NORWICH
City Council

MINUTES

Audit Committee

16:30 to 18:00 **Wednesday, 24 September 2025**

Present:	Councillors Schmierer (Chair), Driver (Vice-Chair), Bolton, Lawes, Packer, Price, Wright and David Harwood (Independent Member)
Apologies:	Councillor Kendrick
In attendance:	Robert Mayes, Head of Finance
	Isabel Brittain, Interim Director of Finance
	Jan Robinson, Head of Legal and Governance
	Emily Yule, Executive Director of Resources
	Teresa Sharman, Head of Internal Audit
	Davina Howes, Executive Director of Communities and Housing
	Anthony Wiggins, Director of Property (Housing)
	Mark Brown, Head of Property and Economic Development
	Julia Medler, Head of Customers, IT and Digital
	Alexandra Cosme, Senior Committee Officer

20. Declarations of Interest

20.1 There were no declarations of interest.

21. Public Questions / Petitions

21.1 There were no public questions or petitions.

22. Minutes

22.1 **RESOLVED** that the public and exempt minutes of the meeting held on 17 June 2025 were confirmed and signed as a true record.

23. Progress Report on Internal Audit Activity

23.1 The Head of Internal Audit introduced the report which was the last progress report for the 2024-25 audit year. She highlighted the five final reports that had been issued on page 21 of the report and raised a correction. The table on page 21 showed the Network Infrastructure audit had a ‘reasonable’ assurance level, however it should have read ‘substantial’. This was corrected later in the report.

23.2 The report also showed 20 recommendations in progress. The Head of Internal Audit highlighted that an updates were provided by officers, however, some were not captured in the report. The Head of Internal Audit invited officers to give a verbal update.

23.3 The Director of Property (Housing) provided an update on the Housing Repairs and Void Management - NCSL audit recommendations. Six recommendations were produced at the end of the audit, two of which were completed. Four recommendations were in progress.

23.4 In response to a Member’s question, the Director of Property (Housing) provided an update on the KPI Handbook, which had been drafted in conjunction with Norwich City Services Limited (NCSL). This formed part of the contract extension with NCSL. The Executive Director of Communities and Housing confirmed that this was almost ready for sign off and highlighted that all Members had been invited to an All-Member Briefing on Housing Highlights which were published online. This included void performance.

23.5 A Member queried why some recommendations were completed but had not been listed as closed. The Executive Director of Housing explained that information had been submitted and officers were waiting for the Audit team to confirm that. The Head of Internal Audit clarified that the term ‘investigate’ was used throughout the report, which meant that the auditor was looking to confirm that evidence had been received and then close the recommendation. She advised that this would be updated in the next update.

23.6 The Independent Member noted that some due dates for recommendations had been revised and asked why. The Executive Director of Communities and Housing explained that, as the audit pre-dated her employment with the Council, when she and the Director of Property (Housing) joined the organisation, they evaluated and re-prioritised actions in accordance with performance and therefore dates were revised.

23.7 A Member raised concerns about delayed audits and the knock-on impact of revised dates for recommendations to be implemented on the audit work programme. The Executive Director of Resources commented that there had not been a clear process of bringing updates to the Audit Committee, proposing that dates needed to be altered and the rationale for that and seeking the Committee's approval. She stated that that process needed to be tightened up, particularly where the audit plan was responsive and dynamic to emerging needs and audits were deferred. The Chair and the Independent Member did not feel that it was the role of the Audit Committee to agree to revised dates.

23.8 The Head of Internal Audit invited the Executive Director of Resources to provide a verbal update on the Human Resources audit. In addition to the update in the report, the Executive Director of Resources informed Members that IT issues related to data transferal had been resolved and data migration had been completed. The Executive Director of Resources stated that work was ongoing to ensure data accuracy. The verification process would continue as part of transactional activity due to onboarding and certificate renewals. The Executive Director of Resources explained that HR was working closely with colleagues in Revenues and Benefits as their checks required more frequent renewal. DBS updates were presented to the Assurance Board and reported to Directorate Management Team Meetings. Lastly, the Corporate Risk Register had been updated to encapsulate the safeguarding risk and DBS compliance risk as one.

23.9 In response to a Member's question, the Executive Director of Resources clarified that the timing of a DBS check depended on the role. If it was already established that a DBS check was required for a role, that would form part of the onboarding process. If it was a new post in question, an assessment would be undertaken to confirm whether or not the post required a DBS check. Where roles required a DBS check, a risk assessment was completed to determine what the postholder would be able to do before the check was completed.

23.10 In response to a Member's question, the Executive Director of Resources explained that the Council expected DBS checks to be turned around within the normal timeframe, however, some took longer if there was disagreement about whether the post was eligible for an Enhanced DBS check or not, for example. She assured the Committee that officers kept an eye on the timescales and monitored any undue delay.

23.11 The Chair asked the Executive Director of Resources whether she was confident that there would be increased assurance going forward, noting that it was an area of major concern for the Committee. The Executive Director of Resources stated that she was confident that if the area was to be re-audited, reasonable assurance would be provided.

23.12 The Head of Internal Audit invited the Head of Legal and Governance to provide an update on the Democratic Services audit. The Head of Legal and Governance informed Members that the Independent Remuneration Panel had reached the end of their review, albeit this was delayed over the summer holidays. Their report would be presented to Full Council in November 2025.

23.13 Noting that the Committee had received updates on the three areas with outstanding recommendations, the Chair invited the Committee to discuss other areas in the report.

23.14 A Member requested more information on the capacity of the risk team. The Head of Finance explained that risk sat within his role, but part of the redesign of the Finance team was to build an additional post into the team. A job description and person specification was being produced to provide the Head of Finance with that support and build in resilience.

23.15 In response to a question about the Non-Housing Commercial Property audit, the Head of Property and Economic Development confirmed that the published data had been updated, and this was available to view on the website.

23.16 Discussion ensued on the ‘reasonable’ assurance level given for risk management. A Member noted that one of the recommendations was to add inherent risk scores and controls in place, and queried why ‘reasonable’ assurance was given without controls in place. The Head of Internal Audit explained that the assurance level took numerous factors into account. She was comfortable with the ‘reasonable’ assurance level. The Head of Finance explained that officers were working with the Good Governance Institute to implement a new risk strategy and policy to reintroduce controls.

23.17 The Independent Member asked whether the Council had explored the use of commercial software, rather than manually maintaining the risk register. The Head of Finance explained that officers were aware of additional software, however, in conjunction with the Good Governance Institute, were looking to launch a new risk policy and strategy using Microsoft Excel software. The Independent Member commented that manually maintaining risk registers was time consuming.

23.18 **RESOLVED** to:

1) Review the progress with the delivery of the 2024/25 Internal Audit Plan.

24. Annual External Audit Plan 2024/25 – addendum

24.1 In the External Auditor’s absence, the Head of Finance introduced the report. He explained that the purpose of the report was to identify additional audit risks, particularly in relation to Lion Homes. He noted that officers had engaged in regular discussions with the External Auditor, Ernst & Young, and they were informed on group accounts. The Council had also engaged with Grant Thronton to support in ensuring the accounts for Lion Homes were consolidated. The Head of Finance highlighted the key audit risks around group accounting detailed on page 7 of Appendix A and the additional audit risks around value for money on page 12. There was an implication that there would be additional audit fees.

24.2 Members requested to discuss the item at the next meeting, with the External Auditor present. In the interim, Members agreed to send written questions to the Head of Finance to share with the External Auditor before the next meeting.

24.3 **RESOLVED** to:

1. Note the attached report from the Council's External Auditor.

2. Note the following actions:

   A) Members to send questions to the Head of Finance and the External Auditor in advance of the next meeting.

   B) Receive the report at the October 2025 meeting.

25. Audit Committee Annual Report 2024/25

25.1 The Head of Legal and Governance introduced the report, which covered the Audit Committee's work across the 2024/25 Civic Year. The report included a breakdown of the Committee's compliance with the CIPFA Position Statement and the results of the annual evaluation undertaken by the Committee.

25.2 In response to a Member's question, the Head of Legal and Governance clarified that, subject to the Committee's approval, the report would be presented to full Council in November. At the Council meeting, the Chair would present the report.

25.3 Discussion ensued on the level of detail included in the report. A Member thanked officers for the report, however, stated that it did not capture the discussions of the Audit Committee throughout the year. The Head of Legal and Governance explained that the breadth of the Audit Committee's discussions were captured in the minutes and offered to add links to the published minutes in the report. She explained that the report was structured as per the Audit Committee's previous request, however, officers would explore alternative formats going forward and look at other examples from different authorities. Other Members commented that the Audit Committee meetings were open to the public, live-streamed on YouTube and minutes were available, which ensured accessibility and transparency.

25.4 The Independent Member felt that the report was too long and proposed that a two-page Executive Summary was added, highlighting the difference that the Committee had made throughout the year.

25.5 The Independent Member highlighted that one action was missing from the action plan. Officers agreed to correct the plan in the version that would be submitted to full Council.

25.6 The Head of Legal and Governance provided an update on the process of recruiting a second Independent Member to the Committee. The Head of Legal and Governance and the Chair of the Committee had discussed this. She explained that the role would be advertised shortly, with the view to recruit a second Independent Member and a Member to replace the current Independent Member when his term ended in 2026.

25.7 **RESOLVED** to:

1) Approve the content of the Annual Report of the Audit Committee 2024-25 and recommend it to Council for adoption, subject to the following amendments:

A) Add hyperlinks to the published minutes of the 2024/25 Committee meetings.

B) Add a two-page Executive Summary to the start of the report.

C) Update the action plan to ensure it covers all actions presented to the Committee in 2024/25.

2) Agree to complete a Self-Assessment.

3) Approve for officers to resume the process of appointing a second Independent Member to the Committee, as recommended in the CIPFA Position Statement.

4) Request that from the 2025/26 Civic Year onwards, the Annual Report of the Audit Committee contains more detail about the discussions and actions escalated by the Committee.

26. Work Programme

26.1 The Senior Committee Officer introduced the report. She highlighted that a training session had been scheduled for the Audit Committee on Statement of Accounts. This was scheduled for 11th November, 4:30pm-6:30pm. The Chair encouraged all Members to attend.

26.2 The Chair discussed the Internal Audit Work Programme and asked the Head of Internal Audit about a procurement audit. The Head of Internal Audit explained that the procurement audit had started, and the contractor was speaking with officers about the scope of the audit. In response to a question from the Chair, the Head of Internal Audit also clarified that there was a planned maintenance audit in the audit plan for the current year. It was in the scoping phase.

26.3 Discussion ensued on the timing of reports to the Audit Committee. The Chair highlighted that previously, the Internal Auditor’s Annual Report and Opinion was received by the Committee over the summer period, however, it was scheduled for the October meeting in the current civic year. He stated that going forward, the report would be presented to the Committee earlier. The Executive Director of Resources agreed and wanted to ensure that senior officers were engaged in the report before it was received by the Committee.

26.4 A Member highlighted that at the May 2025 meeting, the Audit Committee had resolved to request that the Scrutiny Committee looked at legacy IT systems and nutrient neutrality as part of their work programme. He asked the Chair for an update on this. The Chair agreed that he would discuss the recommendations with the Chair of the Scrutiny Committee before the next meeting.

26.5 The Head of Finance highlighted the consultation on the scale fee for 25/26 audits. The Head of Finance would prepare a response on behalf of the Committee and share this with Members.

26.6 **RESOLVED** to:

1) Agree the Work Programme.

CHAIR