) (Allocated)	WBC and TRDC Budget Monitoring (Shared Service Plan) (Allocated)
Quarter Three		Quarter Four	
S106 Arrangements (Allocated)	Local Authority Housing Funds (Allocated)	Housing in Multiple Occupation (HMO) (Allocated)	Complaints Process (Allocated)
Debt Recovery (Shared Service Plan) (Allocated)			
Through Year			
Local Government Reorganisation (Allocated)			

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Three Rivers District Council

External Audit Plan
Year ended 31 March 2026

April 2026

Your key team members

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This report has been prepared for the sole use of those charged with governance, should not be quoted in whole or in part without our prior written consent, and should not be relied upon by third parties. No responsibility is assumed by Azets Audit Services to any third parties. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting, on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.



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Adding value through the audit

All of our clients demand of us a positive contribution to meeting their ever-changing business needs. Our aim is to add value to the Council through our external audit work by being constructive and forward looking, by identifying areas of improvement and by recommending and encouraging good practice. In this way, we aim to help the Council promote improved standards of governance, better management and decision making and more effective use of resources.

Management responsibility

The primary responsibility for the prevention and detection of fraud rests with management and those charged with governance, including establishing and maintaining internal controls over the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations. As auditors, we obtain reasonable, but not absolute, assurance that the financial statements, as a whole, are free from material misstatement, whether caused by fraud or error.

Introduction and audit scope

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Introduction and audit scope

This audit plan highlights the key elements of our proposed audit strategy and provides an overview of the planned scope and timing of the statutory external audit of Three Rivers District Council ('the Council') and its Group for the year ended 31 March 2026 for those charged with governance (the Audit Committee)

Scope of our audit

The Code of Audit Practice 2024 ('the Code') summarises the responsibilities of auditors and what is expected from the audited body. The scope of our audit is set in accordance with the Code and International Standards on Auditing (ISAs) (UK). We are responsible for:

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- ▶ **Financial statements:** forming and expressing an opinion on the Council and Group's financial statements, which have been prepared by management with the oversight of those charged with governance; and
- ▶ **Value for money:** considering whether there are sufficient arrangements in place at the Council for securing economy, efficiency and effectiveness in its use of resources (our value for money work).

Value for money relates to assessing whether arrangements are in place to use resources efficiently in order to maximise the outcomes that can be achieved as defined by the Code of Audit Practice.

We will conduct our audit in accordance with International Standards on Auditing (ISAs) (UK), the Local Audit and Accountability Act 2014 (the 'Act') and the National Audit Office Code of Audit Practice 2024. The Code of Audit Practice sets out what local auditors of relevant local public bodies are required to do to fulfil their statutory responsibilities under the Act.

The audit of the financial statements does not relieve management or the Audit Committee of their responsibilities. It is the responsibility of the Council to ensure that proper arrangements are in place for the conduct of its business, and that public money is safeguarded and properly accounted for. We consider how the Council is fulfilling these responsibilities.

Our audit approach is based on a thorough understanding of the Council's business and is risk-based.

We will conduct our audit in accordance with International Standards on Auditing (ISAs) (UK), the Local Audit and Accountability Act 2014 (the 'Act') and the National Audit Office Code of Audit Practice 2024. The Code of Audit Practice sets out what local auditors of relevant local public bodies are required to do to fulfil their statutory responsibilities under the Act.

This audit plan has been prepared for the sole use of those charged with governance and management and should not be relied upon by third parties. No responsibility is assumed by Azets Audit Services to third parties.



Introduction and audit scope

Our respective responsibilities

Management responsibilities

Your responsibilities include:

- ▶ Preparing financial statements which give a true and fair view, in accordance with the applicable financial reporting framework and relevant legislation;
- ▶ Preparing and publishing, along with the financial statements, an annual governance statement and narrative report;
- ▶ Maintaining proper accounting records and preparing working papers to an acceptable professional standard that support your financial statements and related disclosures;
- ▶ Establishing and maintaining a sound system of internal control;
- ▶ Maintaining standards of conduct for the prevention and detection of fraud and other irregularities;
- ▶ Maintaining strong corporate governance arrangements and a financial position that is soundly based;
- ▶ Establishing and maintaining an effective internal audit function;
- ▶ Ensuring the proper financial stewardship of public funds, complying with relevant legislation and establishing effective arrangements for governance, propriety and regularity.

Auditor responsibilities

Our primary responsibility is to form and express an independent opinion on the Council's and Group's financial statements, stating whether they provide a true and fair view and have been prepared properly in accordance with applicable law and the CIPFA Code of Practice on Local Authority Accounting in the UK (the 'CIPFA Code'). We are also required to:

- ▶ Report on whether the other information included in the Statement of Accounts (including the Narrative Report and Annual Governance Statement) is consistent with the financial statements;
- ▶ Report by exception if the disclosures in the Annual Governance Statement are incomplete or if the Annual Governance Statement is misleading or inconsistent with our knowledge acquired during the audit;
- ▶ Report by exception any significant weaknesses identified in arrangements for securing value for money and a summary of associated recommendations;
- ▶ Report by exception on the use of our other statutory powers and duties; and
- ▶ Certify completion of our audit.

We will issue our Audit Completion Report and an Auditors Annual Report to the Audit Committee setting out the findings from our work. The audit does not relieve management or the Audit Committee of your responsibilities, including those in relation to the preparation of the financial statements.

Statutory powers

Under the Act we have a broad range of reporting responsibilities and powers that are unique to local authorities in the United Kingdom. These include:

- ▶ Reporting matters in the public interest;
- ▶ Making written recommendations to the Council;
- ▶ Making an application to the court for a declaration that an item of account is contrary to law;
- ▶ Issuing an advisory notice;
- ▶ Making an application for judicial review; and
- ▶ Giving electors the opportunity to raise questions about your financial statements and considering and deciding upon any objections received in relation to the financial statements.



Audit approach

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Audit approach

General approach

Our objective when performing an audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement and to issue an auditor's report that includes our auditor's opinion.

As part of our risk-based audit approach, we will:

- ▶ Perform risk assessment procedures including updating our understanding of the Council and Group, including its environment, the financial reporting framework and its system of internal control;
- ▶ Review the design and implementation of key internal controls;
- ▶ Identify and assess the risks of material misstatement, whether due to fraud or error, at the financial statement level and the assertion level for classes of transaction, account balances and disclosures;
- ▶ Design and perform audit procedures responsive to those risks, to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion; and
- ▶ Exercise professional judgment and maintain professional scepticism throughout the audit recognising that circumstances may exist that cause the financial statements to be materially misstated.

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We would ordinarily undertake a variety of audit procedures designed to provide us with sufficient evidence to give us reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. However, as your prior years' financial statements have been disclaimed, we will this year undertake specific procedures to build back assurance in accordance with LARRIG06 and in line with our overarching build back plan.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We include an explanation in the auditor's report of the extent to which the audit was capable of detecting irregularities, including fraud and respective responsibilities for prevention and detection of fraud.

Accounting systems and internal controls

The purpose of an audit is to express an opinion on the financial statements. We will follow a substantive testing approach to gain audit assurance rather than relying on tests of controls. As part of our work, we consider certain internal controls relevant to the preparation of the financial statements such that we are able to design appropriate audit procedures. However, this work does not cover all internal controls and is not designed for the purpose of expressing an opinion on the effectiveness of internal controls. If, as part of our consideration of internal controls, we identify significant deficiencies in controls, we will report these to you in writing.



Audit approach

Other key areas

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Going concern: management responsibility

Management is required to make and document an assessment of whether the Council and Group is a going concern when preparing the financial statements. The review period should cover at least 12 months from the date of approval of the financial statements. Management are also required to make balanced, proportionate and clear disclosures about going concern within the financial statements where material uncertainties exist in order to give a true and fair view.

Related party transactions

ISA 550 requires that the audit process starts with the audited body providing a list of related parties to the auditor, including any entities under common control. During our initial audit planning you have informed us of the individuals and entities that you consider to be related parties. Please advise us of any changes as and when they arise.

Going concern: auditor responsibility

Under ISA (UK) 570, we are required to consider the appropriateness of management's use of the going concern assumption in the preparation of the financial statements and consider whether there are material uncertainties about the Council's or Group's ability to continue as a going concern that need to be disclosed in the financial statements.

In assessing going concern, we will consider the guidance published in the CIPFA/LASAAC Code of Practice 2025/26 (CIPFA Code) and Practice Note 10 (PN10), which focuses on the anticipated future provision of services in the public sector rather than the future existence of the entity itself.

Use of experts

We will use audit specialists to assist us in our audit work in the following areas:

- The audit of actuarial assumptions used in the calculation of the defined benefit pension liability/asset;
- ▶ The audit of property valuations, should the need arise during the audit;

Additional procedures required by the National Audit Office

The National Audit Office (the 'NAO') issues group audit instructions which set out additional group audit requirements. We expect the procedures for this year to be similar to previous years. The NAO audit team for the WGA request us to undertake specific audit procedures in order to provide them with additional assurance over the amounts recorded in the Council's WGA schedules. The extent of these procedures will depend on whether the Council has been selected by the NAO as a sampled component for 2025/26. As at the date of this report, the draft instructions have not yet been issued by the NAO and the NAO has not yet confirmed which entities will be sampled components. We will comply with the instructions and to report to the NAO in accordance with their requirements once instructions have been issued.



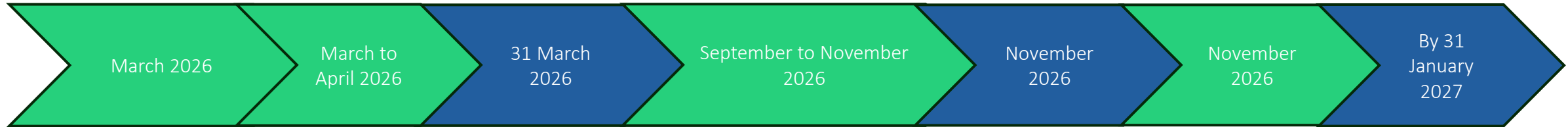
Audit timeline

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Audit Timeline

The following timeline indicates the key milestones of the audit.



Planning	Interim	Period end: 31 st March	Final accounts	Audit Committee	Completion	Sign off
<ul style="list-style-type: none"> ▶ Identify changes in your business environment ▶ Determine materiality ▶ Scope the audit ▶ Risk assessment ▶ Planning meetings with management ▶ Planning requirements checklist to management ▶ Issue audit plan 	<ul style="list-style-type: none"> ▶ Document control design and effectiveness ▶ Discuss audit plan with audit committee ▶ Early testing 	<ul style="list-style-type: none"> ▶ Management to produce accounts for audit by statutory deadline of 30 June 2026 	<ul style="list-style-type: none"> ▶ Regular updates with management ▶ Completion of all audit testing ▶ Review of Narrative Report and Annual Governance Statement ▶ Undertake procedures on significant risk areas ▶ Report observations on other risk areas, management judgements ▶ Draft Audit Completion Report ▶ Share with management for comment 	<ul style="list-style-type: none"> ▶ Discuss audit findings with audit committee ▶ Issue draft Audit Completion (ISA260) report 	<ul style="list-style-type: none"> ▶ Subsequent events procedures ▶ Management representation letter ▶ Receive IAS19 assurance letter from pension fund auditor ▶ Sign financial statements ▶ Issue Auditor's Annual Report 	<ul style="list-style-type: none"> ▶ Sign audit report opinion ▶ Issue delayed audit certificate

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Materiality

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Materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements

Judgments about materiality are made in the light of surrounding circumstances and are affected by our perception of the financial information needs of users of the financial statements, and by the size or nature of a misstatement, or a combination of both.

Whilst our audit procedures are designed to identify misstatements which are material to our audit opinion, we also report to those charged with governance and management any uncorrected misstatements of lower value errors to the extent that our audit identifies these.

Under ISA (UK) 260 we are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. ISA (UK) 260 defines 'clearly trivial' as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria.

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An omission or misstatement is regarded as material if it would reasonably influence the users of the financial statements. The assessment of what is material is a matter of professional judgement and is affected by our assessment of the risk profile of the Council and the needs of the users. When planning, we make professional judgements about the size of misstatements which we consider to be material, based on our knowledge of the Council and Group, considering factors such as financial stability, expectations of readers and stakeholders, sector developments and financial reporting requirements. In determining materiality, we consider the level of misstatement that could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Our determination of materiality:

- ▶ Informs the scope of our audit and audit procedures
- ▶ Informs the sample sizes required for substantive testing
- ▶ Informs our consideration in evaluation the effect of actual and projected misstatements in the financial statements

Materiality is revised as our audit progresses, should we become aware of any information that would have caused us to determine a different amount had we known about it during our planning.

We also consider whether any specific items of account require a separate, lower materiality. We have determined that no specific materiality levels needed to be set for this audit.



Materiality

The table below highlights the levels of materiality determined at the planning stage of the audit

	Group £000	Council £000	Explanation
Overall materiality for the financial statements	1,120	1,070	This is 2% (1.9% for Council) of gross revenue expenditure based on the prior year audited financial statements. This is a common measure for calculating materiality for councils as the primary interest of users of the Council's financial statements is in the cost of providing services, how the Council manages its spending and where the Council has expended its income during the year.
Performance materiality	720	695	Performance materiality has been set at 65% of overall materiality. This is based on the internal control environment of the Council and reflects our risk assessed knowledge of the potential for errors occurring. It is intended to reduce, to an acceptably low level, the probability that cumulative undetected and uncorrected misstatements exceed materiality for the financial statements as a whole.
Trivial threshold	56	53	This is set at 5% of the overall materiality calculation. Individual errors above this threshold are communicated to those charged with governance.

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Clearly trivial: matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria;

Material: an omission or misstatement that would reasonably influence the users of the financial statements.



Significant and other risks of material misstatement



Significant risks of material misstatement

Significant risks are risks that require special audit consideration

Significant risks are defined as risks that require special audit consideration and include risks of material misstatement that are close to the upper range of inherent risk due to their nature and a combination of the likelihood and potential magnitude of misstatement, or are required to be treated as significant risks due to requirements of auditing standards.

The table below summarises the significant risks. Detail behind each risk and the work proposed is set out on the subsequent pages.

Significant risk	Financial Statement / Assertion Level Risk	Fraud risk?	Approach to controls	Level of Inherent risk of material misstatement
Management override of controls	Financial Statement Level	Yes	Assess design & implementation	Very High
Prior year opinion on the financial statements	Financial Statement Level	No	N/A	Very High
Wimbledon Income Strip	Financial Statement Level	No	Assess design and implementation	High
Presumption of fraud in revenue recognition	Assertion Level	Rebutted	Process documentation only	Low
Presumption of fraud in expenditure recognition	Assertion level	Rebutted	Process documentation only	Low
Valuation of land and buildings	Assertion Level	No	Assess design & implementation	High
Valuation of investment properties	Assertion Level	No	Assess design & implementation	High
Valuation of the defined benefit pension fund net liability / asset (IAS19)	Assertion Level	No	Assess design & implementation	High

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Significant risks of material misstatement

Significant risks at the financial statement level

The table below summarises significant risks of material misstatement at the financial statement level. These risks are considered to have a pervasive impact on the financial statements as a whole and potentially affect many assertions for classes of transaction, account balances and disclosures.

Significant risk	Audit approach
<p>Management override of controls (Council and Group)</p> <p>Auditing Standards require auditors to treat management override of controls as a significant risk on all audits. This is because management is in a unique position to perpetrate fraud by manipulating accounting records and overriding controls that otherwise appear to be operating effectively.</p> <p>Although the level of risk of management override of controls will vary from entity to entity, the risk is nevertheless present in all entities.</p> <p>Specific areas of potential risk including manual journals, management estimates and judgements and one-off transactions outside the ordinary course of the business.</p> <p>Risk of material misstatement: Very High</p>	<p>Procedures we will perform to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Documenting our understanding of the journals posting process and evaluating the design effectiveness and implementation of management controls over journals; • Analysing the journals listing and determining the criteria for selecting high risk and/or unusual journals; • Testing high risk and/or unusual journals posted during the year and after the draft accounts stage back to supporting documentation for appropriateness, corroboration and to ensure approval has been undertaken in line with the Council's and Group's journals policy; • Gaining an understanding of the key accounting estimates and critical judgements made by management. We will also challenge assumptions and consider for reasonableness and indicators of bias which could result in material misstatement due to fraud; and • Evaluating the rationale for any changes in accounting policies, estimate or significant unusual transactions.

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Significant risks of material misstatement

Significant risk	Audit approach
<p>Prior year opinion on the financial statements (Council and Group)</p> <p>As a result of the backstop implemented on 27 February 2026, a disclaimer audit opinion was provided on the Council and group’s 2024/25 financial statements. Disclaimed audit opinions have also been provided on the Council’s accounts for the 2020/21, 2021/22, 2022/23 and 2023/24 financial years and a qualified opinion was issued on the Council’s accounts for 2019/20.</p> <p>As a result of prior year disclaimed audit opinion:</p> <ul style="list-style-type: none"> • There is limited assurance available over the Council’s opening balances, including those balances which involve higher levels of management judgement and more complex estimation techniques (e.g defined benefit pension valuations, land and building, council dwelling and investment property valuations, amongst others); and • Significant transactions, accounting treatment and management judgements may not have been subject to audits for one or more years – or at all. This may include management judgements and accounting treatment in respect of significant or complex schemes or transactions which came into effect during the qualified or disclaimed period/s. <p>The absence of prior year assurance raises a significant risk of material misstatement at the financial statement level that may require additional audit procedures.</p> <p>Inherent risk of material misstatement:</p> <ul style="list-style-type: none"> • Prior year opinion on the financial statements: Very high 	<p>Procedures we will perform to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Considering the findings and outcomes of prior year audits and their impact on the 2025/26 audit; • Considering the impact on our audit of qualified or disclaimed audit opinions, particularly regarding opening balances and ‘unaudited’ transactions and management judgements made in the previous years which continue into 2025/26; and • Considering the impact of any changes in Code requirements for financial reporting in previous and current audit years.



Significant risks of material misstatement

Significant risk	Audit approach
<p>Wimbledon Income Strip (Council and Group)</p> <p>The Council has entered a complex and financially significant income strip scheme. This requires the recognition of an asset, a significant finance lease liability and management judgement on accounting for various transactions related to this scheme.</p> <p>The Council will also need to consider the impact of IFRS16 on the income strip arrangement and how this is accounted for within the financial statements.</p> <p>The accounting transactions of the income strip affect various assertions across multiple items of account in the CIES, Balance Sheet and Movement in Reserves Statement. We have therefore assessed this as a significant risk at the financial statements level.</p> <p>Inherent risk of material misstatement: Very High</p>	<p>Procedures we will perform to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Reviewing management’s accounting treatment for this transaction, including revenue flows in year and the value of long and short-term assets and liabilities associated with the scheme; • Assessing management’s accounting treatment against the requirements of the CIPFA Code and International Financial Reporting Standards; and • Assessing management’s judgement on the impact of IFRS16 on the accounting for the income strip transaction.



Significant risks of material misstatement

Significant risks at the assertion level for classes of transaction, account balances and disclosures

The following tables summarise significant risks of material misstatement at the assertion level for classes of transaction, account balances and disclosures

Significant risk	Audit approach
<p>Fraud in revenue recognition (Council and Group)</p> <p>Material misstatement due to fraudulent financial reporting relating to revenue recognition is a rebuttable presumed risk in ISA (UK) 240.</p> <p>Having considered the nature of the revenue streams at the Council, we consider that the risk of fraud in revenue recognition can be rebutted due to the following:</p> <ul style="list-style-type: none"> • There is little incentive to manipulate revenue recognition; • Opportunities to manipulate revenue recognition are very limited; • The culture and ethical frameworks of local authorities mean that all forms of fraud are seen as unacceptable <p>Therefore, we do not consider this to be a significant risk for the Council and Group.</p> <p>Inherent risk of material misstatement:</p> <ul style="list-style-type: none"> • Revenue recognition (Occurrence, Accuracy): Low • Debtors (Existence, Valuation): Low 	<p>We do not consider this to be a significant risk for the Council and Group and standard audit procedures will be carried out. We will keep this rebuttal under review throughout the audit to ensure this judgement remains appropriate. Procedures will include:</p> <ul style="list-style-type: none"> • Documenting our understanding of the Council’s systems for income to identify significant classes of transactions, account balances and disclosures with a risk of material misstatement in the financial statements; • Evaluating the Council’s accounting policies for recognition of income and compliance with the CIPFA Code; and • Performing substantive testing of income and the associated receivables using tests of detail by ensuring they can be traced to appropriate supporting evidence.



Significant risks of material misstatement

Significant risk	Audit approach
<p>Fraud in expenditure recognition (Council and Group)</p> <p>Due to the presumption that there are risks of fraud in expenditure recognition, we are required to evaluate which types of expenditure, expenditure transactions or assertions give rise to such risks.</p> <p>We have considered Practice Note 10, which comments that for certain public bodies, the risk of manipulating expenditure could exceed the risk of manipulating revenue. We have therefore considered the risk of fraud in expenditure at the Council for all expenditure streams and concluded that there is not a significant risk. This is due to the low fraud risk in the nature of the underlying nature of the transactions, the high predictability of certain expenditure streams, such as payroll or interest, or the immaterial nature of the expenditure streams both individually and collectively.</p> <p>Our consideration of expenditure streams also included capital expenditure and similarly concluded that there is not a significant risk. Capital expenditure transactions are likely to be larger and subject to more scrutiny, reducing the risk of improper recognition.</p> <p>Inherent risk of material misstatement:</p> <ul style="list-style-type: none"> • Expenditure recognition (Completeness): Low • Creditors (Existence, Valuation): Low 	<p>We do not consider this to be a significant risk for the Council and Group and standard audit procedures will be carried out. We will keep this rebuttal under review throughout the audit to ensure this judgement remains appropriate. Procedures will include:</p> <ul style="list-style-type: none"> • Documenting our understanding of the Council’s systems for expenditure to identify significant classes of transactions, account balances and disclosures with a risk of material misstatement in the financial statements; • Verifying that the operating expenses included within the financial statements are complete by substantively testing post year-end invoices received and cash payments made; • Evaluating the Council’s accounting policies for recognition of expenditure and compliance with the CIPFA Code; • Performing substantive testing of expenditure and the associated payables using tests of detail by ensuring they can be traced to appropriate supporting evidence; and • Performing substantive testing of year-end accruals using tests of detail by ensuring they can be traced to appropriate supporting evidence.

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Significant risks of material misstatement

Significant risk	Audit approach
<p>Valuation of land and buildings (key accounting estimate) (Council and Group)</p> <p>Revaluation of operational land and buildings should be performed in line with the revised revaluation requirements for 2025/26 onwards set out in the CIPFA Code. The Council has adopted a rolling five-year programme in its land and buildings valuations for 2025/26 with use of indexation in intervening years, to ensure compliance with the revised requirements set out in the 2025/26 CIPFA Code. Management engaged the services of a qualified valuer, who is a Regulated Member of the Royal Institute of Chartered Surveyors (RICS) to undertake any valuations required as of 31 March 2026.</p> <p>The valuations and index uplifts involve a wide range of assumptions and source data and are therefore sensitive to changes in market conditions. ISAs (UK) 500 and 540 require us to undertake audit procedures on the use of external expert valuers and the methods, assumptions and source data underlying the fair value estimates. This represents a key accounting estimate made by management within the financial statements due to the size of the values involved, the subjectivity of the measurement and the sensitive nature of the estimate to changes in key assumptions. We have therefore identified the valuation of operational land and buildings as a significant risk.</p> <p>We will further pinpoint this risk to specific assets, or asset types, on receipt of the draft financial statements and the year-end updated asset valuations, to those assets where the valuation movement falls outside of our expectations, there are significant changes to any of the key assumptions or the year-end valuation is considered material.</p> <p>Inherent risk of material misstatement:</p> <ul style="list-style-type: none"> Land and Buildings (valuation): High 	<p>Procedures we will perform to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> Evaluating management processes, controls and assumptions for the calculation of the estimate, the instructions issued to the valuation experts and the scope of their work; Evaluating the competence, capabilities and objectivity of the valuation expert; Considering the basis on which the valuations are carried out and challenging the key assumptions applied; Evaluating the reasonableness of the valuation movements for assets revalued during the year, with reference to market data; For unusual or unexpected valuation movements, testing the information used by the valuer to ensure it is complete and consistent with our understanding; Ensuring revaluations made during the year have been input correctly to the fixed asset register and the accounting treatment within the financial statements is correct; and Evaluating the assumptions made by management for any assets not revalued during the year and how management are satisfied that these are not materially misstated; and Engaging our own valuations expert, where necessary, to assess any judgemental assumptions used that underpin the final valuations.



Significant risks of material misstatement

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Significant risk	Audit approach
<p>Valuation of investment properties (key accounting estimate) (Council and Group)</p> <p>The Council undertakes a full revaluation of its investment properties annually, to ensure that the carrying value is not materially different from the fair value. Management engaged the services of a qualified valuer, who is a Regulated Member of the Royal Institute of Chartered Surveyors (RICS) to undertake these valuations as of 31 March 2026.</p> <p>The valuations involve a wide range of assumptions and source data and are therefore sensitive to changes in market conditions. ISAs (UK) 500 and 540 require us to undertake audit procedures on the use of external expert valuers and the methods, assumptions and source data underlying the fair value estimates. This represents a key accounting estimate made by management within the financial statements due to the size of the values involved, the subjectivity of the measurement and the sensitive nature of the estimate to changes in key assumptions. We have therefore identified the valuation of investment properties as a significant risk.</p> <p>We will further pinpoint this risk to specific assets, or asset types, on receipt of the draft financial statements and the year-end updated asset valuations, to those assets where the valuation movement falls outside of our expectations, there are significant changes to any of the key assumptions or the year-end valuation is considered material.</p> <p>Inherent risk of material misstatement:</p> <ul style="list-style-type: none"> Investment properties (valuation): High 	<p>Procedures we will perform to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> Evaluating management processes, controls and assumptions for the calculation of the estimate, the instructions issued to the valuation experts and the scope of their work; Evaluating the competence, capabilities and objectivity of the valuation expert; Considering the basis on which the valuations are carried out and challenging the key assumptions applied; Evaluating the reasonableness of the valuation movements for assets revalued during the year, with reference to market data; For unusual or unexpected valuation movements, testing the information used by the valuer to ensure it is complete and consistent with our understanding; Ensuring revaluations made during the year have been input correctly to the fixed asset register and the accounting treatment within the financial statements is correct; and Engaging our own valuations expert, where necessary, to assess any judgemental assumptions used that underpin the final valuations.



Significant risks of material misstatement

Significant risk	Audit approach
<p>Valuation of the defined benefit pension net liability / asset – IAS19 (key accounting estimate) (Council and Group)</p> <p>The pension fund net liability is considered a significant estimate due to the size of the numbers involved and the sensitivity of the estimate to changes in key assumptions. An actuarial estimate of the net defined benefit pension liability/asset is calculated on an annual basis under IAS 19 ‘Employee Benefits’, and on a triennial funding basis, by an independent firm of actuaries with specialist knowledge and experience. The triennial estimates are based on the most up to date (March 2025) membership data held by the pension fund and a roll forward approach is used in intervening years, as permitted by the CIPFA Code.</p> <p>The calculations involve a number of key assumptions, such as discount rates and inflation and local factors such as mortality rates and expected pay rises. The estimates are highly sensitive to changes in these assumptions and the calculation of any asset ceiling when determining the value of a pension asset (where relevant). ISAs (UK) 500 and 540 require us to undertake audit procedures on the use of external experts (the actuary) and the methods, assumptions and source data underlying the estimates.</p> <p>This represents a key accounting estimate made by management within the financial statements due to the size of the gross asset and liability values involved, the subjectivity of the measurement and the sensitive nature of the estimate to changes in key assumptions. We have therefore identified the valuation of the net pension liability/asset as a significant risk.</p> <p>Inherent risk of material misstatement:</p> <ul style="list-style-type: none"> • Pension fund net liability / asset (valuation): High 	<p>Procedures we will perform to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Evaluating managements processes for the calculation of the estimate, the instructions issued to management’s expert (the actuary) and the scope of their work; • Evaluating the competence, capabilities and objectivity of the actuary; • Assessing the controls in place to ensure that the data provided to the actuary by the Council and their pension fund was accurate and complete; • Evaluating the methods, assumptions and source data used by the actuary in their valuations, with the support of an auditors’ expert; • Testing the consistency of the pension fund asset and liability and disclosures in the notes to the core financial statements with the actuarial report from the actuary. • If the pension fund is in surplus, ensuring that any asset recorded in the financial statements, and any additional liabilities for secondary contributions have been accounted for correctly in line with the requirements of IFRIC 14; • Obtaining assurances from the pension fund auditor as to the controls surrounding the validity and accuracy of membership data; contributions data and benefits data sent to the actuary by the pension fund and the fund assets valuation in the pension fund financial statements; and • Ensuring pension valuation movements for the year and related disclosures have been correctly reflected in the financial statements.

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Other risks

Other risks

This section summarises other identified risks which, although not considered to be significant, require specific consideration during the audit.

Other risks	Audit approach
<p>Minimum Revenue Provision (Council)</p> <p>Linked to the risk of ‘misstatements due to fraud and error’, we consider specific areas where management makes significant judgements that impact charges to the General Fund balance. Local authorities are required to charge a ‘Minimum Revenue Provision’ (MRP) to the General Fund in each financial year related to borrowing. The calculation of this charge is based on the Capital Financing Requirement. Local authorities have flexibility in how they calculate MRP but need to ensure the calculation is prudent. In calculating a prudent provision, local authorities are required to have regard to statutory guidance. There is a risk that the Council may not been appropriately prudent in its calculation of MRP and/or not followed the relevant statutory guidance.</p>	<p>Procedures we will perform to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Gaining an understanding of the processes and controls put in place by management to calculate the Minimum Revenue Provision (MRP); • Assessing and reviewing the calculation of the Capital Financing Requirement to ensure it is appropriate and consistent with other notes in the financial statements; • Reviewing the MRP Policy statement and confirming consistency with prior year or any changes thereof; • Evaluating the appropriateness of the Council’s MRP policy; and • Evaluating whether the MRP has been appropriately calculated in accordance with the latest statutory guidance.
<p>West Herts Crematorium Joint Committee Accounting Treatment (Council and Group)</p> <p>West Herts Crematorium is served by a joint committee between the Council and four other councils with the Council taking on the role of lead authority from 1 April 2024. The Council has included in its single-entity accounts all the transactions and balances of West Herts Crematorium Joint Committee in the 2024/25 accounts.</p>	<p>Procedures we will perform to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Gaining an understanding of the contractual arrangements of the joint committee; and • Evaluating the accounting treatment of the arrangement against the requirements of the CIPFA Code.



Other risks

Other material transactions and balances

Under International Standards on Auditing, “irrespective of the assessed risks of material misstatement, the auditor shall design and perform substantive procedures for each material class of transactions, account balance and disclosure”. All other material balances and transaction streams will therefore be audited. However, the procedures will not be as extensive as those adopted for the risks identified in this report.



Group audit scope and risk assessment

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Group audit

As group auditors under ISA (UK) 600, we are required to obtain sufficient appropriate audit evidence regarding the financial information of the components and regarding the consolidation process to express an opinion on whether the group financial statements are prepared, in all material respects, in accordance with the applicable financial reporting framework.

Risks at the component level

The risks identified at the Council are set out in this external audit plan. There are no additional risks identified in any of the other components in respect of the Group audit.

Note that a component may require a statutory audit under UK or overseas company law irrespective of whether an audit is required for group reporting purposes. Management should therefore satisfy themselves that all UK and overseas company law requirements are adhered to on a component-by-component basis.

The table on the next page sets out the components within the group and our planned audit approach in respect of each component.



Group audit

Component	Risk of material misstatement to the Group?	Scope	Planned audit approach	Risks identified	To be carried out by
Three Rivers District Council	Yes	Full scope	Full scope statutory audit performed as set out in this report	As set out in section: <i>"Significant and other risks of material misstatement"</i>	Azets
Three Rivers Homes Ltd (Joint Venture)	Yes	Specific scope	Specific scope procedures performed by group auditor to ensure accurate treatment of the Council's share in the Joint Venture and specific procedures on individually material balances at the component level.	Inappropriate treatment of council's share in the joint venture.	Azets
Three Rivers Commercial Services Ltd (TRCS Ltd) (Subsidiary)	No	None	No procedures planned	N/A	N/A
Three Rivers Development LLP (Joint Venture with TRCS Ltd)	No	None	No procedures planned	N/A	N/A
Broste Rivers Group Ltd (Investment in Associate)	No	None	No procedures planned	N/A	N/A

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Full scope Design and perform further audit procedures on the entire financial information of the component;
Specific scope Design and perform further audit procedures on one or more classes of transactions, account balances or disclosures;
None Where risk of material misstatement to the Group is not material



IT Audit strategy

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IT Audit strategy

In accordance with ISA (UK) 315, we are required to obtain an understanding of the IT environment related to all key business processes, identify all risks from the use of IT related to those business process controls judged relevant to our audit and assess the relevant IT general controls (ITGCs) in place to mitigate them.

Our audit will include completing an assessment of the design and implementation of ITGCs related to security management; technology acquisition, development and maintenance; and technology infrastructure.

The following IT applications are in scope for IT controls assessment based on the planned financial statement audit approach, we will perform the indicated level of assessment:

IT Application	Audit area	Planned level of IT audit assessment
General ledger (e-financials)	Financial reporting, expenditure, payables, income, receivables, journals	ITGC assessment (design and implementation effectiveness only)
Active Directory (network access and authentication)	N/A	ITGC assessment (design and implementation effectiveness only)

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Building back assurance

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Building back assurance

This section sets out the work we plan to undertake in 2025/26 to build back assurance from disclaimed years of audit. Our work is planned in accordance with the statutory guidance set out in Local Audit Reset and Recovery Implementation Guidance (LARRIG) 01 to 06

On 30 September 2024, Statutory Instrument (2024) No. 907 - “The Accounts and Audit (Amendment) Regulations 2024” came into force. This legislation imposed annual statutory backstop dates up to and including the 2027/28 year of account for the publication by the Council of its audited financial statements. For 2025/26, the statutory backstop date is 31 January 2027.

The Code of Audit Practice 2024 specifies that auditors are required to issue their auditor’s report before these dates, even if planned audit procedures are not fully complete, so that local government bodies can comply with the statutory reporting deadline. Where audit work is not complete, this will give rise to a disclaimer of opinion. This means the auditor has not been able to form an opinion on the financial statements.

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Disclaimed opinions were issued by the predecessor auditor for 2020/21, 2021/22 and 2022/23 and by Azets in 2023/24 and 2024/25. A qualified opinion was issued by the predecessor auditor for 2019/20. Following the publication of LARRIGs 01 to 06 we have developed an overarching strategy for building back assurance for the Council, with the aim of recovering assurance by 31 March 2028. This is subject to:

- ▶ Management implementing in full all recommendations in respect of the financial statements raised in our 2024/25 audit completion report;
- ▶ No adverse or unexpected transactions, errors or misstatements being identified in the current or previous periods as part of our work and minimal retrospective changes to previously published financial statements;
- ▶ Robust and effective control environments being in place and operating throughout the disclaimed period;
- ▶ Full availability of supporting records, information and evidence in the current and previous periods;
- ▶ Sufficient capacity within the finance team to facilitate the current year audit and additional work required as part of building back assurance;
- ▶ Current and previous years’ financial statements being of good quality, including all notes, the Narrative Report and the Annual Governance Statement;
- ▶ The availability of good quality working papers being readily available to support previous years of account;
- ▶ The provision of agreed data reports as required, fully reconciled to the values in the accounts, to facilitate our selection of samples for testing in current and previous years;
- ▶ Ensuring staff are available during the period of the audit for current and previous years’ financial statements;
- ▶ Prompt and sufficient responses to audit queries within 2 days to minimise delays.



Building back assurance

Following the release of LARRIG06 in July 2025 our focus in 2024/25 was commencing the significant and comprehensive risk assessment required under the statutory guidance, analysing reserves movements across the disclaimed period, commencing the substantive testing to build back property, plant and equipment movements across the disclaimed period, reviewing in detail the accounting for complex transactions, including the income strip investment transactions, and reviewing the capital financing requirement and minimum revenue provision calculations across the disclaimed period.

For 2025/26, our focus will be on in-year transactions, obtaining full closing balances assurance as at 31 March 2026 and continuing our programme of build-back work over the disclaimed period.

Component	Activity	Work planned
Planning	<p>Qualitative Risk Assessment (LARRIG 06)</p> <p>We are required by LARRIG 06 to evaluate the inherent risk of material misstatement in the opening general fund balances and associated earmarked reserves following prior year disclaimers. In the prior year we commenced our detailed assessment of a number of risk factors, as set out in LARRIG 06, including consideration of the following:</p> <ul style="list-style-type: none"> • Whether the Council has a history of timely production of the financial statements • The number of years for which disclaimed opinions have been issued • The complexity and volume of movement in reserves over the disclaimed period • The strength of the control environment in place over the period of disclaimed opinions • Changes in key personnel, financial reporting systems or key processing activities during the disclaimed period • Previous reporting of significant deficiencies in control, significant weaknesses in arrangements to secure VFM or material or other misstatements • The level of reserves in place over the disclaimed period • Issues reported by Internal Audit and in the Annual Governance Statements 	<p>Our initial indications from this work are that the Council is at the higher end of the risk spectrum for building back assurance. This means full procedures over the Council's income and expenditure transactions will be required over the disclaimed period. In 2025/26, we will conclude our qualitative risk assessment and commence substantive testing over the disclaimed period income and expenditure transactions as part of our build back work.</p>



Building back assurance

Component	Activity	Work planned
Planning	<p>Quantitative Risk Assessment (LARRIG 06)</p> <p>We are required by LARRIG 06 to evaluate the inherent risk of material misstatement in the opening general fund balances and associated earmarked reserves following prior year disclaimers. In the prior year we commenced our detailed analysis of the Council's useable and unusable reserves movements over the disclaimed period, with a view to assessing the cumulative impact of movements and the impact of any identified inconsistencies or irregularities.</p>	<p>Our initial indications from this work are that the Council is at the higher end of the risk spectrum for building back assurance. This means full procedures over the Council's income and expenditure transactions will be required over the disclaimed period. In 2025/26, we will continue our qualitative risk assessment and commence substantive testing over the disclaimed period income and expenditure transactions as part of our build back work.</p>
Planning	<p>Integrity of accounts and agreement of financial statements to Council systems</p> <p>We need to confirm that the accounts produced each year during the disclaimed period agree to the Council's own systems, such as agreeing the accounts to the general ledger for the year in question and agreeing the opening ledger for each year to the prior year financial statements. In the prior year we commenced our work in this area.</p>	<p>In 2025/26, we will continue our work over the disclaimed period. In 2025/26 we will maintain this assurance by undertaking our standard audit procedures.</p>
Planning	<p>Review of predecessor auditor files</p> <p>We have contacted the predecessor auditor to arrange our review of their prior year files throughout the disclaimed period and to the last clean opinion.</p>	<p>In 2025/26, we will continue our work reviewing the predecessor auditor's files for the last completed period and, if necessary, during the disclaimed period.</p>



Building back assurance

Component	Activity	Work planned
Planning	<p>Consideration of fraud and the control environment over the disclaimed period</p> <p>We are required by LARRIG06 and ISA315 to consider the risk of fraud and the control environment over the disclaimed period. In the prior year we commenced our work in this area.</p>	In 2025/26, we will continue our work in this area over the disclaimed period. In 2025/26, we will maintain this assurance by undertaking our standard audit procedures.
Substantive testing	<p>Property, Plant and Equipment: building back assurance over the disclaimed period</p> <p>In order to build back assurance over the reserves, we are required to undertake substantive testing of movements in property, plant and equipment over the disclaimed period. In the prior year we commenced our work in this area.</p>	In 2025/26, we will continue our work building back assurance over the Council's property, plant and equipment movements over the disclaimed period. In 2025/26, we will maintain this assurance by auditing the current movements for property, plant and equipment.
Substantive testing	<p>Balances directly influenced by the opening position: building back assurance over the disclaimed period</p> <p>In order to build back assurance over balances where the closing position is directly influenced by the opening position, we are required to undertake substantive testing of movements in these balances over the disclaimed period. In the prior year, we commenced our work in this area. This included detailed audit of the income strip transactions over the disclaimed period and the appropriateness of the accounting associated with this significant and unique investment.</p>	In 2025/26, we will continue our work building back assurance over these areas over the disclaimed period. In 2025/26, we will maintain this assurance by auditing the current closing balances for these areas.



Building back assurance

Component	Activity	Work planned
Substantive testing	<p>Capital financing requirement and minimum revenue provision: building back assurance over the disclaimed period</p> <p>In order to build back assurance over the reserves, we need to substantively verify the calculations behind the capital financial requirement and minimum revenue provision over the disclaimed period. In the prior year, we commenced our work in this area.</p>	In 2025/26, we will continue our work building back assurance in this area over the disclaimed period. In 2025/26, we will maintain this assurance by auditing the current disclosures for these areas.
Substantive testing	<p>Journals over the disclaimed period</p> <p>To mitigate the risk of management override of controls over the disclaimed period, we need to undertake substantive, risk-based journals testing over the disclaimed period. In the prior year we commenced our work in this area.</p>	In 2025/26, we will continue our work building back assurance in this area over the disclaimed period. In 2025/26, we will maintain this assurance by auditing the current disclosures for these areas.
Substantive testing	<p>Income and expenditure transactions over the disclaimed period</p> <p>Our risk assessment has indicated that the Council is at the higher end of the risk spectrum for building back assurance. This means full procedures over the Council's income and expenditure transactions will be required over the disclaimed period.</p>	In 2025/26, we will commence the substantive audit of income and expenditure transactions over the disclaimed period in accordance with the outcome of our qualitative and quantitative risk assessments undertaken in line with LARRIG06.



Building back assurance

Component	Activity	Work planned
Scale fee audit 2025/26	<p>Closing balances as at 31 March 2026</p> <p>Obtaining full closing assurance over all balances as at 31 March 2026 is subject to:</p> <ul style="list-style-type: none"> • management implementing in full the recommendations raised during our 2024/25 audit to support the building back of assurance • obtaining historic assurance over those balances directly influenced by the closing position • receiving full assurances from the pension fund auditor in respect of the net pension liability (IAS19) • no significant errors being identified in either our build back assurance work or the current year audit 	<p>In 2025/26, we plan to obtain full closing assurance over all balances as at 31 March 2026.</p> <p>Once obtained, this will form the first of three years of required closing assurance required to move to a non-disclaimed position in 2027/28.</p>
Scale fee audit 2025/26	<p>Income and expenditure and in year movements for the period ending 31 March 2026</p> <p>This is in addition to obtaining income and expenditure assurance across the disclaimed period.</p>	<p>In 2025/26, we plan to obtain full assurance over all income, expenditure and in year movements for the period ending 31 March 2026.</p>
Reporting	<p>Reporting the results of the audit</p> <p>We will once again provide a detailed Audit Completion Report providing additional information over the build back work undertaken, the outcome of our work and the progress against the overarching build back journey. This includes the additional work required to issue the disclaimer of opinion, additional review and consultation requirements and additional file documentation requirements.</p>	<p>In 2025/26, we will issue an extended Audit Completion report to the Audit Committee before the backstop date of 31 January 2027.</p>



Value for money

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Value for money

We are required to consider whether the Council has established proper arrangements to secure economy, efficiency and effectiveness in its use of resources, as set out in the NAO Code of Practice 2024 and the requirements of Auditor Guidance Note 3 ('AGN 03').

NAO Auditor Guidance Note 03 'Auditors' Work on Value for Money Arrangements' ("AGN 03") was updated and issued on 14 November 2024 and requires us to provide an annual commentary on arrangements, which will be published as part of the Auditor's Annual Report. Such commentary will highlight any significant weaknesses in arrangements, along with recommendations for improvements.

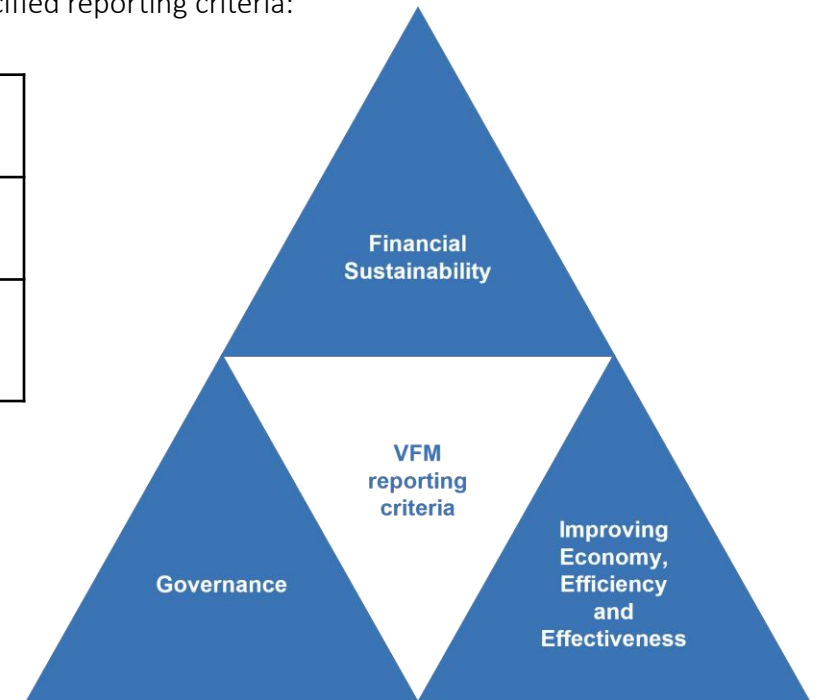
When reporting on such arrangements, the Code of Practice requires us to structure our commentary under three specified reporting criteria:

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Financial sustainability	How the body plans and manages its resources to ensure it can continue to deliver its services
Governance	How the body ensures it makes informed decisions and properly manages risk
Improving economy, efficiency and effectiveness	How the body uses information about its costs and performance to improve the way it manages and delivers its services

As part of the planning process, we are required to perform procedures to identify potential risks of significant weaknesses in the Council's arrangements to secure VFM through the economic, efficient and effective use of its resources.

We are required to re-evaluate this risk assessment during the course of the audit and, where appropriate, update our work to reflect emerging risks or findings that may suggest a significant weakness in arrangements. We may make recommendations following the completion of our work.



Value for money

Risks of significant weakness

We have carried out an initial risk assessment to identify any risks of potential significant weakness in the three specific areas of proper arrangements using the guidance contained in AGN 03. We will re-evaluate this risk assessment during the course of the audit and, where appropriate, update our work to reflect emerging risks or findings that may suggest a significant weakness in arrangements. For 2025/26 the National Audit Office's draft updated VFM guidance (AGN03) highlights that the arrangements bodies put in place to manage local government reorganisation (LGR) fit within the scope of VFM arrangements work. There is a risk that significant weaknesses may increase where an entity is involved in, or planning, for LGR. Our VFM work will therefore be extended in 2025/26 to consider the impact of local government reorganisation on the council's VFM arrangements.

We have not identified any risks of significant weaknesses in the Council's arrangements at this stage. The non-significant risks we have identified are detailed in the table on the next page along with the further procedures we will perform.



Value for money

Reporting criteria	2024/25 significant weaknesses reported?	2025/26 planning: risk of significant weakness identified?	Risk based procedures include but are not limited to the following:
<p>Financial sustainability How the body plans and manages its resources to ensure it can continue to deliver its services</p>	No	No	We have not, at this stage, identified any risks of significant weakness. However, there are financial risks present which, if not managed effectively over the short to medium term, could introduce significant weakness in future years. These relate primarily to the financial performance of the income strip scheme. We reported these issues in our Auditor's Annual Report in 2023/24 and 2024/25 and will follow up on the recommendations raised. As part of our review, we will consider the arrangements in place to monitor and mitigate the commercial, economic and other risks relating to the Council's significant income strip scheme.
<p>Governance How the body ensures it makes informed decisions and properly manages risk</p>	No	No	We have not, at this stage, identified any risks of significant weakness that requires specific audit procedures. We will undertake sufficient work to document our understanding of your arrangements as required by the Code.
<p>Improving economy, efficiency and effectiveness How the body uses information about its costs and performance to improve the way it manages and delivers its services</p>	No	No	We have not, at this stage, identified any risks of significant weakness that requires specific audit procedures. We will undertake sufficient work to document our understanding of your arrangements as required by the Code.



Audit team and requirements

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Audit team and requirements

Your core audit team

Partner

Paul Grady
Paul.Grady@azets.co.uk

Paul is the key contact for senior management and has overall responsibility for audit quality and the audit opinion.

Audit Managers

Christian Jay Abellera Reshma Ravikumar
CJ.Abellera@azets.co.uk Reshma.Ravikumar@azets.co.uk

CJ and Reshma are responsible for the overall management of the audit and quality assurance of audit work. They are the key contacts for the finance team management. They will also lead on our value for money work. They are responsible for meeting with Officers and Members and reviewing the arrangements for obtaining value for money.

In-charge auditor

Jay Bhuchar
Jay.Bhuchar@azets.co.uk

Jay leads the on and off-site audit visits. He is the key day-to-day contact for the finance team.

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Our expectations and requirements

For us to be able to deliver the audit in line with the agreed fee and timetable, we require the following:

- ▶ Draft financial statements to be produced to a good quality by the deadlines you have agreed with us. These should be complete including all notes, the Narrative Report and the Annual Governance Statement;
- ▶ The provision of good quality working papers at the same time as the draft financial statements. These will be discussed with you in advance to ensure clarity over our expectations;
- ▶ The provision of agreed data reports at the start of the audit, fully reconciled to the values in the accounts, to facilitate our selection of samples for testing
- ▶ Ensuring staff are available and on site (as agreed) during the period of the audit;
- ▶ Prompt and sufficient responses to audit queries within 2 days to minimise delays.

The audit process is underpinned by effective project management to ensure we co-ordinate and apply our resources efficiently to meet your deadlines. It is therefore essential that the audit team and the Council's finance team work closely together to achieve this timetable.



Audit independence, objectivity and other services provided



Independence, objectivity and other services provided

The Ethical Standards and ISA (UK) 260 require us to give you full and fair disclosure of matters relating to our independence. In accordance with our profession’s ethical requirements and further to our audit plan issued confirming audit arrangements we confirm that there are no further facts or matters that impact on our integrity, objectivity and independence as auditors that we are required or wish to draw to your attention. We consider an objective, reasonable and informed third party would take the same view.

We confirm that Azets Audit Services and the engagement team complied with the FRC’s Ethical Standard. We confirm that all threats to our independence have been properly addressed through appropriate safeguards and that we are independent and able to express an objective opinion on the financial statements. In addition, we have complied with the National Audit Office’s Auditor Guidance Note 01, which sets out supplementary guidance on ethical requirements for auditors of public sector bodies.

In particular:

- ▶ Non-audit services: We provide assurance services as set out below.
- ▶ Contingent fees: No contingent fee arrangements are in place for any services provided
- ▶ Gifts and hospitality: We have not identified any gifts or hospitality provided to, or received from, any member of the Council, senior management or staff
- ▶ Relationships: We have no other relationships with the Council, its directors, senior managers and affiliates, and we are not aware of any former partners or staff being employed, or holding discussions in anticipation of employment, as a director, or in a senior management role covering financial, accounting or control related areas.

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Non-audit service fees

Service	2025/26 Fee £	Threats identified	Safeguards
Audit related: Certification of Housing Benefit Assurance Process (HBAP) claim (2021/22 & 2022/23)	28,000 plus additional fees for each workbook	Self interest (recurring fee)	The level of this recurring fee in and of itself is not considered a significant threat to independence, given the low level of the fee compared to the total fee for the audit and in particular, compared to Azets’ UK turnover as a whole. The fee is fixed based on the volume of work required, with no contingent element. These factors, in our view, mitigate the perceived self-interest threat to an acceptable level.



Fees

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Fees

Our estimated fees for the year ending 31 March 2026 are shown to the right.

In preparing our fee estimate, we have had regard to all relevant professional standards, including paragraphs 4.1 and 4.2 of the FRC’s Ethical Standard (revised 2024). These stipulate the Partner must set a fee sufficient to enable the resourcing of the audit with appropriate time and skill to deliver an audit to the required professional and Ethical standards.

PSAA set a fee scale for each audit that assumes the audited body has sound governance arrangements in place, has been operating effectively throughout the year, prepares comprehensive and accurate draft accounts and meets the agreed timetable for audit. This fee scale is reviewed by PSAA each year and adjusted, if necessary, based on auditors’ experience, new requirements, or significant changes to the audited body. The fee may be varied above the fee scale to reflect the circumstances and local risks within the audited body.

This fee is estimated based on our understanding at this point in time and may be subject to change. Our planned fee is on the basis that our expectations set out on pages 5, 32 and 43 are met and the group structure is unchanged.

It is our policy to bill for overruns or scope extensions e.g., where we have incurred delays, deliverables have been late or of poor quality, where key personnel have not been available, or we have been asked to do extra work.

The PSAA contract stipulates that fees must be raised upon completion of specific milestones:

- ▶ Issue of prior year’s draft Auditor’s Annual Report or Opinion issued, but not before 1 December
- ▶ Issues of the Draft Audit Plan
- ▶ Completion of 50% of planned hours
- ▶ Completion of 75% of planned hours



Audit fees	Proposed fee £
Scale fee: for the audit of the Council (and Group’s) financial statements	191,147
Value for money: additional work required to meet the NAO’s Code requirements in respect of the arrangements for local government reorganisation	TBC
Building back assurance: Build back additional fees - work on the LARRIG 06 risk assessment, PPE build back, income strip transactions, work on prior year I&E balances for years with disclaimer opinions	TBC
Enhanced disclaimer reporting: Additional work required to issue the disclaimer of opinion. This includes the extended reporting contained in this report and the audit plan, additional review and consultation requirements and additional file documentation requirements	TBC
Total audit fees	TBC

MHCLG has announced additional funding to Councils to support the cost of building back assurance. This is subject to draft accounts being published by 30 June 2026 and audit fees being paid.

Any variation to the scale fee will be determined by PSAA in accordance with their procedures as set out here: [Fee Variations Overview - PSAA](#).

Our fee estimate also assumes that you will engage suitably competent experts to assist management in the following areas:

- ▶ Actuarial valuation of the defined benefit pension liability
- ▶ RICS compliant valuation of land and buildings and investment property



AUDIT COMMITTEE – 25 June 2026

PART I – DELEGATED

1 Summary

- 1.1 This report sets out the Audit Committee's latest Work Programme to enable the Committee to make updates as required.

2. Details

- 2.1 The Audit Committee meets five times per financial year between 1 April and 31 March. The work programme is presented at each meeting of the Committee to enable any changes to be made and to provide Members with updated information on future meetings.

- 2.2 The work programme includes a rolling annual training programme which is delivered prior to each committee. The following topics form the programme:

- Role of the Audit Committee
- Statement of Accounts
- Treasury Management
- Internal Audit
- Risk Management

- 2.3 Additional 'deep dive' training is arranged for members of the committee ahead of approval of the audited Statement of Accounts.

- 2.4 The following items are standing items on the agenda and are presented at each meeting of the Committee:

- Internal Audit Report – SIAS Audit Client Manager
- Financial and Budgetary Risks – Head of Finance
- Committee Work Programme

- 2.5 The programme of ad hoc reports scheduled to be presented to this Committee in the next 12 months is shown in the table below:

Financial Year 2025/26		
Date	Report	Officer Responsible
25 June 2026	<ul style="list-style-type: none"> • Approval of the draft Statement of Accounts 2025/26 • Fraud Annual Report • Audit Plan Update • External Auditor Plan 2025/26 • Standing Items 	Chief Accountant and Interim Head of Finance Interim Head of Finance Client Audit Manager External Auditors
16 November (12 th another option)	TRAINING: Treasury Management training delivered by Arlingclose (delivered online separately – 1hr 30mins) <i>subject to confirmation</i>	Director of Finance
26 November 2026	<ul style="list-style-type: none"> • Treasury Management Annual Report 2025/26 • Treasury Management Mid-Year Report 2026/27 • Draft Capital Strategy and Treasury Management Strategy Statement 2027/28 • External Auditor Plan 2026/27 • SIAS Progress Update Report 2026/27 • SIAS Board Annual Report • Standing Items 	Chief Accountant Chief Accountant Interim Head of Finance and Chief Accountant External Auditors Client Audit Manager Client Audit Manager
19 January 2027	<ul style="list-style-type: none"> • Approval of the Final Statement of Accounts 2025/26 • Report of the External Auditor 	Director of Finance External Auditor

25 March 2027	<p>TRAINING: Internal Audit – Summer 2027</p> <ul style="list-style-type: none"> • SIAS Internal Audit Plan 2027/28 • SIAS Progress Update Report 2026/27 • Statement of Accounts Update Accounting Policies 2026/27 • Risk Management Framework • Standing Items 	<p>Client Audit Manager</p> <p>Client Audit Manager</p> <p>Client Audit Manager</p> <p>Director of Finance</p> <p>Data Protection & Resilience Manager</p>
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3 Options/Reasons for Recommendation

3.1 The recommendation allows the Committee to determine its work programme.

4 Policy/Budget Implications

4.1 The recommendations in this report are within the Council's agreed policy and budgets.

5 Financial, Legal, Equal Opportunities, Staffing, Environmental, Community Safety, Customer Services Centre, Website and Risk Management Implications

5.1 None specific.

6 Recommendation

6.1 That the Committee consider and makes necessary changes to its Work Programme.

Background Papers

Reports and minutes – Audit Committee

Report prepared by: Anita Hibbs, Committee Officer

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